

1873

Afterword to the Second German Edition

I must start by informing the readers of the first edition about the alterations made in the second edition. One is struck at once by the clearer arrangement of the book. Additional notes are everywhere marked as notes to the second edition. The following are the most important points with regard to the text itself:

In [Chapter I, Section 1](#), the derivation of value from an analysis of the equations by which every exchange-value is expressed has been carried out with greater scientific strictness; likewise the connexion between the substance of value and the determination of the magnitude of value by socially necessary labour-time, which was only alluded to in the first edition, is now expressly emphasised. [Chapter I, Section 3](#) (the Form of Value), has been completely revised, a task which was made necessary by the double exposition in the first edition, if nothing else. — Let me remark, in passing, that that double exposition had been occasioned by my friend, Dr. L Kugelmann in Hanover. I was visiting him in the spring of 1867 when the first proof-sheets arrived from Hamburg, and he convinced me that most readers needed a supplementary, more didactic explanation of the form of value. — The last section of the first chapter, “The Fetishism of Commodities, etc.,” has largely been altered. Chapter III, Section I (The Measure of Value), has been carefully revised, because in the first edition this section had been treated negligently, the reader having been referred to the explanation already given in “Zur Kritik der Politischen Oekonomie,” Berlin 1859. Chapter VII, particularly Part 2 [Eng. ed., [Chapter IX, Section 2](#)], has been re-written to a great extent.

It would be a waste of time to go into all the partial textual changes, which were often purely stylistic. They occur throughout the book. Nevertheless I find now, on revising the French translation appearing in Paris, that several parts of the German original stand in need of rather thorough remoulding, other parts require rather heavy stylistic editing, and still others painstaking elimination of occasional slips. But there was no time for that. For I had been informed only in the autumn of 1871, when in the midst of other urgent work, that the book was sold out and that the printing of the second

edition was to begin in January of 1872.

The appreciation which “Das Kapital” rapidly gained in wide circles of the German working class is the best reward of my labours. Herr Mayer, a Vienna manufacturer, who in economic matters represents the bourgeois point of view, in a pamphlet published during the Franco-German War aptly expounded the idea that the great capacity for theory, which used to be considered a hereditary German possession, had almost completely disappeared amongst the so-called educated classes in Germany, but that amongst its working class, on the contrary, that capacity was celebrating its revival.

To the present moment Political Economy, in Germany, is a foreign science. Gustav von Gulich in his “Historical description of Commerce, Industry,” &c., ^[1] especially in the two first volumes published in 1830, has examined at length the historical circumstances that prevented, in Germany, the development of the capitalist mode of production, and consequently the development, in that country, of modern bourgeois society. Thus the soil whence Political Economy springs was wanting. This “science” had to be imported from England and France as a ready-made article; its German professors remained schoolboys. The theoretical expression of a foreign reality was turned, in their hands, into a collection of dogmas, interpreted by them in terms of the petty trading world around them, and therefore misinterpreted. The feeling of scientific impotence, a feeling not wholly to be repressed, and the uneasy consciousness of having to touch a subject in reality foreign to them, was but imperfectly concealed, either under a parade of literary and historical erudition, or by an admixture of extraneous material, borrowed from the so-called “Kameral” sciences, a medley of smatterings, through whose purgatory the hopeful candidate for the German bureaucracy has to pass.

Since 1848 capitalist production has developed rapidly in Germany, and at the present time it is in the full bloom of speculation and swindling. But fate is still unpropitious to our professional economists. At the time when they were able to deal with Political Economy in a straightforward fashion, modern economic conditions did not actually exist in Germany. And as soon as these conditions did come into existence, they did so under circumstances that no longer allowed of their being really and impartially investigated within the bounds of the bourgeois horizon. In so far as Political Economy remains within that horizon, in so far, i.e., as the capitalist regime is looked upon as the absolutely final form of social production, instead of as a passing historical phase of its evolution, Political Economy can remain a science only so long as the class struggle is latent or manifests itself only in isolated and sporadic phenomena.

Let us take England. Its Political Economy belongs to the period in which the class struggle was as yet undeveloped. Its last great representative, Ricardo, in the end, consciously makes the antagonism of class interests, of wages and profits, of profits and rent, the starting point of his investigations, naively taking this antagonism for a social law of Nature. But by this start the science of bourgeois economy had reached the limits beyond which it could not pass. Already in the lifetime of Ricardo, and in opposition to him, it was met by criticism, in the person of Sismondi. [2]

The succeeding period, from 1820 to 1830, was notable in England for scientific activity in the domain of Political Economy. It was the time as well of the vulgarising and extending of Ricardo's theory, as of the contest of that theory with the old school. Splendid tournaments were held. What was done then, is little known to the Continent generally, because the polemic is for the most part scattered through articles in reviews, occasional literature and pamphlets. The unprejudiced character of this polemic — although the theory of Ricardo already serves, in exceptional cases, as a weapon of attack upon bourgeois economy — is explained by the circumstances of the time. On the one hand, modern industry itself was only just emerging from the age of childhood, as is shown by the fact that with the crisis of 1825 it for the first time opens the periodic cycle of its modern life. On the other hand, the class struggle between capital and labour is forced into the background, politically by the discord between the governments and the feudal aristocracy gathered around the Holy Alliance on the one hand, and the popular masses, led by the bourgeoisie, on the other; economically by the quarrel between industrial capital and aristocratic landed property - a quarrel that in France was concealed by the opposition between small and large landed property, and that in England broke out openly after the Corn Laws. The literature of Political Economy in England at this time calls to mind the stormy forward movement in France after Dr. Quesnay's death, but only as a Saint Martin's summer reminds us of spring. With the year 1830 came the decisive crisis.

In France and in England the bourgeoisie had conquered political power. Thenceforth, the class struggle, practically as well as theoretically, took on more and more outspoken and threatening forms. It sounded the knell of scientific bourgeois economy. It was thenceforth no longer a question, whether this theorem or that was true, but whether it was useful to capital or harmful, expedient or inexpedient, politically dangerous or not. In place of disinterested inquirers, there were hired prize fighters; in place of genuine scientific research, the bad conscience and the evil intent of apologetic. Still, even the obtrusive pamphlets with which the Anti-Corn Law League, led by the manufacturers Cobden and Bright, deluged the world, have a historic

interest, if no scientific one, on account of their polemic against the landed aristocracy. But since then the Free Trade legislation, inaugurated by Sir Robert Peel, has deprived vulgar economy of this its last sting.

The Continental revolution of 1848-9 also had its reaction in England. Men who still claimed some scientific standing and aspired to be something more than mere sophists and sycophants of the ruling classes tried to harmonise the Political Economy of capital with the claims, no longer to be ignored, of the proletariat. Hence a shallow syncretism of which John Stuart Mill is the best representative. It is a declaration of bankruptcy by bourgeois economy, an event on which the great Russian scholar and critic, N. Tschernyschewsky, has thrown the light of a master mind in his "Outlines of Political Economy according to Mill."

In Germany, therefore, the capitalist mode of production came to a head, after its antagonistic character had already, in France and England, shown itself in a fierce strife of classes. And meanwhile, moreover, the German proletariat had attained a much more clear class-consciousness than the German bourgeoisie. Thus, at the very moment when a bourgeois science of Political Economy seemed at last possible in Germany, it had in reality again become impossible.

Under these circumstances its professors fell into two groups. The one set, prudent, practical business folk, flocked to the banner of Bastiat, the most superficial and therefore the most adequate representative of the apologetic of vulgar economy; the other, proud of the professorial dignity of their science, followed John Stuart Mill in his attempt to reconcile irreconcilables. Just as in the classical time of bourgeois economy, so also in the time of its decline, the Germans remained mere schoolboys, imitators and followers, petty retailers and hawkers in the service of the great foreign wholesale concern.

The peculiar historical development of German society therefore forbids, in that country, all original work in bourgeois economy; but not the criticism of that economy. So far as such criticism represents a class, it can only represent the class whose vocation in history is the overthrow of the capitalist mode of production and the final abolition of all classes — the proletariat.

The learned and unlearned spokesmen of the German bourgeoisie tried at first to kill "Das Kapital" by silence, as they had managed to do with my earlier writings. As soon as they found that these tactics no longer fitted in with the conditions of the time, they wrote, under pretence of criticising my book, prescriptions "for the tranquillisation of

the bourgeois mind.” But they found in the workers’ press — see, e.g., Joseph Dietzgen’s articles in the *Volksstaat* — antagonists stronger than themselves, to whom (down to this very day) they owe a reply. [3]

An excellent Russian translation of “*Das Kapital*” appeared in the spring of 1872. The edition of 3,000 copies is already nearly exhausted. As early as 1871, N. Sieber, Professor of Political Economy in the University of Kiev, in his work “*David Ricardo’s Theory of Value and of Capital*,” referred to my theory of value, of money and of capital, as in its fundamentals a necessary sequel to the teaching of Smith and Ricardo. That which astonishes the Western European in the reading of this excellent work, is the author’s consistent and firm grasp of the purely theoretical position.

That the method employed in “*Das Kapital*” has been little understood, is shown by the various conceptions, contradictory one to another, that have been formed of it.

Thus the *Paris Revue Positiviste* reproaches me in that, on the one hand, I treat economics metaphysically, and on the other hand — imagine! — confine myself to the mere critical analysis of actual facts, instead of writing receipts [4] (Comtist ones?) for the cook-shops of the future. In answer to the reproach in re metaphysics, Professor Sieber has it:

“In so far as it deals with actual theory, the method of Marx is the deductive method of the whole English school, a school whose failings and virtues are common to the best theoretic economists.”

