

expressed, that weaving also, in so far as it weaves value, has nothing to distinguish it from tailoring, and, consequently, is 'abstract human labour. It is the expression of equivalence between different sorts of commodities that alone brings into relief the specific character of value-creating labour, and this it does by actually reducing the different varieties of labour embodied in the different kinds of commodities to their common quality of human labour in the abstract.⁴

There is, however, something else required beyond the expression of the specific character of the labour of which the value of the linen consists. Human labour-power in motion, or human labour, creates value, but is not itself value. It becomes value only in its congealed state, when embodied in the form of some object. In order to express the value of the linen as a congelation of human labour, that value must be expressed as having objective existence, as being a something materially different from the linen itself, and yet a something common to the linen and all other commodities. The problem is already solved.

When occupying the position of equivalent in the equation of value, the coat ranks qualitatively as the equal of the linen, as something of the same kind, because it is value. In this position it is a thing in which we see nothing but value, or whose palpable bodily form represents value. Yet the coat itself, the body of the commodity, coat, is a mere use-value. A coat as such no more tells us it is value, than does the first piece of linen we take hold of. This shows that when placed in value-relation to the linen, the coat signifies more than when out of that relation, just as many a man strutting about in a gorgeous uniform counts for more than when in mufti.

In the production of the coat, human labour-power, in the shape of tailoring, must have been actually expended. Human labour is therefore accumulated in it. In this aspect the coat is a depository of value, but though worn to a thread, it does not let this fact show through. And as equivalent of the linen in the value equation, it exists under this aspect alone, counts therefore as embodied value, as a body that is value. A, for instance, cannot be "your majesty" to B, unless at the same time majesty in B's eyes assumes the

4. The celebrated Franklin, one of the first economists, after Wm. Petty, who saw through the nature of value, says: "Trade in general being nothing else but the exchange of labour for labour, the value of all things is . . . most justly measured by labour." ("The works of B. Franklin, &c.," edited by Sparks. Boston, 1836, Vol. II., p. 267.) Franklin is unconscious that by estimating the value of everything in

labour, he makes abstraction from any difference in the sorts of labour exchanged, and thus reduces them all to equal human labour. But although ignorant of this, yet he says it. He speaks first of "the one labour," then of "the other labour," and finally of "labour," without further qualification. as the substance of the value of everything. [Marx]

bodily form of A, and, what is more, with every new father of the people, changes its features, hair, and many other things besides.

Hence, in the value equation, in which the coat is the equivalent of the linen, the coat officiates as the form of value. The value of the commodity linen is expressed by the bodily form of the commodity coat, the value of one by the use-value of the other. As a use-value, the linen is something palpably different from the coat; as value, it is the same as the coat, and now has the appearance of a coat. Thus the linen acquires a value-form different from its physical form. The fact that it is value, is made manifest by its equality with the coat, just as the sheep's nature of a Christian is shown in his resemblance to the Lamb of God.

We see, then, all that our analysis of the value of commodities has already told us, is told us by the linen itself, so soon as it comes into communication with another commodity, the coat. Only it betrays its thoughts in that language with which alone it is familiar, the language of commodities. In order to tell us that its own value is created by labour in its abstract character of human labour, it 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. In order to inform us that its sublime reality as value is not the same as its buckram body, it says that value has the appearance of a coat, and consequently that so far as the linen is value, it and the coat are as like as two peas. We may here remark, that the language of commodities has, besides Hebrew, many other more or less correct dialects. The German "Wertsein," to be worth, for instance, expresses in a less striking manner than the Romance verbs "valere," "valer," "valoir," that the equating of commodity B to commodity A, is commodity A's own mode of expressing its value. *Paris vaut bien une messe.*

By means, therefore, of the value-relation expressed in our equation, the bodily form of commodity B becomes the value-form of commodity A, or the body of commodity B acts as a mirror to the value of commodity A.⁵ By putting itself in relation with commodity B, as value *in propria persona*, as the matter of which human labour is made up, the commodity A converts the value in use, B, into the substance in which to express its, A's, own value. The value of A, thus expressed in the use-value of B, has taken the form of relative value.

5. In a sort of way, it is with man as with commodities. Since he comes into the world neither with a looking glass in his hand, nor as a Fichtian philosopher, to whom "I am I" is sufficient, man first sees and recognises himself in other men. Peter only establishes his

own identity as a man by first comparing himself with Paul as being of like kind. And thereby Paul, just as he stands in his Pauline personality, becomes to Peter the type of the genus homo. [Marx]

b. Quantitative Determination of Relative Value

Every commodity, whose value it is intended to express, is a useful object of given quantity, as 15 bushels of corn, or 100 lbs. of coffee. And a given quantity of any commodity contains a definite quantity of human labour. The value-form must therefore not only express value generally, but also value in definite quantity. Therefore, in the value-relation of commodity A to commodity B, of the linen to the coat, not only is the latter, as value in general, made the equal in quality of the linen, but a definite quantity of coat (1 coat) is made the equivalent of a definite quantity (20 yards) of linen.

The equation, 20 yards of linen=1 coat, or 20 yards of linen are worth one coat, implies that the same quantity of value-substance (congealed labour) is embodied in both; that the two commodities have each cost the same amount of labour of the same quantity of labour-time. But the labour-time necessary for the production of 20 yards of linen or 1 coat varies with every change in the productiveness of weaving or tailoring. We have now to consider the influence of such changes on the quantitative aspect of the relative expression of value.

I. Let the value of the linen vary,⁶ that of the coat remaining constant. If, say in consequence of the exhaustion of flax-growing soil, the labour-time necessary for the production of the linen be doubled, the value of the linen will also be doubled. Instead of the equation, 20 yards of linen=1 coat, we should have 20 yards of linen=2 coats, since 1 coat would now contain only half the labour-time embodied in 20 yards of linen. If, on the other hand, in consequence, say, of improved looms, this labour-time be reduced by one-half, the value of the linen would fall by one-half. Consequently, we should have 20 yards of linen= $\frac{1}{2}$ coat. The relative value of commodity A, *i.e.*, its value expressed in commodity B, rises and falls directly as the value of A, the value of B being supposed constant.

II. Let the value of the linen remain constant, while the value of the coat varies. If, under these circumstances, in consequence, for instance, of a poor crop of wool, the labour-time necessary for the production of a coat becomes doubled, we have instead of 20 yards of linen=1 coat, 20 yards of linen= $\frac{1}{2}$ coat. If, on the other hand, the value of the coat sinks by one-half, then 20 yards of linen=2 coats. Hence, if the value of commodity A remain constant, its relative value expressed in commodity B rises and falls inversely as the value of B.

6. Value is here, as occasionally in the preceding pages, used in sense of value determined as to quantity, or of magnitude of value. [Marx]

If we compare the different cases in I. and II., we see that the same change of magnitude in relative value may arise from totally opposite causes. Thus, the equation, 20 yards of linen=1 coat, becomes 20 yards of linen=2 coats, either, because the value of the linen has doubled, or because the value of the coat has fallen by one-half; and it becomes 20 yards of linen= $\frac{1}{2}$ coat, either, because the value of the linen has fallen by one-half, or because the value of the coat has doubled.

III. Let the quantities of labour-time respectively necessary for the production of the linen and the coat vary simultaneously in the same direction and in the same proportion. In this case 20 yards of linen continue equal to 1 coat, however much their values may have altered. Their change of value is seen as soon as they are compared with a third commodity, whose value has remained constant. If the values of all commodities rose or fell simultaneously, and in the same proportion, their relative values would remain unaltered. Their real change of value would appear from the diminished or increased quantity of commodities produced in a given time.

IV. The labour-time respectively necessary for the production of the linen and the coat, and therefore the value of these commodities may simultaneously vary in the same direction, but at unequal rates, or in opposite directions, or in other ways. The effect of all these possible different variations, on the relative value of a commodity, may be deduced from the results of I., II., and III.

Thus real changes in the magnitude of value are neither unequivocally nor exhaustively reflected in their relative expression, that is, in the equation expressing the magnitude of relative value. The relative value of a commodity may vary, although its value remains constant. Its relative value may remain constant, although its value varies; and finally, simultaneous variations in the magnitude of value and in that of its relative expression by no means necessarily correspond in amount. * * *

Section 4. The Fetishism of Commodities and the Secret Thereof

A commodity appears, at first sight, a very trivial thing, and easily understood. Its analysis shows that it is, in reality, a very queer thing, abounding in metaphysical subtleties and theological niceties. So far as it is a value in use, there is nothing mysterious about it, whether we consider it from the point of view that by its properties it is capable of satisfying human wants, or from the point that those properties are the product of human labour. It is as clear as noon-day, that man, by his industry, changes the forms of the materials furnished by Nature, in such a way as to make them

useful to him. The form of wood, for instance, is altered, by making a table out of it. Yet, for all that, the table continues to be that common, every-day thing, wood. But, so soon as it steps forth as a commodity, it is changed into something transcendent. It not only stands with its feet on the ground, but, in relation to all other commodities, it stands on its head, and evolves out of its wooden brain grotesque ideas, far more wonderful than "table-turning" ever was.

The mystical character of commodities does not originate, therefore, in their use-value. Just as little does it proceed from the nature of the determining factors of value. For, in the first place, however varied the useful kinds of labour, or productive activities, may be, it is a physiological fact, that they are functions of the human organism, and that each such function, whatever may be its nature or form, is essentially the expenditure of human brain, nerves, muscles, &c. Secondly, with regard to that which forms the groundwork for the quantitative determination of value, namely, the duration of that expenditure, or the quantity of labour, it is quite clear that there is a palpable difference between its quantity and quality. In all states of society, the labour-time that it costs to produce the means of subsistence, must necessarily be an object of interest to mankind, though not of equal interest in different stages of development.⁷ And lastly, from the moment that men in any way work for one another, their labour assumes a social form.

Whence, then, arises the enigmatical character of the product of labour, so soon as it assumes the form of commodities? Clearly from this form itself. The equality of all sorts of human labour is expressed objectively by their products all being equally values; the measure of the expenditure of labour-power by the duration of that expenditure, takes the form of the quantity of value of the products of labour; and finally, the mutual relations of the producers, within which the social character of their labour affirms itself, take the form of a social relation between the products.

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. This is the reason why the products of labour become commodities, social things whose qualities are at the same time perceptible and imperceptible

7. Among the ancient Germans the unit for measuring land was what could be harvested in a day, and was called *Tagwerk*, *Tagwanne* (jurnale, or terra jurnal, or diornalis), *Mannsmaad*, &c.

(See G. L. von Maurer. "Einleitung zur Geschichte der Mark—, &c. *Verfassung*," München, 1854, p. 129 sq.) [*Marx*]

by the senses. In the same way the light from an object is perceived by us not as the subjective excitation of our optic nerve, but as the objective form of something outside the eye itself. But, in the act of seeing, there is at all events, an actual passage of light from one thing to another, from the external object to the eye. There is a physical relation between physical things. But it is different with commodities. There, the existence of the things *quâ* commodities, and the value-relation between the products of labour which stamps them as commodities, have absolutely no connexion with their physical properties and with the material relations arising therefrom. There it is a definite social relation between men, that assumes, in their eyes, the fantastic form of a relation between things. In order, therefore, to find an analogy, we must have recourse to the mist-enveloped regions of the religious world. In that world the productions of the human brain appear as independent beings endowed with life, and entering into relation both with one another and the human race. So it is in the world of commodities with the products of men's hands. 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.

This Fetishism of commodities has its origin, as the foregoing analysis has already shown, in the peculiar social character of the labour that produces them.

