

## Doing Marx Justice

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The circumstance that on the one hand the daily sustenance of labour power costs only half a day's labor, while on the other hand the very same labor power can work during a whole day, that consequently the value which its use during one day creates is double what he [the capitalist] pays for that use, this circumstance is without a doubt a piece of good luck for the buyer but by no means an injustice [*Unrecht*] to the seller [the worker].<sup>1</sup>

[T]he surplus product [is] the tribute annually exacted from the working class by the capitalist class. Though the latter with a portion of that tribute purchases the additional labor power even at its full price, so that equivalent is exchanged for equivalent, yet the transaction is for all that only the old dodge of every conqueror who buys commodities from the conquered with the money he has robbed them of.<sup>2</sup>

Was Marx confused? How could he think what these passages and others like them say: that the capitalist robs the worker but treats the worker justly? Marx's statements make sense only if the contradiction between robbery and justice is merely apparent. There are three ways to show that it is. Each has been defended recently.

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1 Karl Marx, *Capital* (New York: 1967) I, 194.

2 *Ibid.* 582.

First, one can say that Marx does not mean 'rob' in the ordinary sense in which robbery without qualification is unjust. Derek P.H. Allen and Allen W. Wood have advocated this interpretation.<sup>3</sup>

Second, one can say that Marx does not mean 'unjust' in the ordinary sense in which it is unjust to rob. Ziyad I. Husami has defended this interpretation.<sup>4</sup>

Third, one can say that Marx meant 'rob' and 'unjust' in their ordinary senses, but that he was referring to two distinct transactions when he said the worker is robbed but treated justly. In an earlier paper<sup>5</sup> I took this position. I contended that on Marx's view the worker is treated justly as seller in the exchange of labor power for wages, but is then robbed in the production process, during which the capitalist extracts surplus value from the worker. I further argued that on Marx's view only the extraction of surplus value, not the wage exchange, is real. In reality, therefore, capitalist production is wholly unjust.

I still think this third position is right, despite vigorous defenses of the others by Wood, Allen and Husami. In what follows I shall sketch a defense of my position against Allen's and Wood's main points. Sections I and II examine the justice of the wage-exchange and injustice of capitalist exploitation, looking first at texts where Marx speaks of justice (Section I) and then texts where he speaks of theft (Section II). Section III develops the latter theme by turning to Marx's assessment of primitive capitalist accumulation as theft. Section IV reconsiders Marx's view that the wage-exchange is not real. In the final section, I discuss Marx's use of the concepts of justice and freedom to criticize capitalist production relations.

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3 Derek P.H. Allen, 'Marx and Engels on the Distributive Justice of Capitalism,' this volume, 221-50, Allen W. Wood, 'The Marxian Critique of Justice,' *Philosophy & Public Affairs* 1 (1971-2) 244-82 (cited as Wood [1]); 'Marx on Right and Justice: A Reply to Husami,' *Philosophy and Public Affairs* 8 (1978-9) 267-95 (cited as Wood [2]).

4 Ziyad I. Husami, 'Marx on Distributive Justice,' *Philosophy & Public Affairs* 8 (1978-9) 27-64.

5 Gary Young, 'Justice and Capitalist Production: Marx and Bourgeois Ideology,' *Canadian Journal of Philosophy* 8 (1978) 421-55.

I

Allen and Wood argue that Marx regarded the extraction of surplus value as just. They draw this inference from two distinct sorts of statements in Marx's writings.

Illustrative of the first sort of statement is that quoted at the start of this paper, in which Marx says that the creation of surplus value during direct production 'is without a doubt a piece of good luck for the buyer [of labour power, namely the capitalist] but by no means an injustice to the seller [the worker].'<sup>6</sup> From such passages Allen and Wood infer that the extraction of surplus value is not unjust to the worker, who is, after all, the seller of labor power. But this inference is unwarranted, in the sense in which Allen and Wood intend it. In these passages Marx is speaking of the worker only in his or her role as owner and seller of labor power, not as a factor in the production process. In his or her role as seller, the worker is treated fairly, because (Marx assumes) the worker receives in the form of wages the value of the labor power he or she sells. But this leaves it an open question whether the worker is treated fairly as factor in the process of production. Marx answers this question in the negative, as passages discussed in the next section show.

