

Notes on CAPITAL
Chapter 6: The Sale and Purchase of Labour-Power

Penguin, pp. 270-80; Everyman, pp. 153-65; Moscow, pp. 167-76; Dietz, pp. 181-91.

The extracts from Marx are justified to the Left while my remarks are indented.

p. 270

‘our friend the money-owner’

whom, we have just been told, is ‘a capitalist only in larval form’ 269

To become the ‘butterfly’, he must have the stroke of luck to find a commodity ... whose use-value possesses the peculiar property of being a source of value, whose actual consumption is therefore itself an objectification [*Vergegenständlichung*] of labour, hence a creation of value.

the capacity for labour [*Arbeitsvermögen*], in other words labour-power [*Arbeitskraft*].

Despite sharing *Arbeit*, and being linked by ‘in other words’, they are far from the same.

The presence of these two terms has opened a debate about the circumstances in which each best applies. ‘Capacity for labour’ has been seen as more neutral, perhaps positive. On that interpretation, *mögen* is more open-ended than *kraft*. In addition, our capacities in a non-class society will be further from estrangement and reification. As a consequence, ‘labour-power’ is treated as more suitable to discussing the subjugation of labour in fully-blown capitalism than is human capacities.

Marx draws a line between what our species is capable of doing and how those talents are ‘crippled’ (p. 277) in class societies.

capacity for labour is labour-power

We mean by labour-power, or labour-capacity, the aggregate of those mental and physical capabilities existing in the physical form, the living personality, of a human being, capabilities which he sets in motion whenever he produces a use-value of any kind.

‘living personality’ suggests an ideal of how we should be able to live as fully developed, no longer ‘crippled’.

... to find labour-power on the market as a commodity, various conditions must first be fulfilled.

On p. 271 Marx sets down three of them:

first, labour-power is a commodity only if its owner sells it as one;

secondly, to do so, he must be free to sell this aspect of his person and, the owner of labour-power meets the owner of money to whom he sells a number of units of labour-time.

They are, therefore, ‘equal in the eyes of the law’ ...

Here is the basis for bourgeois equality which forbids rich and poor alike to sleep under bridges and to steal bread, as Anatole France observed.

thirdly, for the relation to continue, the sale must be for limited time periods; if not, then the seller becomes a chattel-slave, or some kind of bonded labourer, no longer a person 'free' to keep selling her or his capacities for set periods of time.

In short,

He [the wage-slave] must constantly treat his labour-power as his own property and he can do this only by placing it at the disposal of the buyer ... temporarily.

He thus sells his labour-power but retains certain rights over it.

The editor's footnote chose 'worker' over 'labourer' on grounds of the latter's closeness to agriculture, as if agriculture were not every bit as much industrial as machino-facture processing, construction or transport. (see p. 914 n. 1)

p. 271, n. 3.

Marx recognises that slavery can take more than the classic form of being a chattel where one's offspring also become the property of the owner. Here, he points to debt peonage.

But there is also the convict labour used to invade this continent; and the 'new system of slavery' after 1833 where workers were contracted for two years to be sent to distant parts of the globe. Their contracts became the basis for debt peonage.

We speak of slave wages, which seems a contradiction in terms since slaves are not supposed to get wages. However, to speak of slave-drivers makes sense in capitalism since the need is for capital to extract as much value as possible during the hours it has bought.

Aborigines on cattle properties were non-waged workers within a capitalist enterprise. Were they en-serfed rather than enslaved?

How is it possible for Marx to speak of free-labourers wage-slaves?

272:

The second essential condition

is that the possessors of labour power have to sell that commodity and not its products.

Their labour power cannot be sold apart from their living bodies.

This intimacy is the root of the dual significance of alienation as both the act of selling oneself and the estrangement/reification, which follows.

Wage-slaves possess none of the machinery, tools, raw materials or semi-finished goods which would allow us to avoid selling our labour power and still live.

Long after carpentry had ceased to be a craft requiring four-year apprenticeships, tradesmen carried their own hammers as a symbol that they could seek work elsewhere.

Zukunftsmusik is not 'a castle in the air' but a crack at Richard Wagner who claimed to be composing 'music of the future'. This is one of the very few mentions which Marx makes of music.¹

It remains true, as Bukharin remarked about the Soviet Five-Year plans: you cannot build houses out of future bricks.