As a general rule, articles of utility become commodities, only because they are products of the labour of private individuals or groups of individuals who carry on their work independently of each other. The sum total of the labour of all these private individuals forms the aggregate labour of society. Since the producers do not come into social contact with each other until they exchange their products, the specific social character of each producer's labour does not show itself except in the act of exchange. In other words, the labour of the individual asserts itself as a part of the labour of society, only by means of the relations which the act of exchange establishes directly between the products, and indirectly, through them, between the producers. To the latter, therefore, the relations connecting the labour of one individual with that of the rest appear, not as direct social relations between individuals at work, but as what they really are, material relations between persons and social relations between things. It is only by being exchanged that the products of labour acquire, as values, one uniform social status, distinct from their varied forms of existence 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. From this moment 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. The equalisation of the most different kinds of labour can be the result only of an abstraction from their inequalities, or of reducing them to their common denominator, viz., expenditure of human labour-power or human labour in the abstract. The two-fold social character of the labour of the individual appears to him, when reflected in his brain, only under those forms which are impressed upon that labour in every-day practice by the exchange of products. In this way, the character that his own labour possesses of being socially useful takes the form of the condition, that the product must be not only useful, but useful for others, and the social character that his particular labour has of being the equal of all other particular kinds of labour, takes the form that all the physically different articles that are the products of labour, have one common quality, viz., that of having value.

Hence, when we bring the products of our labour into relation with each other as values, it is not because we see in these articles the material receptacles of homogeneous human labour. Quite the contrary: 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. It is value, rather, that converts every product into a social hieroglyphic. Later on, we try to decipher the hieroglyphic, to get behind the secret of our own social products; for to stamp an object of utility as a value, is just as much a social product as language. The recent scientific discovery, that the products of labour, so far as they are values, are but material expressions of the human labour spent in their production, marks, indeed, an epoch in the history of the development of the human race, but, by no means, dissipates the mist through which the social character of labour appears to us to be an objective character of the products themselves. The fact, that in the particular form of production with which we are dealing, viz., the production

of commodities, the specific social character of private labour carried on independently, consists in the equality of every kind of that labour, by virtue of its being human labour, which character, therefore, assumes in the product the form of value—this fact appears to the producers, notwithstanding the discovery above referred to, to be just as real and final, as the fact, that, after the discovery by science of the component gases of air, the atmosphere itself remained unaltered.

What, first of all, practically 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? When these proportions have, by custom, attained a certain stability, they appear to result from the nature of the products, so that, for instance, one ton of iron and two ounces of gold appear as naturally to be of equal value as a pound of gold and a pound of iron in spite of their different physical and chemical qualities appear to be of equal weight. The character of having value, when once impressed upon products, obtains fixity only by reason of their acting and re-acting upon each other as quantities of value. These quantities vary continually, independently of the will, foresight and action of the producers. To them, their own social action takes the form of the action of objects, which rule the producers instead of being ruled by them. It requires a fully developed production of commodities before, from accumulated experience alone, the scientific conviction springs up, that all the different kinds of private labour, which are carried on independently of each other, and yet as spontaneously developed branches of the social division of labour, are continually being reduced to the quantitative proportions in which society requires them. And why? Because, in the midst of all the accidental and ever fluctuating exchange-relations between the products, the labour-time socially necessary for their production forcibly asserts itself like an over-riding law of Nature. The law of gravity thus asserts itself when a house falls about our ears.⁸ The determination of the magnitude of value by labour-time is therefore a secret, hidden under the apparent fluctuations in the relative values of commodities. Its discovery, while removing all appearance of mere accidentality from the determination of the magnitude of the values of products, yet in no way alters the mode in which that determination takes place.

Man's reflections on the forms of social life, and consequently, also, his scientific analysis of those forms, take a course directly

8. "What are we to think of a law that asserts itself only by periodical revolutions? It is just nothing but a law of Nature, founded on the want of knowledge of those whose action is the sub-

ject of it." (Friedrich Engels: "Umriss zu einer Kritik der Nationalökonomie," in the "Deutsch-Französische Jahrbücher," edited by Arnold Ruge and Karl Marx. Paris, 1844.) [*Marx*]

opposite to that of their actual historical development. He begins, *post festum*, with the results of the process of development ready to hand before him. The characters that stamp products as commodities, and whose establishment is a necessary preliminary to the circulation of commodities, have already acquired the stability of natural, self-understood forms of social life, before man seeks to decipher, not their historical character, for in his eyes they are immutable, but their meaning. Consequently it was the analysis of the prices of commodities that alone led to the determination of the magnitude of value, and it was the common expression of all commodities in money that alone led to the establishment of their characters as values. It is, however, just this ultimate money-form of the world of commodities that actually conceals, instead of disclosing, the social character of private labour, and the social relations between the individual producers. When I state that coats or boots stand in a relation to linen, because it is the universal incarnation of abstract human labour, the absurdity of the statement is self-evident. Nevertheless, when the producers of coats and boots compare those articles with linen, or, what is the same thing, with gold or silver, as the universal equivalent, they express the relation between their own private labour and the collective labour of society in the same absurd form.

The categories of bourgeois economy consist of such like forms. They are forms of thought expressing with social validity the conditions and relations of a definite, historically determined mode of production, viz., the production of commodities. The whole mystery of commodities, all the magic and necromancy that surrounds the products of labour as long as they take the form of commodities, vanishes therefore, so soon as we come to other forms of production.

Since Robinson Crusoe's experiences are a favourite theme with political economists, let us take a look at him on his island. Moderate though he be, yet some few wants he has to satisfy, and must therefore do a little useful work of various sorts, such as making tools and furniture, taming goats, fishing and hunting. Of his prayers and the like we take no account, since they are a source of pleasure to him, and he looks upon them as so much recreation. In spite of the variety of his work, he knows that his labour, whatever its form, is but the activity of one and the same Robinson, and consequently, that it consists of nothing but different modes of human labour. Necessity itself compels him to apportion his time accurately between his different kinds of work. Whether one kind occupies a greater space in his general activity than another, depends on the difficulties, greater or less as the case may be, to be overcome in attaining the useful effect aimed at. This our friend

Robinson soon learns by experience, and having rescued a watch, ledger, and pen and ink from the wreck, commences, like a true-born Briton, to keep a set of books. His stock-book contains a list of the objects of utility that belong to him, of the operations necessary for their production; and lastly, of the labour-time that definite quantities of those objects have, on an average, cost him. All the relations between Robinson and the objects that form this wealth of his own creation, are here so simple and clear as to be intelligible without exertion, even to Mr. Sedley Taylor. And yet those relations contain all that is essential to the determination of value.

Let us now transport ourselves from Robinson's island bathed in light to the European middle ages shrouded in darkness. Here, instead of the independent man, we find everyone dependent, serfs and lords, vassals and suzerains, laymen and clergy. Personal dependence here characterises the social relations of production just as much as it does the other spheres of life organised on the basis of that production. But for the very reason that personal dependence forms the ground-work of society, there is no necessity for labour and its products to assume a fantastic form different from their reality. They take the shape, in the transactions of society, of services in kind and payments in kind. Here the particular and natural form of labour, and not, as in a society based on production of commodities, its general abstract form is the immediate social form of labour. Compulsory labour is just as properly measured by time, as commodity-producing labour, but every serf knows that what he expends in the service of his lord, is a definite quantity of his own personal labour-power. The tithe to be rendered to the priest is more matter of fact than his blessing. No matter, then, what we may think of the parts played by the different classes of people themselves in this society, the social relations between individuals in the performance of their labour, appear at all events as their own mutual personal relations, and are not disguised under the shape of social relations between the products of labour.

For an example of labour in common or directly associated labour, we have no occasion to go back to that spontaneously developed form which we find on the threshold of the history of all civilised races. We have one close at hand in the patriarchal industries of a peasant family, that produces corn, cattle, yarn, linen, and clothing for home use. These different articles are, as regards the family, so many products of its labour, but as between themselves, they are not commodities. The different kinds of labour, such as tillage, cattle tending, spinning, weaving and making clothes, which result in the various products, are in themselves, and such as they are, direct social functions, because functions of the family, which, just as much as a society based on the production of commodities,

possesses a spontaneously developed system of division of labour. The distribution of the work within the family, and the regulation of the labour-time of the several members, depend as well upon differences of age and sex as upon natural conditions varying with the seasons. The labour-power of each individual, by its very nature, operates in this case merely as a definite portion of the whole labour-power of the family, and therefore, the measure of the expenditure of individual labour-power by its duration, appears here by its very nature as a social character of their labour.

Let us now picture to ourselves, by way of change, a community of free individuals, carrying on their work with the means of production in common, in which the labour-power of all the different individuals is consciously applied as the combined labour-power of the community. All the characteristics of Robinson's labour are here repeated, but with this difference, that they are social, instead of individual. Everything produced by him was exclusively the result of his own personal labour, and therefore simply an object of use for himself. The total product of our community is a social product. One portion serves as fresh means of production and remains social. But another portion is consumed by the members as means of subsistence. A distribution of this portion amongst them is consequently necessary. The mode of this distribution will vary with the productive organisation of the community, and the degree of historical development attained by the producers. We will assume, but merely for the sake of a parallel with the production of commodities, that the share of each individual producer in the means of subsistence is determined by his labour-time. Labour-time would, in that case, play a double part. Its apportionment in accordance with a definite social plan maintains the proper proportion between the different kinds of work to be done and the various wants of the community. On the other hand, it also serves as a measure of the portion of the common labour borne by each individual, and of his share in the part of the total product destined for individual consumption. The social relations of the individual producers, with regard both to their labour and to its products, are in this case perfectly simple and intelligible, and that with regard not only to production but also to distribution.

The religious world is but the reflex of the real world. And for a society based upon the production of commodities, in which the producers in general enter into social relations with one another by treating their products as commodities and values, whereby they reduce their individual private labour to the standard of homogeneous human labour—for such a society, Christianity with its *cultus* of abstract man, more especially in its bourgeois developments, Protestantism, Deism, &c., is the most fitting form of reli-

gion. In the ancient Asiatic and other ancient modes of production, we find that the conversion of products into commodities, and therefore the conversion of men into producers of commodities, holds a subordinate place, which, however, increases in importance as the primitive communities approach nearer and nearer to their dissolution. Trading nations, properly so called, exist in the ancient world only in its interstices, like the gods of Epicurus in the Inter-mundia, or like Jews in the pores of Polish society. Those ancient social organisms of production are, as compared with bourgeois society, extremely simple and transparent. But they are founded either on the immature development of man individually, who has not yet severed the umbilical cord that unites him with his fellow-men in a primitive tribal community, or upon direct relations of subjection. They can arise and exist only when the development of the productive power of labour has not risen beyond a low stage, and when, therefore, the social relations within the sphere of material life, between man and man, and between man and Nature, are correspondingly narrow. This narrowness is reflected in the ancient worship of Nature, and in the other elements of the popular religions. The religious reflex of the real world can, in any case, only then finally vanish, when the practical relations of every-day life offer to man none but perfectly intelligible and reasonable relations with regard to his fellowmen and to Nature.

The life-process of society, which is based on the process of material production, does not strip off its mystical veil until it is treated as production by freely associated men, and is consciously regulated by them in accordance with a settled plan. This, however, demands for society a certain material ground-work or set of conditions of existence which in their turn are the spontaneous product of a long and painful process of development.

Political Economy has indeed analysed, however incompletely, value and its magnitude, and has discovered what lies beneath these forms. 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 formulæ, which bear it stamped upon them in unmistakeable letters that they belong to a state of society, in which the process of production has the mastery over man, instead of being controlled by him, such formulæ appear to the bourgeois intellect to be as much a self-evident necessity imposed by Nature as productive labour itself. Hence forms of social production that preceded the bourgeois form, are treated by the bourgeoisie in much the same way as the Fathers of the Church treated pre-Christian religions.

To what extent some economists are misled by the Fetishism inherent in commodities, or by the objective appearance of the

social characteristics of labour, is shown, amongst other ways, by the dull and tedious quarrel over the part played by Nature in the formation of exchange-value. Since exchange-value is a definite social manner of expressing the amount of labour bestowed upon object, Nature has no more to do with it, than it has in fixing the course of exchange.