To understand fully what Marx means when he says that the seller of labor power is not treated unjustly, we must recall the crucial importance in Marx's analysis of capitalist production of the distinction between exchange or circulation and direct production.<sup>7</sup> To this distinction corresponds another between two roles taken by the worker. In the marketplace, the worker appears as the owner of his or her own labor power; bargaining, the worker appears as potential seller of labor power, and when the sale is executed, as actual seller. But once the sale is completed, the worker is no longer owner or seller of labor power: The worker is now nothing but labor power for use in production (for the duration of the term of sale), and moreover labor power owned by the capitalist. Marx says the worker is now a 'living component of capital.' The apparently symmetrical relation of buyer and seller in the market is now replaced by the asymmetrical relation of owner and owned. This transformation occurs because what the worker as seller sells is the worker as labor power. 'The worker' is ambiguous between these two distinct roles. This ambiguity underlies not only the invalid in-

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6 *Capital* I, 194.

7 See my 'The Fundamental Contradiction of Capitalist Production,' *Philosophy & Public Affairs* 5 (1975-6) 196-234, especially 217-26.

ference drawn by Allen and Wood, but also much of bourgeois ideology, as Marx explains repeatedly.

We have seen that the transformation of money into capital breaks down into two wholly distinct, autonomous spheres, two entirely separate processes. The first belongs to the realm of the circulation of commodities and is acted out in the market-place. It is the sale and purchase of labour-power. The second is the consumption of the labour-power that has been acquired, i.e. the process of production itself. In the first process the capitalist and the worker confront one another merely as the owners respectively of money and commodities, and their transactions, like those of all buyers and sellers, are the exchange of equivalents. In the second process the worker appears pro tempore as the living component of capital itself, and the category of exchange is entirely excluded here since the capitalist has acquired by purchase all the factors of the production process, both material and personal, before the negotiations begin. However, although the two processes subsist independently side by side, each conditions the other. The first introduces the second and the second completes the first.

The first process, the sale and purchase of labour-power, displays to us the capitalist and the worker only as the buyer and seller of commodities. What distinguishes the worker from the vendors of other commodities is only the specific nature, the specific use-value, of the commodity he sells. But the particular use-value of a commodity does not affect the economic form of the transaction; it does not alter the fact that the purchaser represents money, and the vendor a commodity. In order to demonstrate, therefore, that the relationship between capitalist and worker is nothing but a relationship between commodity owners who exchange money and commodities with a free contract and to their mutual advantage, it suffices to isolate the first process and to cleave to its formal character. This simple device is no sorcery, but it contains the entire wisdom of the vulgar economists.<sup>8</sup>

This same point is made more colorfully by a pair of passages standing at the beginning and the end of Marx's analysis of the workday in Volume I of *Capital*:

The sphere of circulation or the exchange of commodities, within whose boundaries the sale and purchase of labor power goes in, is in fact a very Eden of innate human rights. Here alone rule freedom, equality, property and Bentham. ...Equality! Because they [buyer and seller] are related to each other only as owners of commodities and exchange equivalent for equivalent. On leaving this sphere of simple circulation or commodity exchange ... it seems that the physiognomy of our dramatis personae changes. The erstwhile money-owner strides in front as capitalist, and the former owner of labour power follows him as his laborer.<sup>9</sup>

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8 Karl Marx, 'Results of the Immediate Process of Production,' in *Capital I* (New York: 1977) 1002.

9 *Capital I*, 176.

It must be acknowledged that our laborer comes out of the process of production other than he entered. In the market he stood as owner of the commodity labor power over against other commodity owners ... The bargain concluded, it is discovered that he was no "free agent," that the time for which he is free to sell his labor power is the time for which he is forced to sell it, that in fact the vampire will not lose its hold on him "so long as there is a muscle, a nerve, a drop of blood to be exploited."<sup>10</sup>

As these statements show, we may not infer from Marx's ascription of some characteristic to the worker as seller that Marx would ascribe that same characteristic to the worker as 'living component of capital' or without qualification. But this is just the sort of inference Allen and Wood draw. They infer from Marx's statement that the worker is treated justly as seller that Marx thinks the worker is treated justly *simpliciter*.