If products are produced as commodities, they must be sold after they have been produced ...

This sequence is not always so. One instance appeared during Marx's life time and is discussed in terms of fictitious capital when the capitalist sells to a merchant and gets paid before the merchant as wholesaler has sold to the retailers and they to their customers. [*Capital*, III, pp. 387 and 433-7; *Capital*, II, chapters 5, 6, 7 and 14.]

From around the time of the publication of *Capital*, future's markets in grain and animals emerged, notably in Chicago.

In the late-1940s, Italian clothiers overcame their families' almost total lack of capital in any of its forms by selling before knitting. To protect firms from being left with unsaleable items, made-to-order went from a luxury strand for high fashion goods to the mass market with just-in-time production.

These developments confirm Marx's account of the circuits of capital and turnover times in volume II.

272-3

For the transformation of money into capital, therefore, the owner of money must find the free worker available on the commodity-market; and this worker must be free in the double sense that as a free individual he can dispose of his labour-power as his own commodity.

That is, the capacity to add value is not already owned by a slave-owner or is under contract or in peonage.

How this double freedom has been bestowed on the worker is taken up in Part 8 of volume one.

To go into the story of dispossession at this point would distract from the key to how money becomes capital and why capital-within-capitalism must expand.

Despite the need to press on with the conceptual investigation, Marx knows that his analysis is grounded not only on a mass of data but on the following overarching fact of life:

One thing, however, is clear:

nature does not produce on the one hand owners of money or commodities, and on the other hand men possessing nothing but their own labour-power.²

The relation has no basis in natural history, nor does it have a social basis common to all periods of human history.

¹ None of the contributors to Regula Burckhardt Qureshi (ed.), *Music and Marx, Ideas, Practice, Politics*, 2002, attempts to comment on Marx's musical interests; for the richness of the other arts compare S.S. Praver, *Marx and World Literature*, 1976, and Margaret A. Rose, *Marx's Lost Aesthetic, Karl Marx & the visual arts*, 1984.

² 'A Negro is a Negro. He becomes a slave only in certain relations.' 'Wage-Labour and Capital', 1949, *Marx-Engels Collected Works*, volume 9, 1977, p. 211; and chapter 33, p. 932.

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 formations of social production.

So, not only feudalism is involved in the so-called 'transition' to capitalism but several revolutions and extinctions..

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 happens only on the basis of one particular mode of production, the capitalist one.

Such an investigation, however, would have been foreign to the analysis of commodities.

To repeat two points about Marx's critique of political economy:

first, for the dialectician nothing in human experience is natural, eternal and also universal. The need for sustenance is natural but how we meet that need is neither eternal nor universal. Moreover, in meeting the needs of nature we change both ourselves and the natural world. In brief: we become what we do. (pp. 283-4).

Secondly, here is the place to strengthen a further point about *Capital*. Against those who say that the text is a mix of concepts and narrative, Marx's comment at this point drives home that he is putting an end to bourgeois methods of dealing with the past. He is re-conceptualising written history. [See Appendix C] In the process of putting an end to political economy, both classical and vulgar, Marx must also put an end to philosophy and history.

Commodities existed before the capitalist mode came to dominate:

The appearance of products as commodities requires a level of development of the division of labour within society

such that the separation of use-value from exchange-value, a separation which first begins with barter, has already been completed.

But such a degree of development is common to many economic formulations of society [*ökonomische Gesellschaftformationen*], with the most diverse historical characteristics.

Here, Marx says that the existence of certain characteristics such as commodities or a social division of labour is not sufficient to claim that capitalism is operative.

We find both of them in Babylon, and it was not capitalist.

footnote 2 on page 271: In encyclopedias of classical antiquity one can read such nonsense as this: In the ancient world capital was fully developed, 'except for the absence of the free worker and of a system of credit'. Mommsen too, in his *History of Rome*, commits one blunder after another in this respect.

It would be hard to find a bourgeois writer who has neglected to do the same, and worse. Self-styled Marxists have not been free from the urge to find capitalism under every rock.

At the risk of diverting from the question of how money becomes capital, we can ask how should we go about deciding when the capitalist mode has taken charge: is it a check list? If so, must we tick all the boxes? If not, how many will suffice?