The mode of production in which the product takes the form of a commodity, or is produced directly for exchange, is the most general and most embryonic form of bourgeois production. It therefore makes its appearance at an early date in history, though not in the same predominating and characteristic manner as now-a-days. Hence its Fetish character is comparatively easy to be seen through. But when we come to more concrete forms, even this appearance of simplicity vanishes. Whence arose the illusions of the monetary system? To it gold and silver, when serving as money, did not represent a social relation between producers but were natural objects with strange social properties. And modern economy, which looks down with such disdain on the monetary system, does not its superstition come out as clear as noon-day, whenever it treats of capital? How long is it since economy discarded the physiocratic illusion, that rents grow out of the soil and not out of society?

But not to anticipate, we will content ourselves with yet another example relating to the commodity-form. Could commodities themselves speak, they would say: Our use-value may be a thing that interests men. It is no part of us as objects. What, however, does belong to us as objects, is our value. Our natural intercourse as commodities proves it. In the eyes of each other we are nothing but exchange-values. Now listen how those commodities speak through the mouth of the economist. "Value"—(*i.e.*, exchange-value) "is a property of things, riches"—(*i.e.*, use-value) "of man. Value, in this sense, necessarily implies exchanges, riches do not." "Riches" (use-value) "are the attribute of men, value is the attribute of commodities. A man or a community is rich, a pearl or a diamond is valuable. . . . A pearl or a diamond is valuable" as a pearl or diamond. So far no chemist has ever discovered exchange-value either in a pearl or a diamond. The economic discoverers of this chemical element, who by-the-by lay special claim to critical acumen, find however that the use-value of objects belongs to them independently of their material properties, while their value, on the other hand, forms a part of them as objects. What confirms them in this view, is the peculiar circumstance that the use-value of objects is realised without exchange, by means of a direct relation between the objects and man, while, on the other hand, their value is realised only by exchange, that is, by means of a social process. Who fails here to call to mind our good friend, Dogberry, who informs

neighbour Seacoal, that, "To be a well-favoured man is the gift of fortune; but reading and writing comes by Nature."

Part II. The Transformation of Money into Capital

CHAPTER IV. THE GENERAL FORMULA FOR CAPITAL

The circulation of commodities is the starting-point of capital. The production of commodities, their circulation, and that more developed form of their circulation called commerce, these form the historical ground-work from which it rises. The modern history of capital dates from the creation in the 16th century of a world-embracing commerce and a world-embracing market.

If we abstract from the material substance of the circulation of commodities, that is, from the exchange of the various use-values, and consider only the economic forms produced by this process of circulation, we find its final result to be money: this final product of the circulation of commodities is the first form in which capital appears.

As a matter of history, capital, as opposed to landed property, invariably takes the form at first of money; it appears as moneyed wealth, as the capital of the merchant and of the usurer. But we have no need to refer to the origin of capital in order to discover that the first form of appearance of capital is money. We can see it daily under our very eyes. All new capital, to commence with, comes on the stage, that is, on the market, whether of commodities, labour, or money, even in our days, in the shape of money that by a definite process has to be transformed into capital.

The first distinction we notice between money that is money only, and money that is capital, is nothing more than a difference in their form of circulation.

The simplest form of the circulation of commodities is $C-M-C$, the transformation of commodities into money, and the change of the money back again into commodities; or selling in order to buy. But alongside of this form we find another specifically different form: $M-C-M$, the transformation of money into commodities, and the change of commodities back again into money; or buying in order to sell. Money that circulates in the latter manner is thereby transformed into, becomes capital, and is already potentially capital.

Now let us examine the circuit $M-C-M$ a little closer. It consists, like the other, of two antithetical phases. In the first phase, $M-C$, or the purchase, the money is changed into a commodity.

In the second phase, C—M, or the sale, the commodity is changed back again into money. The combination of these two phases constitutes the single movement whereby money is exchanged for a commodity, and the same commodity is again exchanged for money; whereby a commodity is bought in order to be sold, or, neglecting the distinction in form between buying and selling, whereby a commodity is bought with a commodity. The result, in which the phases of the process vanish, is the exchange of money for money, M—M. If I purchase 2,000 lbs. of cotton for £100, and resell the 2,000 lbs. of cotton for £110, I have, in fact, exchanged £100 for £110, money for money.

Now it is evident that the circuit M—C—M would be absurd and without meaning if the intention were to exchange by this means two equal sums of money, £100 for £100. The miser's plan would be far simpler and surer; he sticks to his £100 instead of exposing it to the dangers of circulation. And yet, whether the merchant who has paid £100 for his cotton sells it for £110, or lets it go for £100, or even £50, his money has, at all events, gone through a characteristic and original movement, quite different in kind from that which it goes through in the hands of the peasant who sells corn, and with the money thus set free buys clothes. We have therefore to examine first the distinguishing characteristics of the forms of the circuits M—C—M and C—M—C, and in doing this the real difference that underlies the mere difference of form will reveal itself.

Let us see, in the first place, what the two forms have in common.

Both circuits are resolvable into the same two antithetical phases, C—M, a sale, and M—C, a purchase. In each of these phases the same material elements—a commodity, and money, and the same economic dramatis personæ, a buyer and a seller—confront one another. Each circuit is the unity of the same two antithetical phases, and in each case this unity is brought about by the intervention of three contracting parties, of whom one only sells, another only buys, while the third both buys and sells.

What, however, first and foremost distinguishes the circuit C—M—C from the circuit M—C—M, is the inverted order of succession of the two phases. The simple circulation of commodities begins with a sale and ends with a purchase, while the circulation of money as capital begins with a purchase and ends with a sale. In the one case both the starting-point and the goal are commodities, in the other they are money. In the first form the movement is brought about by the intervention of money, in the second by that of a commodity.

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. By the purchase of his commodity he throws money into circulation, in order to withdraw it again by the sale of the same commodity. He lets the money go, but only with the sly intention of getting it back again. The money, therefore, is not spent, it is merely advance.

In the circuit $C—M—C$, the same piece of money changes its place twice. The seller gets it from the buyer and pays it away to another seller. The complete circulation, which begins with the receipt, concludes with the payment, of money for commodities. It is the very contrary in the circuit $M—C—M$. Here it is not the piece of money that changes its place twice, but the commodity. The buyer takes it from the hands of the seller and passes it into the hands of another buyer. Just as in the simple circulation of commodities the double change of place of the same piece of money effects its passage from one hand into another, so here the double change of place of the same commodity brings about the reflux of the money to its point of departure.

Such reflux is not dependent on the commodity being sold for more than was paid for it. This circumstance influences only the amount of the money that comes back. The reflux itself takes place, so soon as the purchased commodity is resold, in other words, so soon as the circuit $M—C—M$ is completed. We have here, therefore, a palpable difference between the circulation of money as capital, and its circulation as mere money.

The circuit $C—M—C$ comes completely to an end, so soon as the money brought in by the sale of one commodity is abstracted again by the purchase of another.

If, nevertheless, there follows a reflux of money to its starting-point, this can only happen through a renewal or repetition of the operation. If I sell a quarter of corn of £3, and with this £3 buy clothes, the money, so far as I am concerned, is spent and done with. It belongs to the clothes merchant. If I now sell a second quarter of corn, money indeed flows back to me, not however as a sequel to the first transaction, but in consequence of its repetition. The money again leaves me, so soon as I complete this second transaction by a fresh purchase. Therefore, in the circuit $C—M—C$, the expenditure of money has nothing to do with its reflux. On the other hand, in $M—C—M$, the reflux of the money is conditioned by the very mode of its expenditure. Without this reflux, the operation fails, or the process is interrupted and incomplete, owing to the absence of its complementary and final phase, the sale.

The circuit $C—M—C$ starts with one commodity, and finishes with another, which falls out of circulation and into consumption. Consumption, the satisfaction of wants, in one word, use-value, is its end and aim. The circuit $M—C—M$, on the contrary, com-

mences with money and ends with money. Its leading motive, and the goal that attracts it, is therefore mere exchange-value.

In the simple circulation of commodities, the two extremes of the circuit have the same economic form. They are both commodities, and commodities of equal value. But they are also use-values differing in their qualities, as, for example, corn and clothes. The exchange of products, of the different materials in which the labour of society is embodied, forms here the basis of the movement. It is otherwise in the circulation $M-C-M$, which at first sight appears purposeless, because tautological. Both extremes have the same economic form. They are both money, and therefore are not qualitatively different use-values; for money is but the converted form of commodities, in which their particular use-values vanish. To exchange £100 for cotton, and then this same cotton again for £110, is merely a roundabout way of exchanging money for money, the same for the same, and appears to be an operation just as purposeless as it is absurd. One sum of money is distinguishable from another only by its amount. The character and tendency of the process $M-C-M$, is therefore not due to any qualitative difference between its extremes, both being money, but solely to their quantitative difference. More money is withdrawn from circulation at the finish than was thrown into it at the start. The cotton that was bought for £100 is perhaps resold for $£100 + £10$ or £110. The exact form of this process is therefore $M-C-M'$, where $M' = M + \Delta M$ = the original sum advanced, plus an increment. This increment or excess over the original value I call "surplus-value." The value originally advanced, therefore, not only remains intact while in circulation, but adds to itself a surplus-value or expands itself. It is this movement that converts it into capital.

Of course, it is also possible, that in $C-M-C$, the two extremes $C-C$, say corn and clothes, may represent different quantities of value. The farmer may sell his corn above its value, or may buy the clothes at less than their value. He may, on the other hand, "be done" by the clothes merchant. Yet, in the form of circulation now under consideration, such differences in value are purely accidental. The fact that the corn and the clothes are equivalents, does not deprive the process of all meaning, as it does in $M-C-M$. The equivalence of their values is rather a necessary condition to its normal course.

The repetition or renewal of the act of selling in order to buy, is kept within bounds by the very object it aims at, namely, consumption or the satisfaction of definite wants, an aim that lies altogether outside the sphere of circulation. But when we buy in order to sell, we, on the contrary, begin and end with the same thing, money, exchange-value; and thereby the movement becomes interminable. No doubt, M becomes $M + \Delta M$, £100 become £110. But

when viewed in their qualitative aspect alone, £110 are the same as £100, namely money; and considered quantitatively, £110 is, like £100, a sum of definite and limited value. If now, the £110 be spent as money, they cease to play their part. They are no longer capital. Withdrawn from circulation, they become petrified into a hoard, and though they remained in that state till doomsday, not a single farthing would accrue to them. If, then, the expansion of value is once aimed at, there is just the same inducement to augment the value of the £110 as that of the £100; for both are but limited expressions for exchange-value, and therefore both have the same vocation to approach, by quantitative increase, as near as possible to absolute wealth. Momentarily, indeed, the value originally advanced, the £100, is distinguishable from the surplus-value of £10 that is annexed to it during circulation; but the distinction vanishes immediately. At the end of the process, we do not receive with one hand the original £100, and with the other, the surplus-value of £10. We simply get a value of £110, which is in exactly the same condition and fitness for commencing the expanding process, as the original £100 was. Money ends the movement only to begin it again.⁹ Therefore, the final result of every separate circuit, in which a purchase and consequent sale are completed, forms of itself the starting-point of a new circuit. The simple circulation of commodities—selling in order to buy—is a means of carrying out a purpose unconnected with circulation, namely, the appropriation of use-values, the satisfaction of wants. The circulation of money as capital is, on the contrary, 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.¹

9. "Capital is divisible . . . into the original capital and the profit, the increment to the capital . . . although in practice this profit is immediately turned into capital, and set in motion with the original." (F. Engels, "Umriss zu einer Kritik der Nationalökonomie, in the 'Deutsch-Französische Jahrbücher,'" edited by Arnold Ruge and Karl Marx." Paris, 1844, p. 99.) [Marx]

1. Aristotle opposes Oeconomic to Chrematistic. He starts from the former. So far as it is the art of gaining a livelihood, it is limited to procuring those articles that are necessary to existence, and useful either to a household or the state. "True wealth consists of such values in use; for the quantity of possessions of this kind, capable of making life pleasant, is not unlimited. There is, however, a second mode of acquiring things, to which we may by preference and with correctness give the name of Chrematistic, and in this case there appear to be no limits to riches and possessions. Trade (literally re-

tail trade, and Aristotle takes this kind because in it values in use predominate) does not in its nature belong to Chrematistic, for here the exchange has reference only to what is necessary to themselves (the buyer or seller)." Therefore, as he goes on to show, the original form of trade was barter, but with the extension of the latter, there arose the necessity for money. On the discovery of money, barter of necessity developed into trading in commodities, and this again, in opposition to its original tendency, grew into Chrematistic, into the art of making money. Now Chrematistic is distinguishable from Oeconomic in this way, that "in the case of Chrematistic circulation is the source of riches. And it appears to revolve about money, for money is the beginning and end of this kind of exchange. Therefore also riches, such as Chrematistic strives for, are unlimited. Just as every art that is not a means to an end, but an end in itself, has no limit to its aims, because it seeks constantly to approach nearer and nearer to that end, while those arts that

As the conscious representative of this movement, the possessor of money becomes a capitalist. His person, or rather his pocket, is the point from which the money starts and to which it returns. The expansion of value, which is the objective basis or main-spring of the circulation $M—C—M$, becomes his subjective aim, and it is only in so far as the appropriation of ever more and more wealth in the abstract becomes the sole motive of his operations, that he functions as a capitalist, that is, as capital personified and endowed with consciousness and a will. 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-ending process of profit-making alone is what he aims at. 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. The never-ending augmentation of exchange-value, which the miser strives after, by seeking to save his money from circulation, is attained by the more acute capitalist, by constantly throwing it afresh into circulation.