Moreover Marx is careful to indicate that any claim that the capitalist treats the worker justly derives from consideration of the sphere of exchange alone, not direct production. Marx says that the 'seller' of labour power is not defrauded,<sup>11</sup> and that the rights of the capitalist arise from the fact that he has 'bought' labor power.<sup>12</sup>

Allen and Wood lose sight of the possibility that the distribution of value via the mechanism of the market might be just, even though the means by which value initially enters the market, and the underlying class distribution of the means of production, is unjust. This possibility invalidates the inference from market justice to justice in direct production or capitalist production as a whole.

A similar error vitiates Allen and Wood's interpretation of the second sort of passage from which they infer that Marx thought the extraction of surplus value just. In passages of this sort Marx says or implies that transactions are just if they correspond to the dominant production relations, and unjust if they contradict them.<sup>13</sup> But as I noted in my earlier article, the transactions Marx speaks of in these passages are expressly said to have the juridical form of a contract. They are exchange transactions which occur in the market. The extraction of surplus value is not an exchange. It occurs in direct production. Moreover, as I also noted earlier, it is not intelligible to say that the extraction of surplus

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10 Ibid. 301-2.

11 Ibid. 585.

12 Ibid. 196.

13 Karl Marx, *Capital* (New York: 1967) III, 339-40; 'Critique of The Gotha Program,' *Karl Marx: Political Writings*, ed. David Fernbach (New York: 1974) III, 344.

value 'corresponds to' capitalist production relations; rather, it is the basic capitalist production relation. For both reasons, the second sort of passage does not imply that extraction of surplus value is just.

In sum, neither sort of passage cited by Allen and Wood shows that Marx thought the extraction of surplus value just. And other passages, which they misread, show that Marx clearly thought it unjust. To these I now turn.

## II

Wood and Allen admit that Marx says the worker is robbed by the capitalist, but they deny that it follows that Marx thought the extraction of surplus value unjust. They attempt to rebut this inference in two ways. First, Allen argues that in some of the places where Marx speaks of robbery he is referring to the robbery not of surplus value but of something else. Second, Allen and Wood contend that in other places Marx uses the word 'robbery' rhetorically, without the normal implication that the act so described is unjust. Neither contention is plausible.

First consider the three texts which Allen claims refer to the robbery of something other than surplus value.

(a) In the *Grundrisse* Marx says that wealth in bourgeois society is based on 'theft [*Diebstahl*] of alien labor time.'<sup>14</sup> Allen comments: 'His [Marx's] point, as the context shows, is that in capitalism the worker is

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14 Karl Marx, *Grundrisse* (New York: 1974) 704-5. Marx says:

to the degree that large industry develops, the creation of real wealth comes to depend less on labour time and on the amount of labour employed than on the power of the agencies set in motion during labour time, whose "powerful effectiveness" is itself in turn out of all proportion to the direct labour time spent on their production, but depends rather on the general state of science and on the progress of technology, or the application of this science to production... The theft of alien labour time, on which the present wealth is based, appears a miserable foundation in face of this new one, created by large-scale industry itself. As soon as labour in the direct form has ceased to be the great well-spring of wealth, labour time ceases and must cease to be its measure, and hence exchange value [must cease to be the measure] of use value. The surplus labour of the mass has ceased to be the condition for the development of general wealth, just as the non-labour of the few, for the development of the general powers of the human head.

deprived of time for his own development.<sup>15</sup> No doubt this is one of Marx's points here. But a fair reading shows that Marx had another point: The extraction of surplus value is theft. This text unmistakably identifies 'alien labor time' with 'the surplus labor of the mass.' It is precisely this surplus labor, which in capitalist production takes the form of surplus value, that the capitalist steals, according to this text.