Which ones - if any - are necessary? One single condition can be sufficient.

One more point deserves to be extracted from Marx's appreciating 'the most diverse historical characteristics'. He is referring to the past and to the world of the 1860s. We continue to see such diversity between capitalism in China and in Chile, Norway and New Guinea. Why should 'state capitalism' be exempt from the law of variation in species?

274:

Marx extends his emphasis on diversity into the five functions of money, which, as he explains,

... indicate very different levels of the process of social production, according to the extent and relative preponderance of one function or the other. Yet we know by experience that a relatively feeble development of commodity circulation suffices for the creation of all these forms.

It is otherwise with capital. [emphasis added]

Indeed, capital needs a revolution-inside-capital.

The historical conditions of its existence are by no means given with the mere circulation of money and commodities.

It arises only when the owner of the means of production and subsistence finds the free worker available,

on the market,

as the seller of his own labour-power.³

And this one historical pre-condition comprises a world's history.

Capital, therefore, announces from the outset a new epoch in the process of social production.

How literally are we to take this claim that 'one historical pre-condition' 'comprises a world's history'. It has a ring of the rhetorical. Does free-labour alone determine the dominance of the capitalist mode? What has happened to the 'system of credit' stipulated in fn 2, p. 291, for instance?

And what might be the difference between a necessary condition and a sufficient one? And the difference between a 'condition' and a 'pre-condition'? (Marx wrote '*Bedingung*'? which means 'condition/ requirement'. Pre-condition would be *Vorbedingung*. Condition is more causal.)

Fn 4

... the commodity-form of the products of labour becomes universal.

Verallgemeinert has been mistranslated as 'universal' when it should be 'generalised'. Marx has not denied one of his core precepts: transitoriness.

This peculiar commodity, labour power, must now be examined more closely. Like all other commodities it has a value. How is that value determined?

³ Max Weber has no doubt that profit arises neither from theology nor calculation but, as he makes plain, finds its source in the mastery over 'free' labour:

... all these peculiarities of Western capitalism have derived their significance in the last analysis only from their association with the capitalistic organisation of labour. ... Exact calculation – the basis of everything else – is only possible on the basis of free labour.

He writes of '[t]he rational capitalistic organisation of (formally) free labour', 'Foreword' (1920), *The Protestant Ethic and the 'Spirit' of Capitalism*, Penguin, London, 2005, p. 364.

PP. 274-7

The next few pages are pretty well self-explanatory. Comments will be confined to remarks that carry significance beyond the case that Marx is setting out. Before picking up those matters, a broader consideration merits notice. Pages 274-7 go behind the practices that bourgeois thinkers call history into what, during the 1800s, came to be known as anthropology. When bourgeois scholars suggest that 'we are all Marxists now', they mean that we all accept that we must eat to live and that our ideas are somehow connected to our doing so. That these facts of life seem obvious today does not mean that they were always so. They were not obvious until a couple of generations of writers made them so, see Frederick Engels, *The Part Played by Labour in the Transition from Ape to Man* and *The Origins of Private Property, the Family and the State*.⁴

Moreover, that which is obvious is also that which is most readily forgotten: 'We all know that,' bleat the cognoscenti. 'Let's move onto something interesting' – such as speculative philosophising.

From the late 1930s, the Australian Marxist V. Gordon Childe founded the subject of pre-history which he popularised with his *Man Makes Himself* and *What happened in History*. Pre-history did not relegate people to an inferior status, now tied to 'pre-historic'. It originally meant that they had left no written records.⁵ Childe provided an illustration of how a dialectical materialist could interpret the objects that their capacities produced:

Pot-making is perhaps the earliest conscious utilisation by man of a chemical change. ... The essence of the potter's craft is that she can mould a piece of clay into any shape she desire and then give that shape permanence by 'firing' (*i.e.* heating to over 600 degrees C.)

To early man this change in the quality of the material must have seemed a sort of magic transubstantiation – the conversion of mud or dust into stone. It may have prompted some philosophical questions as to the meaning of substance and sameness.⁶

What has become of 'social history' tends towards a mindless materialism of collecting and collating the minutiae of everyday life until, as Descartes complained, the scholar ends up knowing no more about Rome than Cicero's servant. Marx went beyond the quotidian by taking the struggle for production as the prime mover. Engels applied their scientific concepts in *The Housing Question*.