M. Block — “*Les Théoriciens du Socialisme en Allemagne. Extrait du Journal des Economistes, Juillet et Août 1872*” — makes the discovery that my method is analytic and says: “Par cet ouvrage M. Marx se classe parmi les esprits analytiques les plus éminents.” German reviews, of course, shriek out at “Hegelian sophistries.” The *European Messenger* of St. Petersburg in an article dealing exclusively with the method of “*Das Kapital*” (May number, 1872, pp. 427-436), finds my method of inquiry severely realistic, but my method of presentation, unfortunately, German-dialectical. It says:

“At first sight, if the judgment is based on the external form of the presentation of the subject, Marx is the most ideal of ideal philosophers, always in the German, i.e., the bad sense of the word. But in point of fact he is infinitely more realistic than all his forerunners in the work of economic criticism. He can in no sense be called an idealist.”

I cannot answer the writer better than by aid of a few extracts from his own criticism,

which may interest some of my readers to whom the Russian original is inaccessible.

After a quotation from the preface to my “Criticism of Political Economy,” Berlin, 1859, pp. IV-VII, where I discuss the materialistic basis of my method, the writer goes on:

“The one thing which is of moment to Marx, is to find the law of the phenomena with whose investigation he is concerned; and not only is that law of moment to him, which governs these phenomena, in so far as they have a definite form and mutual connexion within a given historical period. Of still greater moment to him is the law of their variation, of their development, i.e., of their transition from one form into another, from one series of connexions into a different one. This law once discovered, he investigates in detail the effects in which it manifests itself in social life. Consequently, Marx only troubles himself about one thing: to show, by rigid scientific investigation, the necessity of successive determinate orders of social conditions, and to establish, as impartially as possible, the facts that serve him for fundamental starting-points. For this it is quite enough, if he proves, at the same time, both the necessity of the present order of things, and the necessity of another order into which the first must inevitably pass over; and this all the same, whether men believe or do not believe it, whether they are conscious or unconscious of it. Marx treats the social movement as a process of natural history, governed by laws not only independent of human will, consciousness and intelligence, but rather, on the contrary, determining that will, consciousness and intelligence. ... If in the history of civilisation the conscious element plays a part so subordinate, then it is self-evident that a critical inquiry whose subject-matter is civilisation, can, less than anything else, have for its basis any form of, or any result of, consciousness. That is to say, that not the idea, but the material phenomenon alone can serve as its starting-point. Such an inquiry will confine itself to the confrontation and the comparison of a fact, not with ideas, but with another fact. For this inquiry, the one thing of moment is, that both facts be investigated as accurately as possible, and that they actually form, each with respect to the other, different momenta of an evolution; but most important of all is the rigid analysis of the series of successions, of the sequences and concatenations in which the different stages of such an evolution present themselves. But it will be said, the general laws of economic life are one and the same, no matter whether they are applied to the present or the past. This Marx directly denies. According to him, such abstract laws do not exist. On the contrary, in his opinion every historical period has laws of its own. ... As soon as society has outlived a given period of development, and is passing over from one given stage to another, it begins to be subject also to other laws. In a word, economic life offers us a phenomenon analogous to the

history of evolution in other branches of biology. The old economists misunderstood the nature of economic laws when they likened them to the laws of physics and chemistry. A more thorough analysis of phenomena shows that social organisms differ among themselves as fundamentally as plants or animals. Nay, one and the same phenomenon falls under quite different laws in consequence of the different structure of those organisms as a whole, of the variations of their individual organs, of the different conditions in which those organs function, &c. Marx, e.g., denies that the law of population is the same at all times and in all places. He asserts, on the contrary, that every stage of development has its own law of population. ... With the varying degree of development of productive power, social conditions and the laws governing them vary too. Whilst Marx sets himself the task of following and explaining from this point of view the economic system established by the sway of capital, he is only formulating, in a strictly scientific manner, the aim that every accurate investigation into economic life must have. The scientific value of such an inquiry lies in the disclosing of the special laws that regulate the origin, existence, development, death of a given social organism and its replacement by another and higher one. And it is this value that, in point of fact, Marx's book has."

Whilst the writer pictures what he takes to be actually my method, in this striking and [as far as concerns my own application of it] generous way, what else is he picturing but the dialectic method?

Of course the method of presentation must differ in form from that of inquiry. The latter has to appropriate the material in detail, to analyse its different forms of development, to trace out their inner connexion. Only after this work is done, can the actual movement be adequately described. If this is done successfully, if the life of the subject-matter is ideally reflected as in a mirror, then it may appear as if we had before us a mere a priori construction.

My dialectic method is not only different from the Hegelian, but is its direct opposite. To Hegel, the life process of the human brain, i.e., the process of thinking, which, under the name of "the Idea," he even transforms into an independent subject, is the demiurgos of the real world, and the real world is only the external, phenomenal form of "the Idea." With me, on the contrary, the ideal is nothing else than the material world reflected by the human mind, and translated into forms of thought.

The mystifying side of Hegelian dialectic I criticised nearly thirty years ago, at a time when it was still the fashion. But just as I was working at the first volume of "Das Kapital," it was the good pleasure of the peevish, arrogant, mediocre Epigono

[Epigones – Büchner, Dühring and others] who now talk large in cultured Germany, to treat Hegel in same way as the brave Moses Mendelssohn in Lessing’s time treated Spinoza, i.e., as a “dead dog.” I therefore openly avowed myself the pupil of that mighty thinker, and even here and there, in the chapter on the theory of value, coquetted with the modes of expression peculiar to him. The mystification which dialectic suffers in Hegel’s hands, by no means prevents him from being the first to present its general form of working in a comprehensive and conscious manner. With him it is standing on its head. It must be turned right side up again, if you would discover the rational kernel within the mystical shell.

In its mystified form, dialectic became the fashion in Germany, because it seemed to transfigure and to glorify the existing state of things. In its rational form it is a scandal and abomination to bourgeoisdom and its doctrinaire professors, because it includes in its comprehension and affirmative recognition of the existing state of things, at the same time also, the recognition of the negation of that state, of its inevitable breaking up; because it regards every historically developed social form as in fluid movement, and therefore takes into account its transient nature not less than its momentary existence; because it lets nothing impose upon it, and is in its essence critical and revolutionary.

The contradictions inherent in the movement of capitalist society impress themselves upon the practical bourgeois most strikingly in the changes of the periodic cycle, through which modern industry runs, and whose crowning point is the universal crisis. That crisis is once again approaching, although as yet but in its preliminary stage; and by the universality of its theatre and the intensity of its action it will drum dialectics even into the heads of the mushroom-upstarts of the new, holy Prusso-German empire.

Karl Marx
London
January 24, 1873

Footnotes

- [1.](#) Geschichtliche Darstellung des Handels, der Gewerbe und des Ackerbaus, &c.. von Gustav von Gulich. 5 vols., Jena. 1830-45.
- [2.](#) See my work “Zur Kritik, &c.,” p. 39.
- [3.](#) The mealy-mouthed babblers of German vulgar economy fell foul of the style of my book. No one can feel the literary shortcomings in “Das Kapital” more strongly

Part I: Commodities and Money

Chapter One: Commodities

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SECTION 1

THE TWO FACTORS OF A COMMODITY: USE-VALUE AND VALUE (THE SUBSTANCE OF VALUE AND THE MAGNITUDE OF VALUE)

The wealth of those societies in which the capitalist mode of production prevails, presents itself as “an immense accumulation of commodities,”^[1] its unit being a single commodity. Our investigation must therefore begin with the analysis of a commodity.

A commodity is, in the first place, an object outside us, a thing that by its properties satisfies human wants of some sort or another. The nature of such wants, whether, for instance, they spring from the stomach or from fancy, makes no difference.^[2] Neither are we here concerned to know how the object satisfies these wants, whether directly as means of subsistence, or indirectly as means of production.

Every useful thing, as iron, paper, &c., may be looked at from the two points of view of quality and quantity. It is an assemblage of many properties, and may therefore be of use in various ways. To discover the various uses of things is the work of history.^[3] So also is the establishment of socially-recognized standards of measure for the quantities of these useful objects. The diversity of these measures has its origin partly in the diverse nature of the objects to be measured, partly in convention.

The utility of a thing makes it a use value.^[4] But this utility is not a thing of air. Being limited by the physical properties of the commodity, it has no existence apart from that commodity. A commodity, such as iron, corn, or a diamond, is therefore, so far as it is a material thing, a use value, something useful. This property of a commodity is independent of the amount of labour required to appropriate its useful qualities. When treating of use value, we always assume to be dealing with definite quantities, such as

dozens of watches, yards of linen, or tons of iron. The use values of commodities furnish the material for a special study, that of the commercial knowledge of commodities.^[5] Use values become a reality only by use or consumption: they also constitute the substance of all wealth, whatever may be the social form of that wealth. In the form of society we are about to consider, they are, in addition, the material depositories of exchange value.

Exchange value, at first sight, presents itself as a quantitative relation, as the proportion in which values in use of one sort are exchanged for those of another sort,^[6] a relation constantly changing with time and place. Hence exchange value appears to be something accidental and purely relative, and consequently an intrinsic value, *i.e.*, an exchange value that is inseparably connected with, inherent in commodities, seems a contradiction in terms.^[7] Let us consider the matter a little more closely.

A given commodity, *e.g.*, a quarter of wheat is exchanged for *x* blacking, *y* silk, or *z* gold, &c. – in short, for other commodities in the most different proportions. Instead of one exchange value, the wheat has, therefore, a great many. But since *x* blacking, *y* silk, or *z* gold &c., each represents the exchange value of one quarter of wheat, *x* blacking, *y* silk, *z* gold, &c., must, as exchange values, be replaceable by each other, or equal to each other. Therefore, first: the valid exchange values of a given commodity express something equal; secondly, exchange value, generally, is only the mode of expression, the phenomenal form, of something contained in it, yet distinguishable from it.