(b) Marx describes the capitalist's greed for surplus labor as a 'blind eagerness for plunder [*blinde Raubgier*].'<sup>16</sup> Allen comments: 'He [Marx] is referring to capital's limitless draining of labor-power, not specifically to the appropriation of surplus value.'<sup>17</sup> But the title of the section in which this passage occurs is 'The Greed for Surplus Labor,' and the paragraph at issue expressly relates to that theme. It describes the Factory Acts as an expression of the capitalist's greed for surplus labor, which in capitalist production takes the form of surplus value. No doubt the 'blind eagerness for plunder' — that is, for surplus value — is harmful to the health of the worker ('tears up by the roots the living force of the nation'). But the direct object of the capitalist's greed is not the health of the worker, but surplus labor or value (which appears to the capitalist as profit). It is *because* the capitalist steals surplus value that he also steals the health of the worker.

(c) Marx says that 'all progress in capitalistic agriculture is a progress in the art, not only of robbing [*berauben*] the laborer, but of robbing the soil; all progress in increasing the fertility of the soil for a given time is progress towards ruining the lasting sources of that fertility.'<sup>18</sup> Allen

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15 Allen, Appendix (3), 248.

16 *Capital* I, 238-9. Marx says:

If the Reglement organique of the Danubian provinces was a positive expression of the greed for surplus-labour which every paragraph legalized, the English Factory Acts are the negative expression of the same greed. These acts curb the passion of capital for a limitless draining of labour-power, by forcibly limiting the working-day by state regulations, made by a state that is ruled by capitalist and landlord. Apart from the working-class movement that daily grew more threatening, the limiting of factory labour was dictated by the same necessity which spread guano over the English fields. The same blind eagerness for plunder that in the one case exhausted the soil, had, in the other, torn up by the roots the living force of the nation. Periodical epidemics speak on this point as clearly as the diminishing military standard in Germany and France.

17 Allen, Appendix (1), 248.

18 *Capital* I, 506.

claims that Marx speaks here of the robbery of *only* the worker's health.<sup>19</sup> Of course Marx has at *least* this in mind. As the two passages just discussed show, however, when Marx speaks of theft from the worker he has in mind not merely or primarily the theft of health or disposable time, but the theft of surplus value or labor. The emphasis upon the worker's health in this text hardly shows that Marx did not also mean to refer to the theft of surplus value. Indeed, it is hard to see how Marx could have regarded the taking of the worker's health or time for development as unjust and not thought the same of the taking of surplus value.

But what if Allen were right, and in this text (unlike the preceding two) Marx were not referring to the theft of surplus value? Does Allen maintain that the theft of the worker's time or health is just? Doesn't this text show at *least* that on Marx's view capitalist production essentially involves the theft of the worker's time and health, and is for *that* reason unjust?

I now turn to the other texts, which Allen and Wood say employ the word 'rob' 'figuratively' or 'rhetorically'.

(d) Of two texts Allen says merely that he thinks Marx does not mean what he says: That the capitalist pumps 'booty' [*Beute*] out of the worker and that the capitalists divide among themselves the 'loot' [*Beute*] of other people's labor.<sup>20</sup> But why did Marx say '*Beute*' if he did not mean it? Allen fails to explain this, or to give any other reason for accepting his forced reading.

(e) Marx says that the surplus product is stolen (*erwandt*) without return of an equivalent from the English laborer.<sup>21</sup> Allen dismisses this statement, apparently on the ground that Marx here criticizes bourgeois apologists, and *therefore* could not mean '*erwandt*' literally.<sup>22</sup> This is a non sequitur. If anything, this context should imply that Marx *did* mean '*erwandt*' literally.

(f) In another passage (quoted at the start of this paper) Marx says that the capitalist only uses 'the old dodge of every conqueror who buys commodities from the conquered with the money he has robbed them of.'<sup>23</sup> To minimize this text, Allen first says that because Marx thinks the

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19 Allen, Appendix (2), 248.

20 *Capital I*, 596; *Theories of Surplus Value* (Moscow: 1968) II, 29. Allen's comment is at Allen, Appendix (4) and (5).

21 *Capital I*, 611.