275

His natural needs, such as food, clothing, fuel and housing vary according to the climatic and other physical peculiarities of his country.

... the determination of the value of labour-power contains a historical and moral element.

⁴ The literature on Marx and Engels on 'primitive' societies grows out of the latter's *Origins of the Family, Private Property and the State* (1884); see also Marvin Harris, *The Rise of Anthropological Theory*, Thomas Y. Crowell, New York, 1968, chapter 8; Emmanuel Terray, *Marxism and 'Primitive Societies'*, Monthly Review Press, New York, 1972; and Frederick G.G. Rose, *The Traditional Mode of Production of Australian Aborigines*, Angus & Robertson, Sydney, 1987.

⁵ In 1890, Engels made corrected the *Manifesto's* claim that 'The history of all hitherto existing society is the history of class struggles.' By adding a long footnote beginning with 'That is, all *written* history.' *M-ECW*, volume 6, p. 482.

⁶ V.G. Childe, *Man Makes Himself*, Watts & Co., London, 1941, p. 90.

Elsewhere, Marx contrasts the English preference for beer with the French taste for wine. The cultural and temporal aspects of alcohol consumption extended to the rise and decline of gin in England and of whiskey in Scotland from the 1700s, and to opium as another pain killer, one which Marx appreciated for his boils, (*M-ECW*, v. 43, pp. 5-7.)

The implications for the 'social' in socially necessary go beyond an economic measure, or rather, that economic measure includes cultural and political effects. One crucial aspect not touched on here is the relative strengths of the contending classes altered, for instance, by the nineteenth-century formation of trades unions. Marx takes up that development in the section on the struggle to reduce the working day, see pp. 375ff.

The 'race of peculiar commodity-owners' must reproduce themselves. Even during their life-times, some wage-slaves are forced to withdraw from the labour market 'by wear and tear', some permanently, many for protracted periods through illness or injury.

Marx is wrong to say that they must be replaced,
'by, at the very least, an equal amount of fresh labour-power.'

This claim assumes that the ratio of constant and variable capital remains unchanged. If that were so, there could be no increase in productivity, and the law of the tendential fall in the rate of profit could not operate. Of course, the replacement of living labour with dead labour is not inevitable or universal, but it is more usual than not.

The intergenerational reproduction of labour-power sparked debates among Second-Wave feminists around productive versus un-productive labour. Were women, directly or indirectly, adding to surplus-value by procreating and raising the next generation of wage-slaves? For the moment, it is enough to say that they do not do so unless they sell labour to produce their offspring for corporate adoption agencies to market as commodities. Most surrogate pregnancies for a fee are still in the domain of simple commodity circulation. But watch this space for the further commodification of life.

276:

Contrary to the left- and liberal hope that education is in itself one of the good things of history, Marx shows how it serves capital.⁷ He calls for the integration of education and work in the *Manifesto* and in *The Gotha Programme*. His proposals exemplify a materialist concept of knowledge: we learn by doing, changing ourselves as we change our natural and social environments. That is how to interpret 'Thesis Eleven' about changing and interpreting the world. That aphorism is no mere war cry from mindless militants. It is a principle of science.

276:

The value of labour-power can be resolved into the value of a definite quantity of the means of subsistence. It therefore varies with the value of the means of subsistence, i.e. with the quantity of labour-time required to produce them.

⁷ Louis Althusser, 'Ideology and Ideological State Apparatuses', *Lenin and Philosophy*, 1971; Samuel Bowles and Herbert Gintis, *Schooling in Capitalist America*, 1976.

277: 'crippled state'

Wage-slaves suffer intellectually and emotionally,⁸ as well as physically from conditions at both work and living in regard to food and housing.

277:

One consequence of the peculiar nature of labour-power as a commodity is this, that it does not in reality pass straight away into the hands of the buyer but its use-value consists in the subsequent exercise of that power.

The alienation [*Verausserung*] of labour-power

and its real manifestation [*Ausserung*],

i.e. the period of its existence as a use-value,

do not coincide in time.

But in those cases in which the formal alienation by sale of the use-value of a (p. 278) commodity is not simultaneous with its actual transfer to the buyer, the money of the buyer serves as a means of payment..