Let us take two commodities, *e.g.*, corn and iron. The proportions in which they are exchangeable, whatever those proportions may be, can always be represented by an equation in which a given quantity of corn is equated to some quantity of iron: *e.g.*, 1 quarter corn = *x* cwt. iron. What does this equation tell us? It tells us that in two different things – in 1 quarter of corn and *x* cwt. of iron, there exists in equal quantities something common to both. The two things must therefore be equal to a third, which in itself is neither the one nor the other. Each of them, so far as it is exchange value, must therefore be reducible to this third.

A simple geometrical illustration will make this clear. In order to calculate and compare the areas of rectilinear figures, we decompose them into triangles. But the area of the triangle itself is expressed by something totally different from its visible figure, namely, by half the product of the base multiplied by the altitude. In the same way the exchange values of commodities must be capable of being expressed in terms of something common to them all, of which thing they represent a greater or less quantity.

This common “something” cannot be either a geometrical, a chemical, or any other natural property of commodities. Such properties claim our attention only in so far as they affect the utility of those commodities, make them use values. But the exchange of commodities is evidently an act characterised by a total abstraction from use value. Then one use value is just as good as another, provided only it be present in sufficient quantity. Or, as old Barbon says,

“one sort of wares are as good as another, if the values be equal. There is no difference or distinction in things of equal value ... An hundred pounds’ worth of lead or iron, is of as great value as one hundred pounds’ worth of silver or gold.”^[8]

As use values, commodities are, above all, of different qualities, but as exchange values they are merely different quantities, and consequently do not contain an atom of use value.

If then we leave out of consideration the use value of commodities, they have only one common property left, that of being products of labour. But even the product of labour itself has undergone a change in our hands. If we make abstraction from its use value, we make abstraction at the same time from the material elements and shapes that make the product a use value; we see in it no longer a table, a house, yarn, or any other useful thing. Its existence as a material thing is put out of sight. Neither can it any longer be regarded as the product of the labour of the joiner, the mason, the spinner, or of any other definite kind of productive labour. Along with the useful qualities of the products themselves, we put out of sight both the useful character of the various kinds of labour embodied in them, and the concrete forms of that labour; there is nothing left but what is common to them all; all are reduced to one and the same sort of labour, human labour in the abstract.

Let us now consider the residue of each of these products; it consists of the same unsubstantial reality in each, a mere congelation of homogeneous human labour, of labour power expended without regard to the mode of its expenditure. All that these things now tell us is, that human labour power has been expended in their production, that human labour is embodied in them. When looked at as crystals of this social substance, common to them all, they are – Values.

We have seen that when commodities are exchanged, their exchange value manifests itself as something totally independent of their use value. But if we abstract from their use value, there remains their Value as defined above. Therefore, the common substance that manifests itself in the exchange value of commodities, whenever they are

exchanged, is their value. The progress of our investigation will show that exchange value is the only form in which the value of commodities can manifest itself or be expressed. For the present, however, we have to consider the nature of value independently of this, its form.

A use value, or useful article, therefore, has value only because human labour in the abstract has been embodied or materialised in it. How, then, is the magnitude of this value to be measured? Plainly, by the quantity of the value-creating substance, the labour, contained in the article. The quantity of labour, however, is measured by its duration, and labour time in its turn finds its standard in weeks, days, and hours.

Some people might think that if the value of a commodity is determined by the quantity of labour spent on it, the more idle and unskilful the labourer, the more valuable would his commodity be, because more time would be required in its production. The labour, however, that forms the substance of value, is homogeneous human labour, expenditure of one uniform labour power. The total labour power of society, which is embodied in the sum total of the values of all commodities produced by that society, counts here as one homogeneous mass of human labour power, composed though it be of innumerable individual units. Each of these units is the same as any other, so far as it has the character of the average labour power of society, and takes effect as such; that is, so far as it requires for producing a commodity, no more time than is needed on an average, no more than is socially necessary. The labour time socially necessary is that required to produce an article under the normal conditions of production, and with the average degree of skill and intensity prevalent at the time. The introduction of power-looms into England probably reduced by one-half the labour required to weave a given quantity of yarn into cloth. The hand-loom weavers, as a matter of fact, continued to require the same time as before; but for all that, the product of one hour of their labour represented after the change only half an hour's social labour, and consequently fell to one-half its former value.

We see then that that which determines the magnitude of the value of any article is the amount of labour socially necessary, or the labour time socially necessary for its production.^[9] Each individual commodity, in this connexion, is to be considered as an average sample of its class.^[10] Commodities, therefore, in which equal quantities of labour are embodied, or which can be produced in the same time, have the same value. The value of one commodity is to the value of any other, as the labour time necessary for the production of the one is to that necessary for the production of the other. "As values, all commodities are only definite masses of congealed labour time."^[11]

The value of a commodity would therefore remain constant, if the labour time required for its production also remained constant. But the latter changes with every variation in the productiveness of labour. This productiveness is determined by various circumstances, amongst others, by the average amount of skill of the workmen, the state of science, and the degree of its practical application, the social organisation of production, the extent and capabilities of the means of production, and by physical conditions. For example, the same amount of labour in favourable seasons is embodied in 8 bushels of corn, and in unfavourable, only in four. The same labour extracts from rich mines more metal than from poor mines. Diamonds are of very rare occurrence on the earth's surface, and hence their discovery costs, on an average, a great deal of labour time. Consequently much labour is represented in a small compass. Jacob doubts whether gold has ever been paid for at its full value. This applies still more to diamonds. According to Eschwege, the total produce of the Brazilian diamond mines for the eighty years, ending in 1823, had not realised the price of one-and-a-half years' average produce of the sugar and coffee plantations of the same country, although the diamonds cost much more labour, and therefore represented more value. With richer mines, the same quantity of labour would embody itself in more diamonds, and their value would fall. If we could succeed at a small expenditure of labour, in converting carbon into diamonds, their value might fall below that of bricks. In general, the greater the productiveness of labour, the less is the labour time required for the production of an article, the less is the amount of labour crystallised in that article, and the less is its value; and *vice versa* the less the productiveness of labour, the greater is the labour time required for the production of an article, and the greater is its value. The value of a commodity, therefore, varies directly as the quantity, and inversely as the productiveness, of the labour incorporated in it. [A]

A thing can be a use value, without having value. This is the case whenever its utility to man is not due to labour. Such are air, virgin soil, natural meadows, &c. A thing can be useful, and the product of human labour, without being a commodity. Whoever directly satisfies his wants with the produce of his own labour, creates, indeed, use values, but not commodities. In order to produce the latter, he must not only produce use values, but use values for others, social use values. (And not only for others, without more. The mediaeval peasant produced quit-rent-corn for his feudal lord and tithe-corn for his parson. But neither the quit-rent-corn nor the tithe-corn became commodities by reason of the fact that they had been produced for others. To become a commodity a product must be transferred to another, whom it will serve as a use value, by means of an exchange.)^[12] Lastly nothing can have value, without being an object of utility. If the thing is useless, so is the labour contained in it; the labour does not count as labour,

and therefore creates no value.

SECTION 2

THE TWOFOLD CHARACTER OF THE LABOUR EMBODIED IN COMMODITIES

At first sight a commodity presented itself to us as a complex of two things – use value and exchange value. Later on, we saw also that labour, too, possesses the same twofold nature; for, so far as it finds expression in value, it does not possess the same characteristics that belong to it as a creator of use values. I was the first to point out and to examine critically this twofold nature of the labour contained in commodities. As this point is the pivot on which a clear comprehension of political economy turns, we must go more into detail.

Let us take two commodities such as a coat and 10 yards of linen, and let the former be double the value of the latter, so that, if 10 yards of linen = W, the coat = 2W.

The coat is a use value that satisfies a particular want. Its existence is the result of a special sort of productive activity, the nature of which is determined by its aim, mode of operation, subject, means, and result. The labour, whose utility is thus represented by the value in use of its product, or which manifests itself by making its product a use value, we call useful labour. In this connection we consider only its useful effect.

As the coat and the linen are two qualitatively different use values, so also are the two forms of labour that produce them, tailoring and weaving. Were these two objects not qualitatively different, not produced respectively by labour of different quality, they could not stand to each other in the relation of commodities. Coats are not exchanged for coats, one use value is not exchanged for another of the same kind.

To all the different varieties of values in use there correspond as many different kinds of useful labour, classified according to the order, genus, species, and variety to which they belong in the social division of labour. This division of labour is a necessary

condition for the production of commodities, but it does not follow, conversely, that the production of commodities is a necessary condition for the division of labour. In the primitive Indian community there is social division of labour, without production of commodities. Or, to take an example nearer home, in every factory the labour is divided according to a system, but this division is not brought about by the operatives mutually exchanging their individual products. Only such products can become commodities with regard to each other, as result from different kinds of labour, each kind being carried on independently and for the account of private individuals.

To resume, then: In the use value of each commodity there is contained useful labour, *i.e.*, productive activity of a definite kind and exercised with a definite aim. Use values cannot confront each other as commodities, unless the useful labour embodied in them is qualitatively different in each of them. In a community, the produce of which in general takes the form of commodities, *i.e.*, in a community of commodity producers, this qualitative difference between the useful forms of labour that are carried on independently of individual producers, each on their own account, develops into a complex system, a social division of labour.