22 Allen, Appendix (7), 249.

23 *Capital I*, 582.



wage-exchange is just, he must speak ‘figuratively’ here of robbery.<sup>24</sup> This ignores the crucial Marxian distinction between exchange and direct production, and between the worker as seller and as living component of capital (see section I above). Second, and surprisingly, Allen also says that on Marx’s view it is a mistake to view capitalist production as a relation between classes, and that because this text speaks in this mistaken way, it should not be taken literally.<sup>25</sup> But as I explain below (section IV), Marx thought that on the contrary the only correct way to understand capitalist production was as a repeated transaction between the working class and the capitalist class.

Wood thinks Marx could not have meant ‘*geraubten*’ literally in this text because the transactions Marx calls robbery (exacting tribute, extracting surplus value) correspond to the dominant production relations and are therefore just.<sup>26</sup> As I explained in section I, however, Marx’s ‘correspondence’ theory of justice applies only to exchange transactions, and cannot apply to the extraction of surplus value. Moreover in this very text Marx takes pains to point out that robbery occurs *despite* the fact that equivalent is exchanged for equivalent in the market. Had Marx wishes to say what Wood and Allen ascribe to him, he would have said instead that *because* equivalents are exchanged in the market, there is no robbery outside the market.

(g) In a passage I neglected in my earlier paper, Marx comments on Wagner’s imputation to socialists of the view that profit on capital is ‘only a deduction or ‘theft’ from the laborer’:

What a “deduction from the laborer” is, a deduction of his skin, etc., is not explained. Now in my presentation profit on capital is in fact also *not* “only a deduction or ‘theft’ from the laborer.” On the contrary, I represent the capitalist as a necessary functionary of capitalist production, and indicate at length that he does not only “deduct” or “rob” but enforces the production of surplus value and thus first helps to create what is to be deducted; I further indicate in detail that even if in commodity exchange only equivalents are exchanged, the capitalist — as soon as he has paid the laborer the real value of his labor power — quite legally, i.e. by the law [*Recht*] corresponding to this mode of production, obtains surplus value. But all this does not make “profit on capital” into a “constitutive” element of value, but only proves that in the value, which is not “constituted” by the labor of the capitalist, something remains that he can “legally” appropriate, i.e. without violating the law corresponding to commodity exchange.<sup>27</sup>

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24 Allen, Appendix (6), 248.

25 Ibid.

26 Wood [2], 278-9.

27 ‘Marginal Notes on Adolph Wagner’s “Lehrbuch der politischen ökonomie”,’ *Theoretical Practice*, 5 (1972) 43-4.

Wood and Allen read this text in different ways. Wood takes it as an expression of the view that the extraction of surplus value is not robbery.<sup>28</sup> But this ignores Marx's statement that the capitalist does not *only* rob the worker, which means that the capitalist at *least* robs the worker.

Allen recognizes that Marx expressly says here that the capitalist steals surplus value from the worker, but concludes that Marx has misrepresented his own view!<sup>29</sup> How could Marx have made such a clumsy mistake? Allen does not say.

Consider this text more closely. Wagner says that profit on capital is constituted by the activity of the capitalist in forming and deploying capital; it is not a theft from the worker. What does Marx reject in this position? Everything: Marx asserts that (i) profit is a theft or deduction from the worker, and is not constituted by the labor of the capitalist. But Marx adds that (ii) nonetheless the capitalist is not a parasite; he is a necessary functionary of capitalist production, the agent who forces the creation of surplus value by the worker. Therefore (iii) the capitalist has a right to surplus value by the *Recht* corresponding to commodity exchange, even though that right does not arise from any value-creating labor of the capitalist.

Marx had here a perfect opportunity to say that he agreed with Wagner that the extraction of surplus value is not theft. Instead, he said it *is* theft, but is *also* right according to the laws of commodity production. This paradoxical assertion must be puzzling to anyone who, like Wood, Allen and Husami, assumes that 'theft' and 'right' cannot both be meant literally. But the passage makes good sense in light of the foregoing remarks.

The capitalist's right to profit arises from the laws of commodity exchange, which are market rights, rights one has only in one's role as owner and buyer or seller. As a living component of capital, the worker has no market rights. But it is as living component of capital that the worker is exploited. When Marx says that capitalist exploitation is theft — and therefore unjust — he presupposes a background of rights that do not arise from one's status in the market.