The independent form, *i.e.*, the money-form, which the value of commodities assumes in the case of simple circulation, serves only one purpose, namely, their exchange, and vanishes in the final result of the movement. On the other hand, in the circulation $M—C—M$, both the money and the commodity represent only different modes of existence of value itself, the money its general mode, and the commodity its particular, or, so to say, disguised mode. It is constantly changing from one form to the other without thereby becoming lost, and thus assumes an automatically active character. If now we take in turn each of the two different forms which self-expanding value successively assumes in the course of its life, we then arrive at these two propositions: Capital is money: Capital is commodities. In truth, however, value is here the active factor in a process, in which, while constantly assuming the form in turn of money and commodities, it at the same time changes in magnitude, differentiates itself by throwing off surplus-value from itself; the original value, in other words, expands spontaneously. For the movement, in the course of which it adds surplus-value, is its own movement, its expansion, therefore, is automatic expansion. Because it is value, it has acquired the occult quality of being able

pursue means to an end, are not boundless, since the goal itself imposes a limit upon them, so with Chrematistic, there are no bounds to its aims, these aims being absolute wealth. Oeconomic not Chrematistic has a limit . . . the object of the former is something different from money, of the latter the augmenta-

tion of money. . . . By confounding these two forms, which overlap each other, some people have been led to look upon the preservation and increase of money ad infinitum as the end and aim of Oeconomic." (Aristoteles, "De-Rep." edit. Bekker. lib. I. c. 8, 9. passim.) [*Marx*]

to add value to itself. It brings forth living offspring, or, at the least, lays golden eggs.

Value, therefore, being the active factor in such a process, and assuming at one time the form of money, at another that of commodities, but through all these changes preserving itself and expanding, it requires some independent form, by means of which its identity may at any time be established. And this form it possesses only in the shape of money. It is under the form of money that value begins and ends, and begins again, every act of its own spontaneous generation. It began by being £100, it is now £110, and so on. But the money itself is only one of the two forms of value. Unless it takes the form of some commodity, it does not become capital. There is here no antagonism, as in the case of hoarding, between the money and commodities. The capitalist knows that all commodities, however scurvy they may look, or however badly they may smell, are in faith and in truth money, inwardly circumcised Jews, and what is more, a wonderful means whereby out of money to make more money.

In simple circulation, $C-M-C$, the value of commodities attained at the most a form independent of their use-values, *i.e.*, the form of money; but that same value now in the circulation $M-C-M$, or the circulation of capital, suddenly presents itself as an independent substance, endowed with a motion of its own, passing through a life-process of its own, in which money and commodities are mere forms which it assumes and casts off in turn. Nay, more: instead of simply representing the relations of commodities, it enters now, so to say, into private relations with itself. It differentiates itself as original value from itself as surplus-value; as the father differentiates himself from himself quâ the son, yet both are one and of one age: for only by the surplus-value of £10 does the £100 originally advanced become capital, and so soon as this takes place, so soon as the son, and by the son, the father, is begotten, so soon does their difference vanish, and they again become one, £110.

Value therefore now becomes value in process, money in process, and, as such, capital. It comes out of circulation, enters into it again, preserves and multiplies itself within its circuit, comes back out of it with expanded bulk, and begins the same round ever afresh. $M-M'$, money which begets money, such is the description of Capital from the mouths of its first interpreters, the Mercantilists.

Buying in order to sell, or, more accurately, buying in order to sell dearer, $M-C-M'$, appears certainly to be a form peculiar to one kind of capital alone, namely merchants' capital. But industrial capital too is money, that is changed into commodities, and by the sale of these commodities, is re-converted into more money.

The events that take place outside the sphere of circulation, in the interval between the buying and selling, do not affect the form of this movement. Lastly, in the case of interest-bearing capital, the circulation $M—C—M'$ appears abridged. We have its result without the intermediate stage, in the form $M—M'$, “en style lapidaire” so to say, money that is worth more money, value that is greater than itself.

$M—C—M'$ is therefore in reality the general formula of capital as it appears *prima facie* within the sphere of circulation. * * *

CHAPTER VI. THE BUYING AND SELLING OF LABOUR-POWER

The change of value that occurs in the case of money intended to be converted into capital, cannot take place in the money itself, since in its function of means of purchase and of payment, it does no more than realise the price of the commodity it buys or pays for; and, as hard cash, it is value petrified, never varying. Just as little can it originate in the second act of circulation, the re-sale of the commodity, which does no more than transform the article from its bodily form back again into its money-form. The change must, therefore, take place in the commodity bought by the first act, $M—C$, but not in its value, for equivalents are exchanged, and the commodity is paid for at its full value. We are, therefore, forced to the conclusion that the change originates in the use-value, as such, of the commodity, *i.e.*, in its consumption. In order to be able to extract value from the consumption of a commodity, our friend, Moneybags, must be so lucky as to find, within the sphere of circulation, in the market, a commodity, whose use-value possesses the peculiar property of being a source of value, whose actual consumption, therefore, is itself an embodiment of labour, and consequently, a creation of value. The possessor of money does find on the market such a special commodity in capacity for labour or labour-power.

By labour-power or capacity for labour is to be understood the aggregate of those mental and physical capabilities existing in a human being, which he exercises whenever he produces a use-value of any description.

But in order that our owner of money may be able to find labour-power offered for sale as a commodity, various conditions must first be fulfilled. The exchange of commodities of itself implies no other relations of dependence than those which result from its own nature. On this assumption, labour-power can appear upon the

market as a commodity, only if, and so far as, its possessor, the individual whose labour-power it is, offers it for sale, or sells it, as a commodity. In order that he may be able to do this, he must have it at his disposal, must be the untrammelled owner of his capacity for labour, *i.e.*, of his person.² He and the owner of money meet in the market, and deal with each other as on the basis of equal rights, with this difference alone, that one is buyer, the other seller; both, therefore, equal in the eyes of the law. The continuance of this relation demands that the owner of the labour-power should sell it only for a definite period, for if he were to sell it rump and stump, once for all, he would be selling himself, converting himself from a free man into a slave, from an owner of a commodity into a commodity. He must constantly look upon his labour-power as his own property, his own commodity, and this he can only do by placing it at the disposal of the buyer temporarily, for a definite period of time. By this means alone can he avoid renouncing his rights of ownership over it.³

The second essential condition to the owner of money finding labour-power in the market as a commodity is this—that the labourer instead of being in the position to sell commodities in which his labour is incorporated, must be obliged to offer for sale as a commodity that very labour-power, which exists only in his living self.

In order that a man may be able to sell commodities other than labour-power, he must of course have the means of production, as raw material, implements, &c. No boots can be made without leather. He requires also the means of subsistence. Nobody—not even “a musician of the future”—can live upon future products, or upon use-values in an unfinished state; and ever since the first

2. In encyclopaedias of classical antiquities we find such nonsense as this—that in the ancient world capital was fully developed, “except that the free labourer and a system of credit was wanting.” Mommsen also, in his “History of Rome,” commits, in this respect, one blunder after another. [Marx]
3. Hence legislation in various countries fixes a maximum for labour-contracts. Wherever free labour is the rule, the laws regulate the mode of terminating this contract. In some States, particularly in Mexico (before the American Civil War, also in the territories taken from Mexico, and also, as a matter of fact, in the Danubian provinces till the revolution effected by Kusa), slavery is hidden under the form of *peonage*. By means of advances, repayable in labour, which are handed down from generation to generation, not only the individual labour-

er, but his family, become, *de facto*, the property of other persons and their families. Juarez abolished *peonage*. The so-called Emperor Maximilian re-established it by a decree, which, in the House of Representatives at Washington, was aptly denounced as a decree for the re-introduction of slavery into Mexico. “I may make over to another the use, for a limited time, of my particular bodily and mental aptitudes and capabilities; because, in consequence of this restriction, they are impressed with a character of alienation with regard to me as a whole. But by the alienation of all my labour-time and the whole of my work, I should be converting the substance itself, in other words, my general activity and reality, my person, into the property of another.” (Hegel, *Philosophie des Rechts*, Berlin, 1840, p. 104, § 67.) [Marx]

moment of his appearance on the world's stage, man always has been, and must still be a consumer, both before and while he is producing. In a society where all products assume the form of commodities, these commodities must be sold after they have been produced, it is only after their sale that they can serve in satisfying the requirements of their producer. The time necessary for their sale is superadded to that necessary for their production.

For the conversion of his money into capital, therefore, the owner of money must meet in the market with the free labourer, free in the double sense, that as a free man he can dispose of his labour-power as his own commodity, and that on the other hand he has no other commodity for sale, is short of everything necessary for the realisation of his labour-power.

The question why this free labourer confronts him in the market, has no interest for the owner of money, who regards the labour-market as a branch of the general market for commodities. And for the present it interests us just as little. We cling to the fact theoretically, as he does practically. One thing, however, is clear—Nature does not produce on the one side owners of money or commodities, and on the other men possessing nothing but their own labour-power. This relation has no natural basis, neither is its social basis one that is common to all historical periods. It is clearly the result of a past historical development, the product of many economic revolutions, of the extinction of a whole series of older forms of social production.

So, too, the economic categories, already discussed by us, bear the stamp of history. Definite historical conditions are necessary that a product may become a commodity. It must not be produced as the immediate means of subsistence of the producer himself. Had we gone further, and inquired under what circumstances all, or even the majority of products take the form of commodities, we should have found that this can only happen with production of a very specific kind, capitalist production. Such an inquiry, however, would have been foreign to the analysis of commodities. Production and circulation of commodities can take place, although the great mass of the objects produced are intended for the immediate requirements of their producers, are not turned into commodities, and consequently social production is not yet by a long way dominated in its length and breadth by exchange-value. The appearance of products as commodities pre-supposes such a development of the social division of labour, that the separation of use-value from exchange-value, a separation which first begins with barter, must already have been completed. But such a degree of development is common to many forms of society, which in other respects present the most varying historical features. On the other hand, if we consider

money, its existence implies a definite stage in the exchange of commodities. The particular functions of money which it performs, either as the mere equivalent of commodities, or as means of circulation, or means of payment, as hoard or as universal money, point, according to the extent and relative preponderance of the one function or the other, to very different stages in the process of social production. Yet we know by experience that a circulation of commodities relatively primitive, suffices for the production of all these forms. Otherwise with capital. The historical conditions of its existence are by no means given with the mere circulation of money and commodities. It can spring into life, only when the owner of the means of production and subsistence meets in the market with the free labourer selling his labour-power. And this one historical condition comprises a world's history. Capital, therefore, announces from its first appearance a new epoch in the process of social production.⁴

We must now examine more closely this peculiar commodity, labour-power. Like all others it has a value.⁵ How is that value determined?