Anyhow, whether the coat be worn by the tailor or by his customer, in either case it operates as a use value. Nor is the relation between the coat and the labour that produced it altered by the circumstance that tailoring may have become a special trade, an independent branch of the social division of labour. Wherever the want of clothing forced them to it, the human race made clothes for thousands of years, without a single man becoming a tailor. But coats and linen, like every other element of material wealth that is not the spontaneous produce of Nature, must invariably owe their existence to a special productive activity, exercised with a definite aim, an activity that appropriates particular nature-given materials to particular human wants. So far therefore as labour is a creator of use value, is useful labour, it is a necessary condition, independent of all forms of society, for the existence of the human race; it is an eternal nature-imposed necessity, without which there can be no material exchanges between man and Nature, and therefore no life.

The use values, coat, linen, &c., *i.e.*, the bodies of commodities, are combinations of two elements – matter and labour. If we take away the useful labour expended upon them, a material substratum is always left, which is furnished by Nature without the help of man. The latter can work only as Nature does, that is by changing the form of matter.^[13] Nay more, in this work of changing the form he is constantly helped by natural forces. We see, then, that labour is not the only source of material wealth, of use values produced by labour. As William Petty puts it, labour is its father and the earth its

mother.

Let us now pass from the commodity considered as a use value to the value of commodities.

By our assumption, the coat is worth twice as much as the linen. But this is a mere quantitative difference, which for the present does not concern us. We bear in mind, however, that if the value of the coat is double that of 10 yds of linen, 20 yds of linen must have the same value as one coat. So far as they are values, the coat and the linen are things of a like substance, objective expressions of essentially identical labour. But tailoring and weaving are, qualitatively, different kinds of labour. There are, however, states of society in which one and the same man does tailoring and weaving alternately, in which case these two forms of labour are mere modifications of the labour of the same individual, and not special and fixed functions of different persons, just as the coat which our tailor makes one day, and the trousers which he makes another day, imply only a variation in the labour of one and the same individual. Moreover, we see at a glance that, in our capitalist society, a given portion of human labour is, in accordance with the varying demand, at one time supplied in the form of tailoring, at another in the form of weaving. This change may possibly not take place without friction, but take place it must.

Productive activity, if we leave out of sight its special form, viz., the useful character of the labour, is nothing but the expenditure of human labour power. Tailoring and weaving, though qualitatively different productive activities, are each a productive expenditure of human brains, nerves, and muscles, and in this sense are human labour. They are but two different modes of expending human labour power. Of course, this labour power, which remains the same under all its modifications, must have attained a certain pitch of development before it can be expended in a multiplicity of modes. But the value of a commodity represents human labour in the abstract, the expenditure of human labour in general. And just as in society, a general or a banker plays a great part, but mere man, on the other hand, a very shabby part,^[14] so here with mere human labour. It is the expenditure of simple labour power, *i.e.*, of the labour power which, on an average, apart from any special development, exists in the organism of every ordinary individual. Simple average labour, it is true, varies in character in different countries and at different times, but in a particular society it is given. Skilled labour counts only as simple labour intensified, or rather, as multiplied simple labour, a given quantity of skilled being considered equal to a greater quantity of simple labour. Experience shows that this reduction is constantly being made. A commodity may be the product of the most skilled labour, but its value, by equating it to the product of

simple unskilled labour, represents a definite quantity of the latter labour alone.^[15] The different proportions in which different sorts of labour are reduced to unskilled labour as their standard, are established by a social process that goes on behind the backs of the producers, and, consequently, appear to be fixed by custom. For simplicity's sake we shall henceforth account every kind of labour to be unskilled, simple labour; by this we do no more than save ourselves the trouble of making the reduction.

Just as, therefore, in viewing the coat and linen as values, we abstract from their different use values, so it is with the labour represented by those values: we disregard the difference between its useful forms, weaving and tailoring. As the use values, coat and linen, are combinations of special productive activities with cloth and yarn, while the values, coat and linen, are, on the other hand, mere homogeneous congelations of undifferentiated labour, so the labour embodied in these latter values does not count by virtue of its productive relation to cloth and yarn, but only as being expenditure of human labour power. Tailoring and weaving are necessary factors in the creation of the use values, coat and linen, precisely because these two kinds of labour are of different qualities; but only in so far as abstraction is made from their special qualities, only in so far as both possess the same quality of being human labour, do tailoring and weaving form the substance of the values of the same articles.

Coats and linen, however, are not merely values, but values of definite magnitude, and according to our assumption, the coat is worth twice as much as the ten yards of linen. Whence this difference in their values? It is owing to the fact that the linen contains only half as much labour as the coat, and consequently, that in the production of the latter, labour power must have been expended during twice the time necessary for the production of the former.

While, therefore, with reference to use value, the labour contained in a commodity counts only qualitatively, with reference to value it counts only quantitatively, and must first be reduced to human labour pure and simple. In the former case, it is a question of How and What, in the latter of How much? How long a time? Since the magnitude of the value of a commodity represents only the quantity of labour embodied in it, it follows that all commodities, when taken in certain proportions, must be equal in value.

If the productive power of all the different sorts of useful labour required for the production of a coat remains unchanged, the sum of the values of the coats produced increases with their number. If one coat represents x days' labour, two coats represent $2x$ days' labour, and so on. But assume that the duration of the labour necessary for the production of a coat becomes doubled or halved. In the first case one coat is worth as

much as two coats were before; in the second case, two coats are only worth as much as one was before, although in both cases one coat renders the same service as before, and the useful labour embodied in it remains of the same quality. But the quantity of labour spent on its production has altered.

An increase in the quantity of use values is an increase of material wealth. With two coats two men can be clothed, with one coat only one man. Nevertheless, an increased quantity of material wealth may correspond to a simultaneous fall in the magnitude of its value. This antagonistic movement has its origin in the twofold character of labour. Productive power has reference, of course, only to labour of some useful concrete form, the efficacy of any special productive activity during a given time being dependent on its productiveness. Useful labour becomes, therefore, a more or less abundant source of products, in proportion to the rise or fall of its productiveness. On the other hand, no change in this productiveness affects the labour represented by value. Since productive power is an attribute of the concrete useful forms of labour, of course it can no longer have any bearing on that labour, so soon as we make abstraction from those concrete useful forms. However then productive power may vary, the same labour, exercised during equal periods of time, always yields equal amounts of value. But it will yield, during equal periods of time, different quantities of values in use; more, if the productive power rise, fewer, if it fall. The same change in productive power, which increases the fruitfulness of labour, and, in consequence, the quantity of use values produced by that labour, will diminish the total value of this increased quantity of use values, provided such change shorten the total labour time necessary for their production; and *vice versa*

On the one hand all labour is, speaking physiologically, an expenditure of human labour power, and in its character of identical abstract human labour, it creates and forms the value of commodities. On the other hand, all labour is the expenditure of human labour power in a special form and with a definite aim, and in this, its character of concrete useful labour, it produces use values.^[16]

SECTION 3

THE FORM OF VALUE OR EXCHANGE VALUE

Commodities come into the world in the shape of use values, articles, or goods, such as iron, linen, corn, &c. This is their plain, homely, bodily form. They are, however, commodities, only because they are something twofold, both objects of utility, and, at the same time, depositories of value. They manifest themselves therefore as commodities, or have the form of commodities, only in so far as they have two forms, a physical or natural form, and a value form.

The reality of the value of commodities differs in this respect from Dame Quickly, that we don't know "where to have it." The value of commodities is the very opposite of the coarse materiality of their substance, not an atom of matter enters into its composition. Turn and examine a single commodity, by itself, as we will, yet in so far as it remains an object of value, it seems impossible to grasp it. If, however, we bear in mind that the value of commodities has a purely social reality, and that they acquire this reality only in so far as they are expressions or embodiments of one identical social substance, viz., human labour, it follows as a matter of course, that value can only manifest itself in the social relation of commodity to commodity. In fact we started from exchange value, or the exchange relation of commodities, in order to get at the value that lies hidden behind it. We must now return to this form under which value first appeared to us.

Every one knows, if he knows nothing else, that commodities have a value form common to them all, and presenting a marked contrast with the varied bodily forms of their use values. I mean their money form. Here, however, a task is set us, the performance of which has never yet even been attempted by *bourgeois* economy, the task of tracing the genesis of this money form, of developing the expression of value implied in the value relation of commodities, from its simplest, almost imperceptible outline, to the dazzling money-form. By doing this we shall, at the same time, solve the riddle presented by money.

The simplest value-relation is evidently that of one commodity to some one other commodity of a different kind. Hence the relation between the values of two commodities supplies us with the simplest expression of the value of a single commodity.

A. Elementary or Accidental Form Of Value

x commodity A = y commodity B, or
x commodity A is worth y commodity B.

20 yards of linen = 1 coat, or
20 Yards of linen are worth 1 coat.

1. The two poles of the expression of value. Relative form and Equivalent form

The whole mystery of the form of value lies hidden in this elementary form. Its analysis, therefore, is our real difficulty.

Here two different kinds of commodities (in our example the linen and the coat), evidently play two different parts. The linen expresses its value in the coat; the coat serves as the material in which that value is expressed. The former plays an active, the latter a passive, part. The value of the linen is represented as relative value, or appears in relative form. The coat officiates as equivalent, or appears in equivalent form.

The relative form and the equivalent form are two intimately connected, mutually dependent and inseparable elements of the expression of value; but, at the same time, are mutually exclusive, antagonistic extremes – *i.e.*, poles of the same expression. They are allotted respectively to the two different commodities brought into relation by that expression. It is not possible to express the value of linen in linen. 20 yards of linen = 20 yards of linen is no expression of value. On the contrary, such an equation merely says that 20 yards of linen are nothing else than 20 yards of linen, a definite quantity of the use value linen. The value of the linen can therefore be expressed only relatively – *i.e.*, in some other commodity. The relative form of the value of the linen presupposes, therefore, the presence of some other commodity – here the coat – under the form of an equivalent. On the other hand, the commodity that figures as the equivalent cannot at the same time assume the relative form. That second commodity is not the one whose value is expressed. Its function is merely to serve as the material in which the value of the first commodity is expressed.