In sum, when Marx said that the extraction of surplus value from the worker was robbery by the capitalist, he meant 'robbery' in the ordinary sense in which robbery is unjust. The passages in Marx's writings supporting this conclusion are too many and too clear to deny it. Moreover, Marx expressed similar views regarding the original institution of

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<sup>28</sup> Wood [2], 276-7.

<sup>29</sup> Allen, 247

capitalist class relations by the process he called 'primitive accumulation of capital.' A brief review of Marx's description of the injustice of primitive accumulation will reinforce the conclusions we have already reached.

### III

The original capital was formed by the advance of £10,000. How did the owner become possessed of it? "By his own labor and that of his forefathers," answer unanimously the spokesmen of Political Economy. And, in fact, their supposition appears the only one consonant with the laws of the production of commodities.<sup>30</sup>

Having said this, Marx proceeds immediately to argue that the additional £2,000 profit realized from the investment of this 'original capital' was obtained by robbery, though the capitalist has a right to it according to the laws of the production of commodities.<sup>31</sup> It is only later in Volume I of *Capital* that Marx returns to the 'original capital' and contends that, far from being the product of the labor of the capitalist and his forefathers, it too was acquired by systematic robbery. In its origin, as in its continuous reproduction, capitalist production rests upon theft. In this section I shall look at Marx's normative appraisal of primitive accumulation and its implications for our subject.

Capitalist production requires the 'free' laborer — 'free' in a double sense of which Marx makes good use in puns. The worker must be 'free' to sell his or her labor power, but must also be 'free' of ownership or control of the means of production, so he or she is compelled to sell labor power to the owner of the means of production, the capitalist. At the origin of capitalist production, in primitive accumulation, we therefore find the liberation of the workers-to-be:

The immediate producer, the laborer, could dispose of his own person only after he had ceased to be attached to the soil and had ceased to be the slave, serf or bondsman of another. To become a free seller of labor-power, who carries his commodity wherever he finds a market, he must further have escaped from the regime of the guilds, their rules for apprentices and journeymen, and the impediments of their labor regulations. Hence the historical

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<sup>30</sup> *Capital* I, 582.

<sup>31</sup> *Ibid.* 582-8.

movement which changes the producers into wage-workers appears on the one hand as their emancipation from serfdom and from the fetters of the guilds, and this side alone exists for our bourgeois historians. But on the other hand these new freedmen became sellers of themselves only after they had been robbed [*geraubt*] of all their own means of production and of all the guarantees of existence afforded by the old feudal arrangements. And the history of this, their expropriation, is written in the annals of mankind in letters of blood and fire.<sup>32</sup>

This robbery was carried out not only by means of private force, but by the law, which in the eighteenth century became 'itself the instrument of the theft [*des Raubs*] of the people's land.'<sup>33</sup> 'The parliamentary form of the robbery [*des Raubs*] is that of Acts for enclosures of Commons, in other words, decrees by which the landlords grant themselves the people's land as private property, decrees of expropriation of the people.'<sup>34</sup> And the objects of this robbery were four:

The robbery [*Raub*] of the church's property, the fraudulent alienation [*fraudulente Veräußerung*] of the state domains, the theft [*Diebstahl*] of the common lands, the usurpation of feudal and clan property and its transformation into modern private property under circumstances of reckless terrorism, were just so many idyllic methods of primitive accumulation.<sup>35</sup>

In short, the working class was 'freed' by robbery. In making this statement Marx is manifestly not speaking of robbery rhetorically or figuratively. He is indignant; he is saying that it was unjust to do the act characterized as robbery.

Marx's appraisal of primitive accumulation has two implications for our subject. First, Allen and Wood say that for Marx any concept of justice is a juridical concept, by which they at least mean that it is a concept that is tied to a specific correlated sort of production relations in two respects: one cannot intelligibly apply that concept of justice to other sorts of production relations or use it to criticize the correlated production relations.<sup>36</sup> But Marx's repeated characterization of primitive accumulation as robbery shows that Wood and Allen are wrong. By definition, primitive accumulation took place during a trans-

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32 Ibid. 715.