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. So far as it has value, it represents no more than a definite quantity of the average labour of society incorporated in it. Labour-power exists only as a capacity, or power of the living individual. Its production consequently pre-supposes his existence. Given the individual, the production of labour-power consists in his reproduction of himself or his maintenance. For his maintenance he requires a given quantity of the means of subsistence. Therefore the labour-time requisite for the production of labour-power reduces itself to that necessary for the production of those means of subsistence; in other words, the value of labour-power is the value of the means of subsistence necessary for the maintenance of the labourer. Labour-power, however, becomes a reality only by its exercise; it sets itself in action only by working. But thereby a definite quantity of human muscle, nerve, brain, &c., is wasted, and these require to be restored. This increased expenditure demands a larger income.⁶ If the owner

4. The capitalist epoch is therefore characterised by this, that labour power takes in the eyes of the labourer himself the form of a commodity which is his property; his labour consequently becomes wage-labour. On the other hand, it is only from this moment that the produce of labour universally becomes a commodity. [*Marx*]

5. "The value or worth of a man, is as of all other things his price—that

is to say, so much as would be given for the use of his power." (Thomas Hobbes, *Leviathan*, in *Works*, ed. Molesworth, London, 1839–44, Vol. III, p. 76.) [*Marx*]

6. Hence the Roman *Villicus*, as overlooker of the agricultural slaves, received "more meagre fare than working slaves, because his work was lighter." (Theodor Mommsen, *Römisches Geschichte*, 1856, p. 810.) [*Marx*]

of labour-power works to-day, to-morrow he must again be able to repeat the same process in the same conditions as regards health and strength. His means of subsistence must therefore be sufficient to maintain him in his normal state as a labouring individual. His natural wants, such as food, clothing, fuel, and housing, vary according to the climatic and other physical conditions of his country. On the other hand, the number and extent of his so-called necessary wants, as also the modes of satisfying them, are themselves the product of historical development, and depend therefore to a great extent on the degree of civilization of a country, more particularly on the conditions under which, and consequently on the habits and degree of comfort in which, the class of free labourers has been formed.⁷ In contradistinction therefore to the case of other commodities, there enters into the determination of the value of labour-power a historical and moral element. Nevertheless, in a given country, at a given period, the average quantity of the means of subsistence necessary for the labourer is practically known.

The owner of labour-power is mortal. If then his appearance in the market is to be continuous, and the continuous conversion of money into capital assumes this, the seller of labour-power must perpetuate himself, "in the way that every living individual perpetuates himself, by procreation."⁸ The labour-power withdrawn from the market by wear and tear and death, must be continually replaced by, at the very least, an equal amount of fresh labour-power. Hence the sum of the means of subsistence necessary for the production of labour-power must include the means necessary for the labourer's substitutes, *i.e.*, his children, in order that this race of peculiar commodity-owners may perpetuate its appearance in the market.⁹

In order to modify the human organism, so that it may acquire skill and handiness in a given branch of industry, and become labour-power of a special kind, a special education or training is requisite, and this, on its part, costs an equivalent in commodities of a greater or less amount. This amount varies according to the more or less complicated character of the labour-power. The expenses of this education (excessively small in the case of ordinary labour-power), enter pro tanto into the total value spent in its production.

The value of labour-power resolves itself into the value of a

7. Compare W. T. Thornton, *Over-Population and Its Remedy*, London, 1846. [Marx]

8. Petty. [Marx]

9. "Its [labour's] natural price . . . consists in such a quantity of necessities and comforts of life, as, from the nature of the climate, and the habits

of the country, are necessary to support the labourer, and to enable him to rear such a family as may preserve, in the market, an undiminished supply of labour." (R. Torrens, *An Essay on the External Corn Trade*, London, 1815, p. 62.) The word *labour* is here wrongly used for *labour-power*. [Marx]

definite quantity of the means of subsistence. It therefore varies with the value of these means or with the quantity of labour requisite for their production.

Some of the means of subsistence, such as food and fuel, are consumed daily, and a fresh supply must be provided daily. Other such as clothes and furniture last for longer periods and require to be replaced only at longer intervals. One article must be bought or paid for daily, another weekly, another quarterly, and so on. But in whatever way the sum total of these outlays may be spread over the year, they must be covered by the average income, taking one day with another. If the total of the commodities required daily for the production of labour-power=A, and those required weekly=B, and those required quarterly=C, and so on, the daily average of these commodities=
$$\frac{365A+52B+4C+\&c.}{365}$$
 Suppose that in this mass of

commodities requisite for the average day there are embodied six hours of social labour, then there is incorporated daily in labour-power half a day's average social labour, in other words, half a day's labour is requisite for the daily production of labour-power. This quantity of labour forms the value of a day's labour-power or the value of the labour-power daily reproduced. If half a day's average social labour is incorporated in three shillings, then three shillings is the price corresponding to the value of a day's labour-power. If its owner therefore offers it for sale at three shillings a day, its selling price is equal to its value, and according to our supposition, our friend Moneybags, who is intent upon converting his three shillings into capital, pays this value.

The minimum limit of the value of labour-power is determined by the value of the commodities, without the daily supply of which the labourer cannot renew his vital energy, consequently by the value of those means of subsistence that are physically indispensable. If the price of labour-power fall to this minimum, it falls below its value, since under such circumstances it can be maintained and developed only in a crippled state. But the value of every commodity is determined by the labour-time requisite to turn it out so as to be normal quality.

It is a very cheap sort of sentimentality which declares this method of determining the value of labour-power, a method prescribed by the very nature of the case, to be a brutal method, and which wails with Rossi that, "To comprehend capacity for labour (*puissance de travail*) at the same time that we make abstraction from the means of subsistence of the labourers during the process of production, is to comprehend a phantom (*être de raison*). When we speak of labour, or capacity for labour, we speak at the same time of the labourer and his means of subsistence, of labourer and

wages.”¹ When we speak of capacity for labour, we do not speak of labour, any more than when we speak of capacity for digestion, we speak of digestion. The latter process requires something more than a good stomach. When we speak of capacity for labour, we do not abstract from the necessary means of subsistence. On the contrary, their value is expressed in its value. If his capacity for labour remains unsold, the labourer derives no benefit from it, but rather he will feel it to be a cruel nature-imposed necessity that this capacity has cost for its production a definite amount of the means of subsistence and that it will continue to do so for its reproduction. He will then agree with Sismondi: “that capacity for labour . . . is nothing unless it is sold.”²

One consequence of the peculiar nature of labour-power as a commodity is, that its use-value does not, on the conclusion of the contract between the buyer and seller, immediately pass into the hands of the former. Its value, like that of every other commodity, is already fixed before it goes into circulation, since a definite quantity of social labour has been spent upon it; but its use-value consists in the subsequent exercise of its force. The alienation of labour-power and its actual appropriation by the buyer, its employment as a use-value, are separated by an interval of time. But in those cases in which the formal alienation by sale of the use-value of a commodity, is not simultaneous with its actual delivery to the buyer, the money of the latter usually functions as means of payment. In every country in which the capitalist mode of production reigns, it is the custom not to pay for labour-power before it has been exercised for the period fixed by the contract, as for example, the end of each week. In all cases, therefore, the use-value of the labour-power is advanced to the capitalist: the labourer allows the buyer to consume it before he receives payment of the price; he everywhere gives credit to the capitalist. That this credit is no mere fiction, is shown not only by the occasional loss of wages on the bankruptcy of the capitalist, but also by a series of more enduring consequences. Nevertheless, whether money serves as means of purchase or as a means of payment, this makes no alteration in the nature of the exchange of commodities. The price of the labour-power is fixed by the contract, although it is not realised till later, like the rent of a house. The labour-power is sold, although it is only paid for at a later period. It will, therefore, be useful, for a clear comprehension of the relation of the parties, to assume provisionally, that the possessor of labour-power, on the occasion of each sale, immediately receives the price stipulated to be paid for it.

We now know how the value paid by the purchaser to the posses-

1. Rossi, *Cours d'Econ. Polit.*, Bruxelles, 1842, p. 370. [Marx]

2. Sismondi, *Nouv. Princ. etc.*, Vol. I, p. 112. [Marx]

sor of the peculiar commodity, labour-power, is determined. The use-value which the former gets in exchange, manifests itself only in the actual usufruct, in the consumption of the labour-power. The money-owner buys everything necessary for this purpose, such as raw material, in the market, and pays for it at its full value. The consumption of labour-power is at one and the same time the production of commodities and of surplus-value. The consumption of labour-power is completed, as in the case of every other commodity, outside the limits of the market or of the sphere of circulation. Accompanied by Mr. Moneybags and by the possessor of labour-power, we therefore take leave for a time of this noisy sphere, where everything takes place on the surface and in view of all men, and follow them both into the hidden abode of production, on whose threshold there stares us in the face "No admittance except on business." Here we shall see, not only how capital produces, but how capital is produced. We shall at last force the secret of profit making.

This sphere that we are deserting, within whose boundaries the sale and purchase of labour-power goes on, is in fact a very Eden of the innate rights of man. There alone rule Freedom, Equality, Property and Bentham. Freedom, because both buyer and seller of a commodity, say of labour-power, are constrained only by their own free will. They contract as free agents, and the agreement they come to, is but the form in which they give legal expression to their common will. Equality, because each enters into relation with the other, as with a simple owner of commodities, and they exchange equivalent for equivalent. Property, because each disposes only of what is his own. And Bentham, because because each looks only to himself. The only force that brings them together and puts them in relation with each other, is the selfishness, the gain and the private interests of each. Each looks to himself only, and no one troubles himself about the rest, and just because they do so, do they all, in accordance with the preestablished harmony of things, or under the auspices of an all-shrewd providence, work together to their mutual advantage, for the common weal and in the interest of all.

On leaving this sphere of simple circulation or of exchange of commodities, which furnishes the "Free-trader *Vulgaris*" with his views and ideas, and with the standard by which he judges a society based on capital and wages, we think we can perceive a change in the physiognomy of our *dramatis personæ*. He, who before was the money-owner, now strides in front as capitalist; the possessor of labour-power follows as his labourer. The one with an air of importance, smirking, intent on business; the other, timid and holding back, like one who is bringing his own hide to market and has nothing to expect but—a hiding.

Part III. The Production of Absolute Surplus-Value

CHAPTER VII. THE LABOUR-PROCESS AND THE
PROCESS OF PRODUCING SURPLUS-VALUE*Section 1. The Labour-Process or the Production of Use-Values*

The capitalist buys labour-power in order to use it; and labour-power in use is labour itself. The purchaser of labour-power consumes it by setting the seller of it to work. By working, the latter becomes actually, what before he only was potentially, labour-power in action, a labourer. In order that his labour may re-appear in a commodity, he must, before all things, expend it on something useful, on something capable of satisfying a want of some sort. Hence, what the capitalist sets the labourer to produce, is a particular use-value, a specified article. The fact that the production of use-values or goods, is carried on under the control of a capitalist and on his behalf, does not alter the general character of that production. We shall, therefore, in the first place, have to consider the labour-process independently of the particular form it assumes under given social conditions.