No doubt, the expression 20 yards of linen = 1 coat, or 20 yards of linen are worth 1 coat, implies the opposite relation. 1 coat = 20 yards of linen, or 1 coat is worth 20 yards of linen. But, in that case, I must reverse the equation, in order to express the value of the coat relatively; and, so soon as I do that the linen becomes the equivalent instead of

the coat. A single commodity cannot, therefore, simultaneously assume, in the same expression of value, both forms. The very polarity of these forms makes them mutually exclusive.

Whether, then, a commodity assumes the relative form, or the opposite equivalent form, depends entirely upon its accidental position in the expression of value – that is, upon whether it is the commodity whose value is being expressed or the commodity in which value is being expressed.

2. The Relative Form of value

(a.) The nature and import of this form

In order to discover how the elementary expression of the value of a commodity lies hidden in the value relation of two commodities, we must, in the first place, consider the latter entirely apart from its quantitative aspect. The usual mode of procedure is generally the reverse, and in the value relation nothing is seen but the proportion between definite quantities of two different sorts of commodities that are considered equal to each other. It is apt to be forgotten that the magnitudes of different things can be compared quantitatively, only when those magnitudes are expressed in terms of the same unit. It is only as expressions of such a unit that they are of the same denomination, and therefore commensurable.^[17]

Whether 20 yards of linen = 1 coat or = 20 coats or = x coats – that is, whether a given quantity of linen is worth few or many coats, every such statement implies that the linen and coats, as magnitudes of value, are expressions of the same unit, things of the same kind. Linen = coat is the basis of the equation.

But the two commodities whose identity of quality is thus assumed, do not play the same part. It is only the value of the linen that is expressed. And how? By its reference to the coat as its equivalent, as something that can be exchanged for it. In this relation the coat is the mode of existence of value, is value embodied, for only as such is it the same as the linen. On the other hand, the linen's own value comes to the front, receives independent expression, for it is only as being value that it is comparable with the coat as a thing of equal value, or exchangeable with the coat. To borrow an illustration from chemistry, butyric acid is a different substance from propyl formate. Yet both are made up of the same chemical substances, carbon (C), hydrogen (H), and oxygen (O), and

that, too, in like proportions – namely, $C_4H_8O_2$. If now we equate butyric acid to propyl formate, then, in the first place, propyl formate would be, in this relation, merely a form of existence of $C_4H_8O_2$; and in the second place, we should be stating that butyric acid also consists of $C_4H_8O_2$. Therefore, by thus equating the two substances, expression would be given to their chemical composition, while their different physical forms would be neglected.

If we say that, as values, commodities are mere congelations of human labour, we reduce them by our analysis, it is true, to the abstraction, value; but we ascribe to this value no form apart from their bodily form. It is otherwise in the value relation of one commodity to another. Here, the one stands forth in its character of value by reason of its relation to the other.

By making the coat the equivalent of the linen, we equate the labour embodied in the former to that in the latter. Now, it is true that the tailoring, which makes the coat, is concrete labour of a different sort from the weaving which makes the linen. But the act of equating it to the weaving, reduces the tailoring to that which is really equal in the two kinds of labour, to their common character of human labour. In this roundabout way, then, the fact is 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.^[18]

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 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.* [Paris is certainly worth a mass]

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.^[19] By putting itself in relation with commodity B, as value *in propriâ personâ*, 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.

(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,^[20] 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.

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.^[21]

3. The Equivalent form of value

We have seen that commodity A (the linen), by expressing its value in the use value of

Part II: The Transformation of Money into Capital

Chapter Four: 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. ^[1] 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 money, and then money is bought with a commodity. [2] 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 personae, 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 advanced. [3]

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 for £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, commences 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 £100, 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. [4] 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 $M' = M + D$ $M =$ 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 + D 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. [5] 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. [6]

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; [7] neither must the profit on any single transaction. The restless never-ending process of profit-making alone is what he aims at. [8] This boundless greed after riches, this passionate chase after exchange-value [9], 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 [10] his money from circulation, is attained by the more acute capitalist, by constantly throwing it afresh into circulation. [11]

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. [12] 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. [13] 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 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 qua 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. ^[14] 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.

Footnotes

Chapter Six: 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. ^[1] 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 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 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 civilisation 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 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. Others 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 = $(365A + 52B + 4C + \&c) / 365$. Suppose that in this mass of commodities requisite for the average day there are embodied 6 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 of 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.” [10] 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.” [11]

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. [12] 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, [13] but also by a series of more enduring consequences. [14] Nevertheless, whether money serves as a 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 possessor of this peculiar commodity, labour-power, is determined. The use-value which the former gets in exchange, manifests itself only in the actual utilisation, 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 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 pre-established 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 personae. 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.

Footnotes

1. “In the form of money ... capital is productive of no profit.” (Ricardo: “Princ. of Pol. Econ.,” p. 267.)

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.

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 labourer, 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.)

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.

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.” (Th. Hobbes: “Leviathan” in Works, Ed. Molesworth. Lond. 1839-44, v. iii. p. 76.)

6. Hence the Roman *Villicus*, as overlooker of the agricultural slaves, received

Part IV: Production of Relative Surplus Value

Chapter Twelve: The Concept of Relative Surplus Value

That portion of the working day which merely produces an equivalent for the value paid by the capitalist for his labour-power, has, up to this point, been treated by us as a constant magnitude, and such in fact it is, under given conditions of production and at a given stage in the economic development of society. Beyond this, his necessary labour-time, the labourer, we saw, could continue to work for 2, 3, 4, 6, &c., hours. The rate of surplus-value and the length of the working day depended on the magnitude of this prolongation. Though the necessary labour-time was constant, we saw, on the other hand, that the total working day was variable. Now suppose we have a working day whose length, and whose apportionment between necessary labour and surplus-labour, are given. Let the whole line a c, a—b—c represent, for example, a working day of 12 hours; the portion of a b 10 hours of necessary labour, and the portion b c 2 hours of surplus-labour. How now can the production of surplus-value be increased, i.e., how can the surplus-labour be prolonged, without, or independently of, any prolongation of a c?

Although the length of a c is given, b c appears to be capable of prolongation, if not by extension beyond its end c, which is also the end of the working day a c, yet, at all events, by pushing back its starting-point b in the direction of a. Assume that b'—b in the line ab'bc is equal to half of b c

a——b'—b——c

or to one hour's labour-time. If now, in a c, the working day of 12 hours, we move the point b to b', b c becomes b' c; the surplus-labour increases by one half, from 2 hours to 3 hours, although the working day remains as before at 12 hours. This extension of the surplus labour-time from b c to b' c, from 2 hours to 3 hours, is, however, evidently

impossible, without a simultaneous contraction of the necessary labour-time from a b into a b' , from 10 hours to 9 hours. The prolongation of the surplus-labour would correspond to a shortening of the necessary labour; or a portion of the labour-time previously consumed, in reality, for the labourer's own benefit, would be converted into labour-time for the benefit of the capitalist. There would be an alteration, not in the length of the working day, but in its division into necessary labour-time and surplus labour-time.

On the other hand, it is evident that the duration of the surplus-labour is given, when the length of the working day, and the value of labour-power, are given. The value of labour-power, i.e., the labour-time requisite to produce labour-power, determines the labour-time necessary for the reproduction of that value. If one working-hour be embodied in sixpence, and the value of a day's labour-power be five shillings, the labourer must work 10 hours a day, in order to replace the value paid by capital for his labour-power, or to produce an equivalent for the value of his daily necessary means of subsistence. Given the value of these means of subsistence, the value of his labour-power is given; ^[1] and given the value of his labour-power, the duration of his necessary labour-time is given. The duration of the surplus-labour, however, is arrived at, by subtracting the necessary labour-time from the total working day. Ten hours subtracted from twelve, leave two, and it is not easy to see, how, under the given conditions, the surplus-labour can possibly be prolonged beyond two hours. No doubt, the capitalist can, instead of five shillings, pay the labourer four shillings and sixpence or even less. For the reproduction of this value of four shillings and sixpence, nine hours' labour-time would suffice; and consequently three hours of surplus-labour, instead of two, would accrue to the capitalist, and the surplus-value would rise from one shilling to eighteen-pence. This result, however, would be obtained only by lowering the wages of the labourer below the value of his labour-power. With the four shillings and sixpence which he produces in nine hours, he commands one-tenth less of the necessaries of life than before, and consequently the proper reproduction of his labour-power is crippled. The surplus-labour would in this case be prolonged only by an overstepping of its normal limits; its domain would be extended only by a usurpation of part of the domain of necessary labour-time. Despite the important part which this method plays in actual practice, we are excluded from considering it in this place, by our assumption, that all commodities, including labour-power, are bought and sold at their full value. Granted this, it follows that the labour-time necessary for the production of labour-power, or for the reproduction of its value, cannot be lessened by a fall in the labourer's wages below the value of his labour-power, but only by a fall in this value itself. Given the length of the working day, the prolongation of the surplus-labour must of necessity originate in

the curtailment of the necessary labour-time; the latter cannot arise from the former. In the example we have taken, it is necessary that the value of labour-power should actually fall by one-tenth, in order that the necessary labour-time may be diminished by one-tenth, i.e., from ten hours to nine, and in order that the surplus labour may consequently be prolonged from two hours to three.