33 Ibid. 724.

34 Ibid.

35 Ibid. 732. See also pp. 714, 725, 728.

36 Wood [1], 254-60; Allen, 222

ition period, in which no single set of production relations was dominant from beginning to end. Therefore no correlative juridical concepts apply throughout a transition period or warrant the continuous characterization of expropriation as robbery. On the view of Wood and Allen, it is inexplicable that Marx called primitive accumulation robbery. It is even more inexplicable that he said the robbery was by Parliament and the law. 'Robbery' is here clearly not a 'juridical' concept.

The second implication can be put in the form of a question: If primitive accumulation was robbery and hence unjust, how can the continued reproduction of capitalist relations, by means of the extraction of surplus value, be just? Does not the first theft taint all that follows? Perhaps not. But at the very least the first theft makes it much more difficult to maintain the justice of ongoing capitalist production, and this is a difficulty that neither Wood nor Allen has tried to overcome.

#### IV

If the foregoing is correct, Marx regarded the wage-exchange as just to the worker as seller of labor power, and the extraction of surplus value as unjust to the worker as living component of capital. In my earlier paper I argued that Marx advanced the further thesis that the wage-exchange is a mere appearance, that in reality capitalist production is simply the extraction of surplus value.

Allen denies that Marx affirmed this non-reality thesis. Allen's premise is that Marx analyzed capitalist production by considering each act of exchange by itself, and not seeking relations between whole social classes.<sup>37</sup> But, as Allen correctly states, the non-reality thesis is correct (if at all) only when capitalist production is seen as a continuous transaction between working and capitalist classes. So, Allen concludes, Marx could not have adhered to the non-reality thesis.

In support of his remarkable premise, Allen adduces a single text. Marx has just stated that the worker is paid the just price of his or her labor power. He goes on to say:

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37 Allen, 234-7

To be sure, the matter looks quite different if we consider capitalist production in the uninterrupted flow of its renewal, and if, in place of the individual capitalist and the individual worker, we view them in their totality, the capitalist class and the working class confronting each other. But in so doing we should be applying standards entirely foreign to commodity production.

Only buyer and seller, mutually independent, face each other in commodity production. The relations between them cease on the day when the term stipulated in the contract they concluded expires. If the transaction is repeated, it is repeated as the result of a new agreement which has nothing to do with the previous one and which only by chance brings the same seller together again with the same buyer.

If, therefore, commodity production, or one of its associated processes, is to be judged according to its own economic laws, we must consider each act of exchange by itself, apart from any connexion with the act of exchange preceding it and that following it. And since sales and purchases are negotiated solely between particular individuals, it is not admissible to seek here for relations between whole social classes.<sup>38</sup>

Allen sees in this text an affirmation that the correct perspective from which to view capitalist production is that which ignores classes and class relations and treats individuals and their transactions atomistically:

Marx intends ... to contrast two ways of regarding a wage transaction in which the wage is realized surplus value: one sees it as a relation between individuals, the other as a relation between classes. To regard it in the latter way is to apply standards foreign to commodity production. So, we seem warranted to infer, the correct way to regard it is as a relation between individuals.<sup>39</sup>

But this inference is warranted only on the basis of a further premise: That (on Marx's view) capitalist production must be understood only in terms of standards that are not foreign to commodity production. This is a premise that Allen cannot find support for in Marx's writings. Allen brings this premise to the text himself.

First, Marx regards most if not all bourgeois ideology as based on the reduction of capitalist production to mere commodity production, with a consequent emphasis upon market transactions and suppression of the specific nature of direct production, the locus of capitalist exploitation. This reduction 'contains the entire wisdom of the vulgar economists.'<sup>40</sup>

Second, Marx's own analysis is expressly based on the view that capitalist production is the continuous repetition of a transaction, rather

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38 *Capital* I, 586.