Labour is, in the first place, a process in which both man and Nature participate, and in which man of his own accord starts, regulates, and controls the material re-actions between himself and Nature. He opposes himself to Nature as one of her own forces, setting in motion arms and legs, head and hands, the natural forces of his body, in order to appropriate Nature's productions in a form adapted to his own wants. By thus acting on the external world and changing it, he at the same time changes his own nature. He develops his slumbering powers and compels them to act in obedience to his sway. We are not now dealing with those primitive instinctive forms of labour that remind us of the mere animal. An immeasurable interval of time separates the state of things in which a man brings his labour-power to market for sale as a commodity, from that state in which human labour was still in its first instinctive stage. We pre-suppose labour in a form that stamps it as exclusively human. A spider conducts operations that resemble those of a weaver, and a bee puts to shame many an architect in the construction of her cells. But what distinguishes the worst architect from the best of bees is this, that the architect raises his structure in imagination before he erects it in reality. At the end of every labour-

process, we get a result that already existed in the imagination of the labourer at its commencement. He not only effects a change of form in the material on which he works, but he also realises a purpose of his own that gives the law to his *modus operandi*, and to which he must subordinate his will. And this subordination is no mere momentary act. Besides the exertion of the bodily organs, the process demands that, during the whole operation, the workman's will be steadily in consonance with his purpose. This means close attention. The less he is attracted by the nature of the work, and the mode in which it is carried on, and the less, therefore, he enjoys it as something which gives play to his bodily and mental powers, the more close his attention is forced to be.

The elementary factors of the labour-process are (1), the personal activity of man, *i.e.*, work itself, (2), the subject of that work, and (3), its instruments.

The soil (and this, economically speaking, includes water) in the virgin state in which it supplies man with necessities or the means of subsistence ready to hand, exists independently of him, and is the universal subject of human labour. All those things which labour merely separates from immediate connexion with their environment, are subjects of labour spontaneously provided by Nature. Such are fish which we catch and take from their element, water, timber which we fell in the virgin forest, and ores which we extract from their veins. If, on the other hand, the subject of labour has, so to say, been filtered through previous labour, we call it raw material; such is ore already extracted and ready for washing. All raw material is the subject of labour, but not every subject of labour is raw material: it can only become so, after it has undergone some alteration by means of labour.

An instrument of labour is a thing, or a complex of things, which the labourer interposes between himself and the subject of his labour, and which serves as the conductor of his activity. He makes use of the mechanical, physical, and chemical properties of some substances in order to make other substances subservient to his aims.³ Leaving out of consideration such ready-made means of subsistence as fruits, in gathering which a man's own limbs serve as the instruments of his labour, the first thing of which the labourer possesses himself is not the subject of labour but its instrument. Thus Nature becomes one of the organs of his activity, one that he annexes to his own bodily organs, adding stature to himself in spite

3. "Reason is just as cunning as she is powerful. Her cunning consists principally in her mediating activity, which, by causing objects to act and re-act on each other in accordance with their

own nature, in this way, without any direct interference in the process, carries out reason's intentions." (Hegel: "Enzyklopädie, Erster Theil, Die Logik," Berlin, 1840, p. 382.) [Marx]

of the Bible. As the earth is his original larder, so too it is his original tool house. It supplies him, for instance, with stones for throwing, grinding, pressing, cutting, &c. The earth itself is an instrument of labour, but when used as such in agriculture implies a whole series of other instruments and a comparatively high development of labour. No sooner does labour undergo the least development, than it requires specially prepared instruments. Thus in the oldest caves we find stone implements and weapons. In the earliest period of human history domesticated animals, *i.e.*, animals which have been bred for the purpose, and have undergone modifications by means of labour, play the chief part as instruments of labour along with specially prepared stones, wood, bones, and shells. The use and fabrication of instruments of labour, although existing in the germ among certain species of animals, is specifically characteristic of the human labour-process, and Franklin therefore defines man as a tool-making animal. Relics of bygone instruments of labour possess the same importance for the investigation of extinct economic forms of society, as do fossil bones for the determination of extinct species of animals. It is not the articles made, but how they are made, and by what instruments, that enables us to distinguish different economic epochs. Instruments of labour not only supply a standard of the degree of development to which human labour has attained, but they are also indicators of the social conditions under which that labour is carried on. Among the instruments of labour, those of a mechanical nature, which, taken as a whole, we may call the bone and muscles of production, offer much more decided characteristics of a given epoch of production, than those which, like pipes, tubs, baskets, jars, &c., serve only to hold the materials for labour, which latter class, we may in a general way, call the vascular system of production. The latter first begins to play an important part in the chemical industries.

In a wider sense we may include among the instruments of labour, in addition to those things that are used for directly transferring labour to its subject, and which therefore, in one way or another, serve as conductors of activity, all such objects as are necessary for carrying on the labour-process. These do not enter directly into the process, but without them it is either impossible for it to take place at all, or possible only to a partial extent. Once more we find the earth to be a universal instrument of this sort, for it furnishes a locus standi to the labourer and a field of employment for his activity. Among instruments that are the result of previous labour and also belong to this class, we find workshops, canals, roads, and so forth.

In the labour-process, therefore, man's activity, with the help of

the instruments of labour, effects an alteration, designed from the commencement, in the material worked upon. The process disappears in the product; the latter is a use-value, Nature's material adapted by a change of form to the wants of man. Labour has incorporated itself with its subject: the former is materialised, the latter transformed. That which in the labourer appeared as movement, now appears in the product as a fixed quality without motion. The blacksmith forges and the product is a forging.

If we examine the whole process from the point of view of its result, the product, it is plain that both the instruments and the subject of labour, are means of production, and that the labour itself is productive labour.

Though a use-value, in the form of a product, issues from the labour-process, yet other use-values, products of previous labour, enter into it as means of production. The same use-value is both the product of a previous process, and a means of production in a later process. Products are therefore not only results, but also essential conditions of labour.

With the exception of the extractive industries, in which the material for labour is provided immediately by Nature, such as mining, hunting, fishing, and agriculture (so far as the latter is confined to breaking up virgin soil), all branches of industry manipulate raw material, objects already filtered through labour, already products of labour. Such is seed in agriculture. Animals and plants, which we are accustomed to consider as products of Nature, are in their present form, not only products of, say last year's labour, but the result of a gradual transformation, continued through many generations, under man's superintendence, and by means of his labour. But in the great majority of cases, instruments of labour show even to the most superficial observer, traces of the labour of past ages.

Raw material may either form the principal substance of a product, or it may enter into its formation only as an accessory. An accessory may be consumed by the instruments of labour, as coal under a boiler, oil by a wheel, hay by draft-horses, or it may be mixed with the raw material in order to produce some modification thereof, as chlorine into unbleached linen, coal with iron, dye-stuff with wool, or again, it may help to carry on the work itself, as in the case of the materials used for heating and lighting workshops. The distinction between principal substance and accessory vanishes in the true chemical industries, because there none of the raw material re-appears, in its original composition, in the substance of the product.

Every object possesses various properties, and is thus capable of

being applied to different uses. One and the same product may therefore serve as raw material in very different processes. Corn, for example, is a raw material for millers, starch-manufacturers, distillers, and cattle-breeders. It also enters as raw material into its own production in the shape of seed; coal, too, is at the same time the product of, and a means of production in, coal-mining.

Again, a particular product may be used in one and the same process, both as an instrument of labour and as raw material. Take, for instance, the fattening of cattle, where the animal is the raw material, and at the same time an instrument for the production of manure.

A product, though ready for immediate consumption, may yet serve as raw material for a further product, as grapes when they become the raw material for wine. On the other hand, labour may give us its product in such a form, that we can use it only as raw material, as is the case with cotton, thread, and yarn. Such a raw material, though itself a product, may have to go through a whole series of different processes: in each of these in turn, it serves, with constantly varying form, as raw material, until the last process of the series leaves it a perfect product, ready for individual consumption, or for use as an instrument of labour.

Hence we see, that whether a use-value is to be regarded as raw material, as instrument of labour, or as product, this is determined entirely by its function in the labour-process, by the position it there occupies: as this varies, so does its character.

Whenever therefore a product enters as a means of production into a new labour-process, it thereby loses its character of product, and becomes a mere factor in the process. A spinner treats spindles only as implements for spinning, and flax only as the material that he spins. Of course it is impossible to spin without material and spindles; and therefore the existence of these things as products, at the commencement of the spinning operation, must be presumed: but in the process itself, the fact that they are products of previous labour, is a matter of utter indifference; just as in the digestive process, it is of no importance whatever, that bread is the produce of the previous labour of the farmer, the miller, and the baker. On the contrary, it is generally by their imperfections as products, that the means of production in any process assert themselves in their character of products. A blunt knife or weak thread forcibly remind us of Mr. A., the cutler, or Mr. B., the spinner. In the finished product the labour by means of which it has acquired its useful qualities is not palpable, has apparently vanished.

A machine which does not serve the purposes of labour, is useless. In addition, it falls a prey to the destructive influence of

natural forces. Iron rusts and wood rots. Yarn with which we neither weave nor knit, is cotton wasted. Living labour must seize upon these things and rouse them from their death-sleep, change them from mere possible use-values into real and effective ones. Bathed in the fire of labour, appropriated as part and parcel of labour's organism, and, as it were, made alive for the performance of their functions in the process, they are in truth consumed, but consumed with a purpose, as elementary constituents of new use-values, of new products, ever ready as means of subsistence for individual consumption, or as means of production for some new labour-process.

If then, on the one hand, finished products are not only results, but also necessary conditions, of the labour-process, on the other hand, their assumption into that process, their contact with living labour, is the sole means by which they can be made to retain their character of use-values, and be utilised.

Labour uses up its material factors, its subject and its instruments, consumes them, and is therefore a process of consumption. Such productive consumption is distinguished from individual consumption by this, that the latter uses up products, as means of subsistence for the living individual; the former, as means whereby alone, labour, the labour-power of the living individual, is enabled to act. The product, therefore, of individual consumption, is the consumer himself; the result of productive consumption, is a product distinct from the consumer.

In so far then, as its instruments and subjects are themselves products, labour consumes products in order to create products, or in other words, consumes one set of products by turning them into means of production for another set. But, just as in the beginning, the only participators in the labour-process were man and the earth, which latter exists independently of man, so even now we still employ in the process many means of production, provided directly by Nature, that do not represent any combination of natural substances with human labour.

The labour-process, resolved as above into its simple elementary factors, is human action with a view to the production of use-values, appropriation of natural substances to human requirements; it is the necessary condition for effecting exchange of matter between man and Nature; it is the everlasting Nature-imposed condition of human existence, and therefore is independent of every social phase of that existence, or rather, is common to every such phase. It was, therefore, not necessary to represent our labourer in connexion with other labourers; man and his labour on one side, Nature and its materials on the other, sufficed. As the taste of the

porridge does not tell you who grew the oats, no more does this simple process tell you of itself what are the social conditions under which it is taking place, whether under the slave-owner's brutal lash, or the anxious eye of the capitalist, whether Cincinnatus carries it on in tilling his modest farm or a savage in killing wild animals with stones.

Let us now return to our would-be capitalist. We left him just after he had purchased, in the open market, all the necessary factors of the labour-process; its objective factors, the means of production, as well as its subjective factor, labour-power. With the keen eye of an expert, he has selected the means of production and the kind of labour-power best adapted to his particular trade, be it spinning, bootmaking, or any other kind. He then proceeds to consume the commodity, the labour-power that he has just bought, by causing the labourer, the impersonation of that labour-power, to consume the means of production by his labour. The general character of the labour-process is evidently not changed by the fact, that the labourer works for the capitalist instead of for himself; moreover, the particular methods and operations employed in bootmaking or spinning are not immediately changed by the intervention of the capitalist. He must begin by taking the labour-power as he finds it in the market, and consequently be satisfied with labour of such a kind as would be found in the period immediately preceding the rise of capitalists. Changes in the methods of production by the subordination of labour to capital, can take place only at a later period, and therefore will have to be treated of in a later chapter.

The labour-process, turned into the process by which the capitalist consumes labour-power, exhibits two characteristic phenomena. First, the labourer works under the control of the capitalist to whom his labour belongs; the capitalist taking good care that the work is done in a proper manner, and that the means of production are used with intelligence, so that there is no unnecessary waste of raw material, and no wear and tear of the implements beyond what is necessarily caused by the work.