Such a fall in the value of labour-power implies, however, that the same necessaries of life which were formerly produced in ten hours, can now be produced in nine hours. But this is impossible without an increase in the productiveness of labour. For example, suppose a shoe-maker, with given tools, makes in one working day of twelve hours, one pair of boots. If he must make two pairs in the same time, the productiveness of his labour must be doubled; and this cannot be done, except by an alteration in his tools or in his mode of working, or in both. Hence, the conditions of production, i.e., his mode of production, and the labour-process itself, must be revolutionised. By increase in the productiveness of labour, we mean, generally, an alteration in the labour-process, of such a kind as to shorten the labour-time socially necessary for the production of a commodity, and to endow a given quantity of labour with the power of producing a greater quantity of use-value. [2] Hitherto in treating of surplus-value, arising from a simple prolongation of the working day, we have assumed the mode of production to be given and invariable. But when surplus-value has to be produced by the conversion of necessary labour into surplus-labour, it by no means suffices for capital to take over the labour-process in the form under which it has been historically handed down, and then simply to prolong the duration of that process. The technical and social conditions of the process, and consequently the very mode of production must be revolutionised, before the productiveness of labour can be increased. By that means alone can the value of labour-power be made to sink, and the portion of the working day necessary for the reproduction of that value, be shortened.

The surplus-value produced by prolongation of the working day, I call *absolute surplus-value*. On the other hand, the surplus-value arising from the curtailment of the necessary labour-time, and from the corresponding alteration in the respective lengths of the two components of the working day, I call *relative surplus-value*.

In order to effect a fall in the value of labour-power, the increase in the productiveness of labour must seize upon those branches of industry whose products determine the value of labour-power, and consequently either belong to the class of customary means of subsistence, or are capable of supplying the place of those means. But the value of a commodity is determined, not only by the quantity of labour which the labourer directly bestows upon that commodity, but also by the labour contained in

the means of production. For instance, the value of a pair of boots depends not only on the cobbler's labour, but also on the value of the leather, wax, thread, &c. Hence, a fall in the value of labour-power is also brought about by an increase in the productiveness of labour, and by a corresponding cheapening of commodities in those industries which supply the instruments of labour and the raw material, that form the material elements of the constant capital required for producing the necessaries of life. But an increase in the productiveness of labour in those branches of industry which supply neither the necessaries of life, nor the means of production for such necessaries, leaves the value of labour-power undisturbed.

The cheapened commodity, of course, causes only a pro tanto fall in the value of labour-power, a fall proportional to the extent of that commodity's employment in the reproduction of labour-power. Shirts, for instance, are a necessary means of subsistence, but are only one out of many. The totality of the necessaries of life consists, however, of various commodities, each the product of a distinct industry; and the value of each of those commodities enters as a component part into the value of labour-power. This latter value decreases with the decrease of the labour-time necessary for its reproduction; the total decrease being the sum of all the different curtailments of labour-time effected in those various and distinct industries. This general result is treated, here, as if it were the immediate result directly aimed at in each individual case. Whenever an individual capitalist cheapens shirts, for instance, by increasing the productiveness of labour he by no means necessarily aims at reducing the value of labour-power and shortening, pro tanto the necessary labour-time. But it is only in so far as he ultimately contributes to this result, that he assists in raising the general rate of surplus-value. [3] The general and necessary tendencies of capital must be distinguished from their forms of manifestation.

It is not our intention to consider, here, the way in which the laws, immanent in capitalist production, manifest themselves in the movements of individual masses of capital, where they assert themselves as coercive laws of competition, and are brought home to the mind and consciousness of the individual capitalist as the directing motives of his operations. But this much is clear; a scientific analysis of competition is not possible, before we have a conception of the inner nature of capital, just as the apparent motions of the heavenly bodies are not intelligible to any but him, who is acquainted with their real motions, motions which are not directly perceptible by the senses. Nevertheless, for the better comprehension of the production of relative surplus-value, we may add the following remarks, in which we assume nothing more than the results we have already obtained.

If one hour's labour is embodied in sixpence, a value of six shillings will be produced in a working day of 12 hours. Suppose, that with the prevailing productiveness of labour, 12 articles are produced in these 12 hours. Let the value of the means of production used up in each article be sixpence. Under these circumstances, each article costs one shilling: sixpence for the value of the means of production, and sixpence for the value newly added in working with those means. Now let some one capitalist contrive to double the productiveness of labour, and to produce in the working day of 12 hours, 24 instead of 12 such articles. The value of the means of production remaining the same, the value of each article will fall to ninepence, made up of sixpence for the value of the means of production and threepence for the value newly added by the labour. Despite the doubled productiveness of labour, the day's labour creates, as before, a new value of six shillings and no more, which, however, is now spread over twice as many articles. Of this value each article now has embodied in it $1/24$ th, instead of $1/12$ th, threepence instead of sixpence; or, what amounts to the same thing, only half an hour's instead of a whole hour's labour-time, is now added to the means of production while they are being transformed into each article. The individual value of these articles is now below their social value; in other words, they have cost less labour-time than the great bulk of the same article produced under the average social conditions. Each article costs, on an average, one shilling, and represents 2 hours of social labour; but under the altered mode of production it costs only ninepence, or contains only $1\frac{1}{2}$ hours' labour. The real value of a commodity is, however, not its individual value, but its social value; that is to say, the real value is not measured by the labour-time that the article in each individual case costs the producer, but by the labour-time socially required for its production. If therefore, the capitalist who applies the new method, sells his commodity at its social value of one shilling, he sells it for threepence above its individual value, and thus realises an extra surplus-value of threepence. On the other hand, the working day of 12 hours is, as regards him, now represented by 24 articles instead of 12. Hence, in order to get rid of the product of one working day, the demand must be double what it was, i.e., the market must become twice as extensive. Other things being equal, his commodities can command a more extended market only by a diminution of their prices. He will therefore sell them above their individual but under their social value, say at tenpence each. By this means he still squeezes an extra surplus-value of one penny out of each. This augmentation of surplus-value is pocketed by him, whether his commodities belong or not to the class of necessary means of subsistence that participate in determining the general value of labour-power. Hence, independently of this latter circumstance, there is a motive for each individual capitalist to cheapen his commodities, by increasing the productiveness of labour.

Nevertheless, even in this case, the increased production of surplus-value arises from the curtailment of the necessary labour-time, and from the corresponding prolongation of the surplus-labour. [4] Let the necessary labour-time amount to 10 hours, the value of a day's labour-power to five shillings, the surplus labour-time to 2 hours, and the daily surplus-value to one shilling. But the capitalist now produces 24 articles, which he sells at tenpence a-piece, making twenty shillings in all. Since the value of the means of production is twelve shillings, $14 \frac{2}{5}$ of these articles merely replace the constant capital advanced. The labour of the 12 hours' working day is represented by the remaining $9 \frac{3}{5}$ articles. Since the price of the labour-power is five shillings, 6 articles represent the necessary labour-time, and $3 \frac{3}{5}$ articles the surplus-labour. The ratio of the necessary labour to the surplus-labour, which under average social conditions was 5:1, is now only 5:3. The same result may be arrived at in the following way. The value of the product of the working day of 12 hours is twenty shillings. Of this sum, twelve shillings belong to the value of the means of production, a value that merely re-appears. There remain eight shillings, which are the expression in money, of the value newly created during the working day. This sum is greater than the sum in which average social labour of the same kind is expressed: twelve hours of the latter labour are expressed by six shillings only. The exceptionally productive labour operates as intensified labour; it creates in equal periods of time greater values than average social labour of the same kind. (See [Ch. I. Sect 2.](#) p. 44.) But our capitalist still continues to pay as before only five shillings as the value of a day's labour-power. Hence, instead of 10 hours, the labourer need now work only $7\frac{1}{2}$ hours, in order to reproduce this value. His surplus-labour is, therefore, increased by $2\frac{1}{2}$ hours, and the surplus-value he produces grows from one, into three shillings. Hence, the capitalist who applies the improved method of production, appropriates to surplus-labour a greater portion of the working day, than the other capitalists in the same trade. He does individually, what the whole body of capitalists engaged in producing relative surplus-value, do collectively. On the other hand, however, this extra surplus-value vanishes, so soon as the new method of production has become general, and has consequently caused the difference between the individual value of the cheapened commodity and its social value to vanish. The law of the determination of value by labour-time, a law which brings under its sway the individual capitalist who applies the new method of production, by compelling him to sell his goods under their social value, this same law, acting as a coercive law of competition, forces his competitors to adopt the new method. [5] The general rate of surplus-value is, therefore, ultimately affected by the whole process, only when the increase in the productiveness of labour, has seized upon those branches of production that are connected with, and has cheapened those commodities that form part of, the

necessary means of subsistence, and are therefore elements of the value of labour-power.

The value of commodities is in inverse ratio to the productiveness of labour. And so, too, is the value of labour-power, because it depends on the values of commodities. Relative surplus-value is, on the contrary, directly proportional to that productiveness. It rises with rising and falls with falling productiveness. The value of money being assumed to be constant, an average social working day of 12 hours always produces the same new value, six shillings, no matter how this sum may be apportioned between surplus-value and wages. But if, in consequence of increased productiveness, the value of the necessaries of life fall, and the value of a day's labour-power be thereby reduced from five shillings to three, the surplus-value increases from one shilling to three. Ten hours were necessary for the reproduction of the value of the labour-power; now only six are required. Four hours have been set free, and can be annexed to the domain of surplus-labour. Hence there is immanent in capital an inclination and constant tendency, to heighten the productiveness of labour, in order to cheapen commodities, and by such cheapening to cheapen the labourer himself. [6]

The value of a commodity is, in itself, of no interest to the capitalist. What alone interests him, is the surplus-value that dwells in it, and is realisable by sale. Realisation of the surplus-value necessarily carries with it the refunding of the value that was advanced. Now, since relative surplus-value increases in direct proportion to the development of the productiveness of labour, while, on the other hand, the value of commodities diminishes in the same proportion; since one and the same process cheapens commodities, and augments the surplus-value contained in them; we have here the solution of the riddle: why does the capitalist, whose sole concern is the production of exchange-value, continually strive to depress the exchange-value of commodities? A riddle with which Quesnay, one of the founders of Political Economy, tormented his opponents, and to which they could give him no answer.