Marx is broaching his distinction between 'formal' and 'real' subsumption of labour-power and of labour. (pp. 645, 944, 1019-38)

Subsumption is so uncommon a word that his point would be understood more readily as 'subordination' or 'subsumed into capital'.

Formal subordination takes place with the purchase of labour-power in time units.

That capacity to add value must be applied - its actualised subordination - through workplace disciplines and the intensification of output through speed-ups and denying rest breaks. Marx analyses this kind of oppression as the extraction of 'relative surplus-value', in chapters 9, 11 and 112.

p. 278:

Everywhere the worker allows credit to the capitalist.

And half way down footnote 14 carried over to page 279 is the example of mine-owners making colliers wait a month, and thereby swindling them out of part of his wages by granting 'advances' in the form of goods from a company store. Such loans to the employer will never make a wage-slave into a capitalist, as Marx accuses J.S. Mill of supposing. (see p. 654) Street-walkers insist on cash before service; those in brothels must wait for pay-day like other wage-slaves.

279:

The process of the consumption of labour-power is at the same time the production process of commodities and of surplus value.

Nearly 150 years after the publication of *Capital*, this statement comes as no surprise to anyone with even the vaguest notions of Marx's views about capitalism. That was not the case at the time. His discovery of labour-power as the commodity form of labour in the CMP was tied to his rescuing political economy from its confusion over fixed, fluid and constant capital forms. (V. 2, pp. 246-7)

⁸ '... the proletariat is misery conscious of its spiritual and physical misery, that dehumanisation conscious of its dehumanisation and therefore self-abolishing ...', 'The Holy Family', *Marx-Engels Collected Works*, volume 4, 1975, pp. 36-7.

Today, we are in danger of twin mis-readings. Not only can we take what was novel in Marx's critique for granted but we can also read *Capital* with some foreknowledge of where he is leading us. We therefore fail to register how long he needs to take us beyond simple commodity circulation. As readers, we have now come 150 pages and are still on the 'threshold' of capital-within-capitalism. Marx announces that is moving to a deeper level of critique of Political Economy for a more advanced mode of production:

The consumption of labour-power is completed, as in the case of every other commodity, outside the market or the sphere of circulation.

Let us therefore, in company with the owner of money and the owner of labour-power, leave this noisy sphere, where everything takes places on the surface and in full view of everyone,

and follow them into the hidden abode of production, [280]

on whose threshold there hangs the notice 'No admittance except on business'.

Here we shall see not only how capital produces, but how capital is itself produced.

Those last six words are a further reminder that we have not yet crossed into the capitalist mode. Although we are at the end of a section headed 'The Transformation of Money into Capital' Marx is inviting us to accompany 'the owner of money' - not 'the owner of capital'. Money is not yet capital.

p. 280

The chapter, in truth, concludes with the three-and-a-bit lines at the top of the page. We can go from there to page 283 without missing a step in Marx's laying bare '[t]he secret of profit-making'. To skip the next two paragraphs, however, would be to miss one of his most famous passages with its orchestration on the motifs of 'Freedom, Equality, Property and Bentham.' This coda to this Part is scored with a moral intensity, and a mocking ferocity which scorns the sophistry of more great minds than the unnamed Leibniz with his 'pre-established harmony of things'. (cf. pp. 302 and 939; and my 'Circling Leibniz', on www.surplusvalue.org.au)

The two paragraphs resonate with Beethoven's unwillingness, seeming inability, to bring his symphonies to a close after unleashing so great a torrent from his themes. Similarly, Marx could not place these thrusts and parries in his main text without upsetting his line of argument, and he sensed that they were too splendid to be consigned to the footnotes.

The final paragraph weaves three by-now-familiar tunes, repeating material previously presented but with fresh overtones and in different keys. A foretaste of the movement from simple commodity production into the full-blown capitalist mode serves as the base line for exposing the crudity of a bourgeois ideology where the 'free trader *vulgaris*' will continue to judge his new order by the conditions of the old. The phrase '*dramatis personae*' reappears to announce Marx's latest enactment of the class struggle. Having savoured these passages more than once, we can advance into mysteries and secrets of capitalist production to the accompanied by Marx's *Zukunftmusik*.