Secondly, the product is the property of the capitalist and not that of the labourer, its immediate producer. Suppose that a capitalist pays for a day's labour-power at its value; then the right to use that power for a day belongs to him, just as much as the right to use any other commodity, such as a horse that he has hired for the day. To the purchaser of a commodity belongs its use, and the seller of labour-power, by giving his labour, does no more, in reality, than part with the use-value that he has sold. From the instant he steps into the workshop, the use-value of his labour-power, and therefore also its use, which is labour, belongs to the capitalist. By the purchase of labour-power, the capitalist incorporates labour, as

a living ferment, with the lifeless constituents of the product. From his point of view, the labour-process is nothing more than the consumption of the commodity purchased, *i.e.*, of labour-power; but this consumption cannot be effected except by supplying the labour-power with the means of production. The labour-process is a process between things that the capitalist has purchased, things that have become his property. The product of this process belongs, therefore, to him, just as much as does the wine which is the product of a process of fermentation completed in his cellar.

Section 2. The Production of Surplus-Value

The product appropriated by the capitalist is a use-value, as yarn, for example, or boots. But, although boots are, in one sense, the basis of all social progress, and our capitalist is a decided “progressist,” yet he does not manufacture boots for their own sake. Use-value is, by no means, the thing “qu’on aime pour lui-même” in the production of commodities. Use-values are only produced by capitalists, because, and in so far as, they are the material substratum, the depositories of exchange-value. Our capitalist has two objects in view: in the first place, he wants to produce a use-value, that has a value in exchange, that is to say, an article destined to be sold, a commodity; and secondly, he desires to produce a commodity whose value shall be greater than the sum of the values of the commodities used in its production, that is, of the means of production and the labour-power, that he purchased with his good money in the open market. His aim is to produce not only a use-value, but a commodity also; not only use-value, but value; not only value, but at the same time surplus-value.

It must be borne in mind, that we are now dealing with the production of commodities, and that, up to this point, we have only considered one aspect of the process. Just as commodities are, at the same time, use-values and values, so the process of producing them must be a labour-process, and at the same time, a process of creating value.

Let us now examine production as a creation of value.

We know that the value of each commodity is determined by the quantity of labour expended on and materialised in it, by the working-time necessary, under given social conditions, for its production. This rule also holds good in the case of the product that accrued to our capitalist, as the result of the labour-process carried on for him. Assuming this product to be 10 lbs. of yarn, our first step is to calculate the quantity of labour realised in it.

For spinning the yarn, raw material is required; suppose in this

case 10 lbs. of cotton. We have no need at present to investigate the value of this cotton, for our capitalist has, we will assume, bought it at its full value, say of ten shillings. In this price the labour required for the production of the cotton is already expressed in terms of the average labour of society. We will further assume that the wear and tear of the spindle, which, for our present purpose, may represent all other instruments of labour employed, amounts to the value of 2s. If, then, twenty-four hours' labour, or two working-days are required to produce the quantity of gold represented by twelve shillings, we have here, to begin with, two days' labour already incorporated in the yarn.

We must not let ourselves be misled by the circumstance that the cotton has taken a new shape while the substance of the spindle has to a certain extent been used up. By the general law of value, if the value of 40 lbs. of yarn = the value of 40 lbs. of cotton + the value of a whole spindle, *i.e.*, if the same working-time is required to produce the commodities on either side of this equation, then 10 lbs. of yarn are an equivalent for 10 lbs. of cotton, together with one-fourth of a spindle. In the case we are considering the same working-time is materialised in the 10 lbs. of yarn on the one hand, and in the 10 lbs. of cotton and the fraction of a spindle on the other. Therefore, whether value appears in cotton, in a spindle, or in yarn, makes no difference in the amount of that value. The spindle and cotton, instead of resting quietly side by side, join together in the process, their forms are altered, and they are turned into yarn; but their value is no more affected by this fact than it would be if they had been simply exchanged for their equivalent in yarn.

The labour required for the production of the cotton, the raw material of the yarn, is part of the labour necessary to produce the yarn, and is therefore contained in the yarn. The same applies to the labour embodied in the spindle, without whose wear and tear the cotton could not be spun.

Hence, in determining the value of the yarn, or the labour-time required for its production, all the special processes carried on at various times and in different places, which were necessary, first to produce the cotton and the wasted portion of the spindle, and then with the cotton and spindle to spin the yarn, may together be looked on as different and successive phases of one and the same process. The whole of the labour in the yarn is past labour; and it is a matter of no importance that the operations necessary for the production of its constituent elements were carried on at times which, referred to the present, are more remote than the final operation of spinning. If a definite quantity of labour, say thirty days, is requisite to build a house, the total amount of labour incorporated in it is not altered by the fact that the work of the last day is done

twenty-nine days later than that of the first. Therefore the labour contained in the raw material and the instruments of labour can be treated just as if it were labour expended in an earlier stage of the spinning process, before the labour of actual spinning commenced.

The values of the means of production, *i.e.*, the cotton and the spindle, which values are expressed in the price of twelve shillings, are therefore constituent parts of the value of the yarn, or, in other words, of the value of the product.

Two conditions must nevertheless be fulfilled. First, the cotton and spindle must concur in the production of a use-value; they must in the present case become yarn. Value is independent of the particular use-value by which it is borne, but it must be embodied in a use-value of some kind. Secondly, the time occupied in the labour of production must not exceed the time really necessary under the given social conditions of the case. Therefore, if no more than 1 lb. of cotton be requisite to spin 1 lb. of yarn, care must be taken that no more than this weight of cotton is consumed in the production of 1 lb. of yarn; and similarly with regard to the spindle. Though the capitalist have a hobby, and use a gold instead of a steel spindle, yet the only labour that counts for anything in the value of the yarn is that which would be required to produce a steel spindle, because no more is necessary under the given social conditions.

We now know what portion of the value of the yarn is owing to the cotton and the spindle. It amounts to twelve shillings or the value of two days' work. The next point for our consideration is, what portion of the value of the yarn is added to the cotton by the labour of the spinner.

We have now to consider this labour under a very different aspect from that which it had during the labour-process; there, we viewed it solely as that particular kind of human activity which changes cotton into yarn; there, the more the labour was suited to the work, the better the yarn, other circumstances remaining the same. The labour of the spinner was then viewed as specifically different from other kinds of productive labour, different on the one hand in its special aim, *viz.*, spinning, different, on the other hand, in the special character of its operations, in the special nature of its means of production and in the special use-value of its product. For the operation of spinning, cotton and spindles are a necessity, but for making rifled cannon they would be of no use whatever. Here, on the contrary, where we consider the labour of the spinner only so far as it is value-creating, *i.e.*, a source of value, his labour differs in no respect from the labour of the man who bores cannon, or (what here more nearly concerns us), from the labour of the cotton-planter and spindle-maker incorporated in the means of produc-

tion. It is solely by reason of this identity, that cotton planting, spindle making and spinning, are capable of forming the component parts, differing only quantitatively from each other, of one whole, namely, the value of the yarn. Here, we have nothing more to do with the quality, the nature and the specific character of the labour, but merely with its quantity. And this simply requires to be calculated. We proceed upon the assumption that spinning is simple, unskilled labour, the average labour of a given state of society. Hereafter we shall see that the contrary assumption would make no difference.

While the labourer is at work, his labour constantly undergoes a transformation: from being motion, it becomes an object without motion; from being the labourer working, it becomes the thing produced. At the end of one hour's spinning, that act is represented by a definite quantity of yarn; in other words, a definite quantity of labour, namely that of one hour, has become embodied in the cotton. We say labour, *i.e.*, the expenditure of his vital force by the spinner, and not spinning labour, because the special work of spinning counts here, only so far as it is the expenditure of labour-power in general, and not in so far as it is the specific work of the spinner.

In the process we are now considering it is of extreme importance, that no more time be consumed in the work of transforming the cotton into yarn than is necessary under the given social conditions. If under normal, *i.e.*, average social conditions of production, a pounds of cotton ought to be made into b pounds of yarn by one hour's labour, then a day's labour does not count as 12 hours' labour unless 12 a pounds of cotton have been made into 12 b pounds of yarn; for in the creation of value, the time that is socially necessary alone counts.

Not only the labour, but also the raw material and the product now appear in quite a new light, very different from that in which we viewed them in the labour-process pure and simple. The raw material serves now merely as an absorbent of a definite quantity of labour. By this absorption it is in fact changed into yarn, because it is spun, because labour-power in the form of spinning is added to it; but the product, the yarn, is now nothing more than a measure of the labour absorbed by the cotton. If in one hour $1\frac{2}{3}$ lbs. of cotton can be spun into $1\frac{2}{3}$ lbs. of yarn, then 10 lbs. of yarn indicate the absorption of 6 hours' labour. Definite quantities of product, these quantities being determined by experience, now represent nothing but definite quantities of labour, definite masses of crystallised labour-time. They are nothing more than the materialisation of so many hours or so many days of social labour.

We are here no more concerned about the facts, that the labour

is the specific work of spinning, that its subject is cotton and its product yarn, than we are about the fact that the subject itself is already a product and therefore raw material. If the spinner, instead of spinning, were working in a coal mine, the subject of his labour, the coal, would be supplied by Nature; nevertheless, a definite quantity of extracted coal, a hundredweight for example, would represent a definite quantity of absorbed labour.

We assumed, on the occasion of its sale, that the value of a day's labour-power is three shillings, and that six hours' labour is incorporated in that sum; and consequently that this amount of labour is requisite to produce the necessities of life daily required on an average by the labourer. If now our spinner by working for one hour, can convert $1\frac{2}{3}$ lbs. of cotton into $1\frac{2}{3}$ lbs. of yarn,⁴ it follows that in six hours he will convert 10 lbs. of cotton into 10 lbs. of yarn. Hence, during the spinning process, the cotton absorbs six hours' labour. The same quantity of labour is also embodied in a piece of gold of the value of three shillings. Consequently by the mere labour of spinning, a value of three shillings is added to the cotton.

Let us now consider the total value of the product, the 10 lbs. of yarn. Two and a half days' labour has been embodied in it, of which two days were contained in the cotton and in the substance of the spindle worn away, and half a day was absorbed during the process of spinning. This two and a half days' labour is also represented by a piece of gold of the value of fifteen shillings. Hence, fifteen shillings is an adequate price for the 10 lbs. of yarn, or the price of one pound is eighteenpence.

Our capitalist stares in astonishment. The value of the product is exactly equal to the value of the capital advanced. The value so advanced has not expanded, no surplus-value has been created, and consequently money has not been converted into capital. The price of the yarn is fifteen shillings, and fifteen shillings were spent in the open market upon the constituent elements of the product, or, what amounts to the same thing, upon the factors of the labour-process; ten shillings were paid for the cotton, two shillings for the substance of the spindle worn away, and three shillings for the labour-power. The swollen value of the yarn is of no avail, for it is merely the sum of the values formerly existing in the cotton, the spindle, and the labour-power: out of such a simple addition of existing values, no surplus-value can possibly arise. These separate values are now all concentrated in one thing; but so they were also in the sum of fifteen shillings, before it was split up into three parts, by the purchase of the commodities.

There is in reality nothing very strange in this result. The value

4. These figures are quite arbitrary. [*Marx*]

of one pound of yarn being eighteenpence, if our capitalist buys 10 lbs. of yarn in the market, he must pay fifteen shillings for them. It is clear that, whether a man buys his house ready built, or gets it built for him, in neither case will the mode of acquisition increase the amount of money laid out on the house.