“You acknowledge,” he says, “that the more expenses and the cost of labour can, in the manufacture of industrial products, be reduced without injury to production, the more advantageous is such reduction, because it diminishes the price of the finished article. And yet, you believe that the production of wealth, which arises from the labour of the workpeople, consists in the augmentation of the exchange-value of their products.” [7]

The shortening of the working day is, therefore, by no means what is aimed at, in capitalist production, when labour is economised by increasing its productiveness. [8] It

is only the shortening of the labour-time, necessary for the production of a definite quantity of commodities, that is aimed at. The fact that the workman, when the productiveness of his labour has been increased, produces, say 10 times as many commodities as before, and thus spends one-tenth as much labour-time on each, by no means prevents him from continuing to work 12 hours as before, nor from producing in those 12 hours 1,200 articles instead of 120. Nay, more, his working day may be prolonged at the same time, so as to make him produce, say 1,400 articles in 14 hours. In the treatises, therefore, of economists of the stamp of MacCulloch, Ure, Senior, and *tutti quanti* [the like], we may read upon one page, that the labourer owes a debt of gratitude to capital for developing his productiveness, because the necessary labour-time is thereby shortened, and on the next page, that he must prove his gratitude by working in future for 15 hours instead of 10. The object of all development of the productiveness of labour, within the limits of capitalist production, is to shorten that part of the working day, during which the workman must labour for his own benefit, and by that very shortening, to lengthen the other part of the day, during which he is at liberty to work gratis for the capitalist. How far this result is also attainable, without cheapening commodities, will appear from an examination of the particular modes of producing relative surplus-value, to which examination we now proceed.

Footnotes

1. The value of his average daily wages is determined by what the labourer requires “so as to live, labour, and generate.” (Wm. Petty: “Political Anatomy of Ireland,” 1672, p. 64.) “The price of Labour is always constituted of the price of necessaries ... whenever ... the labouring man’s wages will not, suitably to his low rank and station, as a labouring man, support such a family as is often the lot of many of them to have,” he does not receive proper wages. (J. Vanderlint, l.c., p. 15.) “Le simple ouvrier, qui n’a que ses bras et son industrie, n’a rien qu’autant qu’il parvient à vendre à d’autres sa peine... En tout genre de travail il doit arriver, et il arrive en effet, que le salaire de l’ouvrier se borne à ce qui lui est nécessaire pour lui procurer sa subsistance.” [The mere workman, who has only his arms and his industry, has nothing unless he succeeds in selling his labour to others ... In every kind of work it cannot fail to happen, as a matter of fact it does happen, that the wages of the workman are limited to what is necessary to procure him his subsistence.] (Turgot, “Réflexions, &c.,” *Oeuvres*, éd. Daire t. I, p. 10.) “The price of the necessaries of life is, in fact, the cost of producing labour.” (Malthus, “Inquiry into, &c., Rent,” London, 1815, p. 48, note.)

2. “Quando si perfezionano le arti, che non è altro che la scoperta di nuove vie, onde si possa compiere una manifattura con meno gente o (che è lo stesso) in minor

Part V: The Production of Absolute and of Relative Surplus-Value

Chapter Sixteen: Absolute and Relative Surplus-Value

In considering the labour-process, we began (see [Chapter VII.](#)) by treating it in the abstract, apart from its historical forms, as a process between man and Nature. We there stated, “If we examine the whole labour-process, from the point of view of its result, it is plain that both the instruments and the subject of labour are means of production, and that the labour itself is productive labour.” And in Note 2, same page, we further added: “This method of determining, from the standpoint of the labour-process alone, what is productive labour, is by no means directly applicable to the case of the capitalist process of production.” We now proceed to the further development of this subject.

So far as the labour-process is purely individual, one and the same labourer unites in himself all the functions, that later on become separated. When an individual appropriates natural objects for his livelihood, no one controls him but himself. Afterwards he is controlled by others. A single man cannot operate upon Nature without calling his own muscles into play under the control of his own brain. As in the natural body head and hand wait upon each other, so the labour-process unites the labour of the hand with that of the head. Later on they part company and even become deadly foes. The product ceases to be the direct product of the individual, and becomes a social product, produced in common by a collective labourer, *i.e.*, by a combination of workmen, each of whom takes only a part, greater or less, in the manipulation of the subject of their labour. As the co-operative character of the labour-process becomes more and more marked, so, as a necessary consequence, does our notion of productive labour, and of its agent the productive labourer, become extended. In order to labour productively, it is no longer necessary for you to do manual work yourself; enough, if you are an organ of the collective labourer, and perform one of its subordinate functions. The first definition given above of productive labour, a definition deduced

from the very nature of the production of material objects, still remains correct for the collective labourer, considered as a whole. But it no longer holds good for each member taken individually.

On the other hand, however, our notion of productive labour becomes narrowed. Capitalist production is not merely the production of commodities, it is essentially the production of surplus-value. The labourer produces, not for himself, but for capital. It no longer suffices, therefore, that he should simply produce. He must produce surplus-value. That labourer alone is productive, who produces surplus-value for the capitalist, and thus works for the self-expansion of capital. If we may take an example from outside the sphere of production of material objects, a schoolmaster is a productive labourer when, in addition to belabouring the heads of his scholars, he works like a horse to enrich the school proprietor. That the latter has laid out his capital in a teaching factory, instead of in a sausage factory, does not alter the relation. Hence the notion of a productive labourer implies not merely a relation between work and useful effect, between labourer and product of labour, but also a specific, social relation of production, a relation that has sprung up historically and stamps the labourer as the direct means of creating surplus-value. To be a productive labourer is, therefore, not a piece of luck, but a misfortune. In Book IV. which treats of the history of the theory, it will be more clearly seen, that the production of surplus-value has at all times been made, by classical political economists, the distinguishing characteristic of the productive labourer. Hence their definition of a productive labourer changes with their comprehension of the nature of surplus-value. Thus the Physiocrats insist that only agricultural labour is productive, since that alone, they say, yields a surplus-value. And they say so because, with them, surplus-value has no existence except in the form of rent.

The prolongation of the working-day beyond the point at which the labourer would have produced just an equivalent for the value of his labour-power, and the appropriation of that surplus-labour by capital, this is production of absolute surplus-value. It forms the general groundwork of the capitalist system, and the starting-point for the production of relative surplus-value. The latter presupposes that the working-day is already divided into two parts, necessary labour, and surplus-labour. In order to prolong the surplus-labour, the necessary labour is shortened by methods whereby the equivalent for the wages is produced in less time. The production of absolute surplus-value turns exclusively upon the length of the working-day; the production of relative surplus-value, revolutionises out and out the technical processes of labour, and the composition of society. It therefore presupposes a specific mode, the capitalist mode of

production, a mode which, along with its methods, means, and conditions, arises and develops itself spontaneously on the foundation afforded by the formal subjection of labour to capital. In the course of this development, the formal subjection is replaced by the real subjection of labour to capital.

It will suffice merely to refer to certain intermediate forms, in which surplus-labour is not extorted by direct compulsion from the producer, nor the producer himself yet formally subjected to capital. In such forms capital has not yet acquired the direct control of the labour-process. By the side of independent producers who carry on their handicrafts and agriculture in the traditional old-fashioned way, there stands the usurer or the merchant, with his usurer's capital or merchant's capital, feeding on them like a parasite. The predominance, in a society, of this form of exploitation excludes the capitalist mode of production; to which mode, however, this form may serve as a transition, as it did towards the close of the Middle Ages. Finally, as is shown by modern "domestic industry," some intermediate forms are here and there reproduced in the background of Modern Industry, though their physiognomy is totally changed.

If, on the one hand, the mere formal subjection of labour to capital suffices for the production of absolute surplus-value, if, *e.g.*, it is sufficient that handicraftsman who previously worked on their own account, or as apprentices of a master, should become wage labourers under the direct control of a capitalist; so, on the other hand, we have seen, how the methods of producing relative surplus-value, are, at the same time, methods of producing absolute surplus-value. Nay, more, the excessive prolongation of the working-day turned out to be the peculiar product of Modern Industry. Generally speaking, the specifically capitalist mode of production ceases to be a mere means of producing relative surplus-value, so soon as that mode has conquered an entire branch of production; and still more so, so soon as it has conquered all the important branches. It then becomes the general, socially predominant form of production. As a special method of producing relative surplus-value, it remains effective only, first, in so far as it seizes upon industries that previously were only formally subject to capital, that is, so far as it is propagandist; secondly, in so far as the industries that have been taken over by it, continue to be revolutionised by changes in the methods of production.

From one standpoint, any distinction between absolute and relative surplus-value appears illusory. Relative surplus-value is absolute, since it compels the absolute prolongation of the working-day beyond the labour-time necessary to the existence of the labourer himself. Absolute surplus-value is relative, since it makes necessary such a development of the productiveness of labour, as will allow of the necessary labour-time being confined to a portion of the working-day. But if we keep in mind the behaviour of

surplus-value, this appearance of identity vanishes. Once the capitalist mode of production is established and become general, the difference between absolute and relative surplus-value makes itself felt, whenever there is a question of raising the rate of surplus-value. Assuming that labour-power is paid for at its value, we are confronted by this alternative: given the productiveness of labour and its normal intensity, the rate of surplus-value can be raised only by the actual prolongation of the working-day; on the other hand, given the length of the working-day, that rise can be effected only by a change in the relative magnitudes of the components of the working-day, viz., necessary labour and surplus-labour; a change which, if the wages are not to fall below the value of labour-power, presupposes a change either in the productiveness or in the intensity of the labour.

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

[1]

Thus we may say that surplus-value rests on a natural basis; but this is permissible only in the very general sense, that there is no natural obstacle absolutely preventing one man from disburdening himself of the labour requisite for his own existence, and burdening another with it, any more, for instance, than unconquerable natural obstacle prevent one man from eating the flesh of another. [2] No mystical ideas must in any way be connected, as sometimes happens, with this historically developed productiveness of labour. It is only after men have raised themselves above the rank of animals, when therefore their labour has been to some extent socialised, that a state of things arises in which the surplus-labour of the one becomes a condition of existence for the other. At the dawn of civilisation the productiveness acquired by labour is small, but so too are the wants which develop with and by the means of satisfying them. Further, at that early period, the portion of society that lives on the labour of others is infinitely small compared with the mass of direct producers. Along with the progress in the productiveness of labour, that small portion of society increases both absolutely and relatively. [3] Besides, capital with its accompanying relations springs up from an economic soil that is the product of a long process of development. The productiveness of labour that serves as its foundation and starting-point, is a gift, not of nature, but of a history embracing thousands of centuries.

1867
Preface to the
First German Edition

The work, the first volume of which I now submit to the public, forms the continuation of my *Zur Kritik der Politischen Oekonomie* (*A Contribution to the Criticism of Political Economy*) published in 1859. The long pause between the first part and the continuation is due to an illness of many years' duration that again and again interrupted my work.

The substance of that earlier work is summarised in the first three chapters of this volume. This is done not merely for the sake of connexion and completeness. The presentation of the subject matter is improved. As far as circumstances in any way permit, many points only hinted at in the earlier book are here worked out more fully, whilst, conversely, points worked out fully there are only touched upon in this volume. The sections on the history of the theories of value and of money are now, of course, left out altogether. The reader of the earlier work will find, however, in the notes to the first chapter additional sources of reference relative to the history of those theories.

Every beginning is difficult, holds in all sciences. To understand the first chapter, especially the section that contains the analysis of commodities, will, therefore, present the greatest difficulty. That which concerns more especially the analysis of the substance of value and the magnitude of value, I have, as much as it was possible, popularised. [1] The value-form, whose fully developed shape is the money-form, is very elementary and simple. Nevertheless, the human mind has for more than 2,000 years sought in vain to get to the bottom of it all, whilst on the other hand, to the successful analysis of much more composite and complex forms, there has been at least an approximation. Why? Because the body, as an organic whole, is more easy of study than are the cells of that body. In the analysis of economic forms, moreover, neither microscopes nor chemical reagents are of use. The force of abstraction must replace both. But in bourgeois society, the commodity-form of the product of labour — or

value-form of the commodity — is the economic cell-form. To the superficial observer, the analysis of these forms seems to turn upon minutiae. It does in fact deal with minutiae, but they are of the same order as those dealt with in microscopic anatomy.

With the exception of the section of value-form, therefore, this volume cannot stand accused on the score of difficulty. I presuppose, of course, a reader who is willing to learn something new and therefore to think for himself.

The physicist either observes physical phenomena where they occur in their most typical form and most free from disturbing influence, or, wherever possible, he makes experiments under conditions that assure the occurrence of the phenomenon in its normality. In this work I have to examine the capitalist mode of production, and the conditions of production and exchange corresponding to that mode. Up to the present time, their classic ground is England. That is the reason why England is used as the chief illustration in the development of my theoretical ideas. If, however, the German reader shrugs his shoulders at the condition of the English industrial and agricultural labourers, or in optimist fashion comforts himself with the thought that in Germany things are not nearly so bad; I must plainly tell him, “*De te fabula narratur!*” [It is of you that the story is told. – Horace]

Intrinsically, it is not a question of the higher or lower degree of development of the social antagonisms that result from the natural laws of capitalist production. It is a question of these laws themselves, of these tendencies working with iron necessity towards inevitable results. The country that is more developed industrially only shows, to the less developed, the image of its own future.

But apart from this. Where capitalist production is fully naturalised among the Germans (for instance, in the factories proper) the condition of things is much worse than in England, because the counterpoise of the Factory Acts is wanting. In all other spheres, we, like all the rest of Continental Western Europe, suffer not only from the development of capitalist production, but also from the incompleteness of that development. Alongside the modern evils, a whole series of inherited evils oppress us, arising from the passive survival of antiquated modes of production, with their inevitable train of social and political anachronisms. We suffer not only from the living, but from the dead. *Le mort saisit le vif!* [The dead holds the living in his grasp. – formula of French common law]

The social statistics of Germany and the rest of Continental Western Europe are, in comparison with those of England, wretchedly compiled. But they raise the veil just

enough to let us catch a glimpse of the Medusa head behind it. We should be appalled at the state of things at home, if, as in England, our governments and parliaments appointed periodically commissions of inquiry into economic conditions; if these commissions were armed with the same plenary powers to get at the truth; if it was possible to find for this purpose men as competent, as free from partisanship and respect of persons as are the English factory-inspectors, her medical reporters on public health, her commissioners of inquiry into the exploitation of women and children, into housing and food. Perseus wore a magic cap down over his eyes and ears as a make-believe that there are no monsters.

Let us not deceive ourselves on this. As in the 18th century, the American war of independence sounded the tocsin for the European middle class, so that in the 19th century, the American Civil War sounded it for the European working class. In England the process of social disintegration is palpable. When it has reached a certain point, it must react on the Continent. There it will take a form more brutal or more humane, according to the degree of development of the working class itself. Apart from higher motives, therefore, their own most important interests dictate to the classes that are for the nonce the ruling ones, the removal of all legally removable hindrances to the free development of the working class. For this reason, as well as others, I have given so large a space in this volume to the history, the details, and the results of English factory legislation. One nation can and should learn from others. And even when a society has got upon the right track for the discovery of the natural laws of its movement — and it is the ultimate aim of this work, to lay bare the economic law of motion of modern society — it can neither clear by bold leaps, nor remove by legal enactments, the obstacles offered by the successive phases of its normal development. But it can shorten and lessen the birth-pangs.

To prevent possible misunderstanding, a word. I paint the capitalist and the landlord in no sense *couleur de rose* [i.e., seen through rose-tinted glasses]. But here individuals are dealt with only in so far as they are the personifications of economic categories, embodiments of particular class-relations and class-interests. My standpoint, from which the evolution of the economic formation of society is viewed as a process of natural history, can less than any other make the individual responsible for relations whose creature he socially remains, however much he may subjectively raise himself above them.

In the domain of Political Economy, free scientific inquiry meets not merely the same enemies as in all other domains. The peculiar nature of the materials it deals with, summons as foes into the field of battle the most violent, mean and malignant passions

of the human breast, the Furies of private interest. The English Established Church, e.g., will more readily pardon an attack on 38 of its 39 articles than on 1/39 of its income. Now-a-days atheism is *culpa levis* [a relatively slight sin, c.f. mortal sin], as compared with criticism of existing property relations. Nevertheless, there is an unmistakable advance. I refer, e.g., to the Blue book published within the last few weeks: “Correspondence with Her Majesty’s Missions Abroad, regarding Industrial Questions and Trades’ Unions.” The representatives of the English Crown in foreign countries there declare in so many words that in Germany, in France, to be brief, in all the civilised states of the European Continent, radical change in the existing relations between capital and labour is as evident and inevitable as in England. At the same time, on the other side of the Atlantic Ocean, Mr. Wade, vice-president of the United States, declared in public meetings that, after the abolition of slavery, a radical change of the relations of capital and of property in land is next upon the order of the day. These are signs of the times, not to be hidden by purple mantles or black cassocks. They do not signify that tomorrow a miracle will happen. They show that, within the ruling classes themselves, a foreboding is dawning, that the present society is no solid crystal, but an organism capable of change, and is constantly changing.

The second volume of this book will treat of the process of the circulation of capital (Book II.), and of the varied forms assumed by capital in the course of its development (Book III.), the third and last volume (Book IV.), the history of the theory.

Every opinion based on scientific criticism I welcome. As to prejudices of so-called public opinion, to which I have never made concessions, now as aforesaid the maxim of the great Florentine is mine:

“Segui il tuo corso, e lascia dir le genti.”

[Follow your own course, and let people talk – paraphrased from Dante]

Karl Marx

London

July 25, 1867

Footnotes

[1] This is the more necessary, as even the section of Ferdinand Lassalle’s work against Schulze-Delitzsch, in which he professes to give “the intellectual quintessence” of my

1872
**PREFACE TO THE
FRENCH EDITION**

To the citizen Maurice Lachâtre

Dear Citizen,

I applaud your idea of publishing the translation of “Das Kapital” as a serial. In this form the book will be more accessible to the working class, a consideration which to me outweighs everything else.

That is the good side of your suggestion, but here is the reverse of the medal: the method of analysis which I have employed, and which had not previously been applied to economic subjects, makes the reading of the first chapters rather arduous, and it is to be feared that the French public, always impatient to come to a conclusion, eager to know the connexion between general principles and the immediate questions that have aroused their passions, may be disheartened because they will be unable to move on at once.

That is a disadvantage I am powerless to overcome, unless it be by forewarning and forearming those readers who zealously seek the truth. There is no royal road to science, and only those who do not dread the fatiguing climb of its steep paths have a chance of gaining its luminous summits.

Believe me,
dear citizen,
Your devoted,

Karl Marx
London
March 18, 1872