Our capitalist, who is at home in his vulgar economy, exclaims: "Oh! but I advanced my money for the express purpose of making more money." The way to Hell is paved with good intentions, and he might just as easily have intended to make money, without producing at all. He threatens all sorts of things. He won't be caught napping again. In future he will buy the commodities in the market, instead of manufacturing them himself. But if all his brother capitalists were to do the same, where would he find his commodities in the market? And his money he cannot eat. He tries persuasion. "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 as for playing the part of the miser; it would never do for him to relapse into such bad ways as that; we have seen before to what results such asceticism leads. Besides, where nothing is, the king has lost his rights; whatever may be the merit of his abstinence, there is nothing wherewith specially to remunerate it, because the value of the product is merely the sum of the values of the commodities that were thrown into the process of production. Let him therefore console himself with the reflection that virtue is its own reward. But no, he becomes importunate. He says: "The yarn is of no use to me: I produced it for sale." In that case let him sell it, or, still better, let him for the future produce only things for satisfying his personal wants, a remedy that his physician MacCulloch has already prescribed as infallible against an epidemic of over-production. He now gets obstinate. "Can the labourer," he asks, "merely with his arms and legs, produce commodities out of nothing? Did I not supply him with the materials, by means of which, and in which alone, his labour could be embodied? And as the greater part of society consists of such ne'er-do-wells, have I not rendered society incalculable service by my instruments of production, my cotton and my spindle, and not only society, but the labourer also, whom in addition I have provided with the necessaries of life? And am I to be allowed nothing in return for all this service?" Well, but has not the labourer rendered him the equivalent service of changing his cotton and spindle into yarn? Moreover, there is here no question of service. A service is nothing more than the useful effect of a use-value, be it of a commodity, or be it of labour. But here we are dealing with

exchange-value. The capitalist paid to the labourer a value of 3 shillings, and the labourer gave him back an exact equivalent in the value of 3 shillings, added by him to the cotton: he gave him value for value. Our friend, up to this time so purse-proud, suddenly assumes the modest demeanour of his own workman, and exclaims: "Have I myself not worked? Have I not performed the labour of superintendence and of overlooking the spinner? And does not this labour, too, create value?" His overlooker and his manager try to hide their smiles. Meanwhile, after a hearty laugh, he re-assumes his usual mien. Though he chanted to us the whole creed of the economists, in reality, he says, he would not give a brass farthing for it. He leaves this and all such like subterfuges and juggling tricks to the professors of Political Economy, who are paid for it. He himself is a practical man; and though he does not always consider what he says outside his business, yet in his business he knows what he is about.

Let us examine the matter more closely. The value of a day's labour-power amounts to 3 shillings, because on our assumption half a day's labour is embodied in that quantity of labour-power, *i.e.*, because the means of subsistence that are daily required for the production of labour-power, cost half a day's labour. But the past labour that is embodied in the labour-power, and the living labour that it can call into action; the daily cost of maintaining it, and its daily expenditure in work, are two totally different things. The former determines the exchange-value of the labour-power, the latter is its use-value. 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. The useful qualities that labour-power possesses, and by virtue of which it makes yarn or boots, were to him nothing more than a *conditio sine qua non*; for in order to create value, labour must be expended in a useful manner. What really influenced him was the specific use-value which this commodity possesses of being *a source not only of value, but of more value than it has itself*. This is the special service that the capitalist expects from labour-power, and in this transaction he acts in accordance with the "eternal laws" of the exchange of commodities. The seller of labour-power, like the seller of any other commodity, realises its exchange-value, and parts with its use-value. He cannot take the one without giving the other. The use-value of labour-power, or in other words, labour, belongs just as little to its seller, as the use-value of oil after it has been sold belongs to the

dealer who has sold it. The owner of the money has paid the value of a day's labour-power; his, therefore, is the use of it for a day; a day's labour belongs to him. The circumstance, that on the one hand the daily sustenance of labour-power costs only half a day's labour, while on the other hand the very same labour-power can work during a whole day, that consequently the value which its use during one day creates, is double what he pays for that use, this circumstance is, without doubt, a piece of good luck for the buyer, but by no means an injury to the seller.

Our capitalist foresaw this state of things, and that was the cause of his laughter. The labourer therefore finds, in the workshop, the means of production necessary for working, not only during six, but during twelve hours. Just as during the six hours' process our 10 lbs. of cotton absorbed six hours' labour, and became 10 lbs. of yarn, so now, 20 lbs. of cotton will absorb 12 hours' labour and be changed into 20 lbs. of yarn. Let us now examine the product of this prolonged process. There is now materialised in this 20 lbs. of yarn the labour of five days, of which four days are due to the cotton and the lost steel of the spindle, the remaining day having been absorbed by the cotton during the spinning process. Expressed in gold, the labour of five days is thirty shillings. This is therefore the price of the 20 lbs. of yarn, giving, as before, eighteenpence as the price of a pound. But the sum of the values of the commodities that entered into the process amounts to 27 shillings. The value of the yarn is 30 shillings. Therefore the value of the product is $\frac{1}{9}$ greater than the value advanced for its production; 27 shillings have been transformed into 30 shillings; a surplus-value of 3 shillings has been created. The trick has at last succeeded; money has been converted into capital.

Every condition of the problem is satisfied, while the laws that regulate the exchange of commodities, have been in no way violated. Equivalent has been exchanged for equivalent. For the capitalist as buyer paid for each commodity, for the cotton, the spindle and the labour-power, its full value. He then did what is done by every purchaser of commodities; he consumed their use-value. The consumption of the labour-power, which was also the process of producing commodities, resulted in 20 lbs. of yarn, having a value of 30 shillings. The capitalist, formerly a buyer, now returns to market as a seller, of commodities. He sells his yarn at eighteenpence a pound, which is its exact value. Yet for all that he withdraws 3 shillings more from circulation than he originally threw into it. This metamorphosis, this conversion of money into capital, takes place both within the sphere of circulation and also outside it; within the circulation, because conditioned by the purchase of the labour-power in the market; outside the circulation, because what is done

within it is only a stepping-stone to the production of surplus-value, a process which is entirely confined to the sphere of production. Thus "tout est pour le mieux dans le meilleur des mondes possibles."

By turning his money into commodities that serve as the material elements of a new product, and as factors in the labour-process, by incorporating living labour with their dead substance, the capitalist at the same time converts value, *i.e.*, past, materialised, and dead labour into capital, into value big with value, a live monster that is fruitful and multiplies.

If we now compare the two processes of producing value and of creating surplus-value, we see that the latter is nothing but the continuation of the former beyond a definite point. If on the one hand the process be not carried beyond the point, where the value paid by the capitalist for the labour-power is replaced by an exact equivalent, it is simply a process of producing value; if, on the other hand, it be continued beyond that point, it becomes a process of creating surplus-value.

If we proceed further, and compare the process of producing value with the labour-process, pure and simple, we find that the latter consists of the useful labour, the work, that produces use-values. Here we contemplate the labour as producing a particular article; we view it under its qualitative aspect alone, with regard to its end and aim. But viewed as a value-creating process, the same labour-process presents itself under its quantitative aspect alone. Here it is a question merely of the time occupied by the labourer in doing the work; of the period during which the labour-power is usefully expended. Here, the commodities that take part in the process, do not count any longer as necessary adjuncts of labour-power in the production of a definite, useful object. They count merely as depositories of so much absorbed or materialised labour; that labour, whether previously embodied in the means of production, or incorporated in them for the first time during the process of the action of labour-power, counts in either case only according to its duration; it amounts to so many hours or days as the case may be.

Moreover, only so much of the time spent in the production of any article is counted, as, under the given social conditions, is necessary. The consequences of this are various. In the first place, it becomes necessary that the labour should be carried on under normal conditions. If a self-acting mule is the implement in general use for spinning, it would be absurd to supply the spinner with a distaff and spinning wheel. The cotton too must not be such rubbish as to cause extra waste in being worked, but must be of suitable quality. Otherwise the spinner would be found to spend more time in producing a pound of yarn than is socially necessary, in which

case the excess of time would create neither value nor money. But whether the material factors of the process are of normal quality or not, depends not upon the labourer, but entirely upon the capitalist. Then again, the labour-power itself must be of average efficacy. In the trade in which it is being employed, it must possess the average skill, handiness and quickness prevalent in that trade, and our capitalist took good care to buy labour-power of such normal goodness. This power must be applied with the average amount of exertion and with the usual degree of intensity; and the capitalist is as careful to see that this is done, as that his workmen are not idle for a single moment. He has bought the use of the labour-power for a definite period, and he insists upon his rights. He has no intention of being robbed. Lastly, and for this purpose our friend has a penal code of his own, all wasteful consumption of raw material or instruments of labour is strictly forbidden, because what is so wasted, represents labour superfluously expended, labour that does not count in the product or enter into its value.

We now see, that the difference between labour, considered on the one hand as producing utilities, and on the other hand, as creating value, a difference which we discovered by our analysis of a commodity, resolves itself into a distinction between two aspects of the process of production.

The process of production, considered on the one hand as the unity of the labour-process and the process of creating value, is production of commodities; considered on the other hand as the unity of the labour-process and the process of producing surplus-value, it is the capitalist process of production, or capitalist production of commodities.

We stated, on a previous page, that in the creation of surplus-value it does not in the least matter, whether the labour appropriated by the capitalist be simple unskilled labour of average quality or more complicated unskilled labour. All labour of a higher or more complicated character than average labour is expenditure of labour-power of a more costly kind, labour-power whose production has cost more time and labour, and which therefore has a higher value, than unskilled or simple labour-power. This power being of higher value, its consumption is labour of a higher class, labour that creates in equal times proportionally higher values than unskilled labour does. Whatever difference in skill there may be between the labour of a spinner and that of a jeweller, the portion of his labour by which the jeweller merely replaces the value of his own labour-power, does not in any way differ in quality from the additional portion by which he creates surplus-value. In the making of jewellery, just as in spinning, the surplus-value results only from a quan-

titative excess of labour, from a lengthening-out of one and the same labour-process, in the one case, of the process of making jewels, in the other of the process of making yarn.

But on the other hand, in every process of creating value, the reduction of skilled labour to average social labour, *e.g.*, one day of skilled to six days of unskilled labour, is unavoidable. We therefore save ourselves a superfluous operation, and simplify our analysis, by the assumption, that the labour of the workman employed by the capitalist is unskilled average labour. * * *

CHAPTER X THE WORKING-DAY

Section 1. *The Limits of the Working-Day*

We started with the supposition that labour-power is bought and sold at its value. Its value, like that of all other commodities, is determined by the working-time necessary to its production. If the production of the average daily means of subsistence of the labourer takes up 6 hours, he must work, on the average, 6 hours every day, to produce his daily labour-power, or to reproduce the value received as the result of its sale. The necessary part of his working-day amounts to 6 hours, and is, therefore, *caeteris paribus*, a given quantity. But with this, the extent of the working-day itself is not yet given.

Let us assume that the line A B represents the length of the necessary working-time, say 6 hours. If the labour be prolonged 1, 3, or 6 hours beyond A B, we have 3 other lines:

Working-day I.	Working-day II.	Working-day III.
A ——— B — C.	A ——— B ——— C.	A ——— B ——— C.

representing 3 different working-days of 7, 9, and 12 hours. The extension B C of the line A B represents the length of the surplus-labour. As the working-day is A B+B or A C, it varies with the variable quantity B C. Since A B is constant, the ratio of B C to A B can always be calculated. In working-day I, it is $\frac{1}{6}$; in working-day II, $\frac{3}{6}$; in working-day III, $\frac{6}{6}$ of A B. Since, further, the ratio $\frac{\text{surplus working-time,}}{\text{necessary working-time,}}$ determines the rate of the surplus-value, the latter is given by the ratio of B C to A B. It amounts in the 3 different working-days respectively to $\frac{1}{6}$, $\frac{2}{3}$, 50 and 100 per cent. On the other hand, the rate of surplus-value alone would not give us the extent of the working-day. If this rate, *e.g.*, were 100 per cent, the working-day might be of 8, 10, 12, or more hours. It would indicate that the 2 constituent parts of the working-day, necessary-labour and surplus-labour time, were equal