39 Allen, 235-6

40 'Results of the Immediate Process of Production,' 1002.

than a series of isolated exchanges, and moreover the repetition of a transaction that is unintelligible unless understood as taking place between two classes rather than between individuals who happen to be now buyers, now sellers in the market. This view pervades Marx's mature writings, but here I can only quote one striking illustration of it:

The purchase of labour-power for a fixed period is the prelude to the process of production; and this prelude is constantly repeated when the stipulated term comes to an end, when a definite period of production, such as a week or a month, has elapsed. But the labourer is not paid until after he has expended his labour-power, and realised in commodities not only its value, but surplus-value. He has, therefore, produced not only surplus-value, which we for the present regard as a fund to meet the private consumption of the capitalist, but he has also produced, before it flows back to him in the shape of wages, the fund out of which he himself is paid, the variable capital; and his employment lasts only so long as he continues to reproduce this fund. Hence, that formula of the economists, referred to in Chapter XVIII., which represents wages as a share in the product itself. What flows back to the labourer in the shape of wages is a portion of the product that is continuously reproduced by him. The capitalist, it is true, pays him in money, but this money is merely the transmuted form of the product of his labour. While he is converting a portion of the means of production into products, a portion of his former product is being turned into money. It is his labour of last week, or of last year, that pays for his labour-power this week or this year. The illusion begotten by the intervention of money vanishes immediately, if, instead of taking a single capitalist and a single labourer, we take the class of capitalists and the class of labourers as a whole. The capitalist class is constantly giving to the labouring class order-notes, in the form of money, on a portion of the commodities produced by the latter and appropriated by the former. The labourers give these order-notes back just as constantly to the capitalist class, and in this way get their share of their own product. The transaction is veiled by the commodity-form of the product and the money-form of the commodity.<sup>41</sup>

Here it is precisely the invocation of a class perspective that is necessary to destroy the 'illusion' created by money and the commodity form.

These texts make it amply clear that when Marx refers, in the passage upon which Allen relies, to 'standards entirely foreign to commodity production,' he is referring to the standards upon which his own analysis rests. Certainly it should be no surprise that Marx's analysis cannot be stated without essential reliance upon the interrelated concepts of the working class, the capitalist class, and the transaction between them.

Allen offers a second objection, apparently both to the non-reality thesis and to my claim that Marx asserted it. Allen says that

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41 *Capital I*, 567-8. See also the references in note 55 of 'Justice and Capital Production.'

it is obvious that the workers end up with means of consumption which they lacked when they entered their wage transactions, as Young recognizes. But this is enough to make the "total transaction" between labor and capital a genuine exchange.<sup>42</sup>

It might be enough to make the total transaction a genuine or real exchange *if* the capitalist began the total transaction with the means of consumption and transferred them to the worker. But the means of consumption are created by the worker *during* the transaction. The capitalist does not own them at the start, but only during a transitory intermediate phase of the total transaction. This passing ownership, as Marx says, 'disappears in the result' of the total transaction. That result is that, although the worker creates all value, a portion of that value (namely surplus value) is transferred to the capitalist. This transfer of surplus value is the essence of capitalist production, notwithstanding the fact that it is veiled and mystified by the market transactions which mediate it.

## V

Wood and Allen ascribe to Marx a view of justice that makes it unintelligible or otherwise impossible for Marx to employ justice as a critical concept, that is, to assert that the dominant production relations in a society are unjust. If Marx understood not only justice, but all value concepts, in this way, he would be precluded from criticizing capitalist production.

Wood rightly rejects this absurd result. He attempts to escape it by denying that Marx understood freedom, self-actualization and other potentially critical concepts in the way he understood justice.

Of course Marx never describes freedom or self-actualization (as he does describe right and justice) as the correspondence of anything to prevailing production relations. But this does not imply he is inconsistent. All it implies is that his conceptions of right and justice differ in this respect from his conceptions of freedom and self-actualization.<sup>43</sup>

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42 Allen, 234

43 Wood [2], 282.



Thus on Wood's view, Marx sorts value concepts into two categories: Those like the concept of justice, which are merely 'juridical' concepts applicable only in an acritical way, and those like the concept of freedom, which are not at all 'juridical' concepts and may (must?) be used critically. In the foregoing sections I have argued that Marx's concept of justice (or at least one of Marx's concepts of justice) can be, and was by Marx, used critically, to assert that capitalist production is essentially and completely unjust. In conclusion I briefly note that Marx employed the concepts of freedom and self-development 'juridically' as well as critically. In other words, Marx saw all value concepts as having critical and acritical (ideological?) applications. (Or, if it is preferable to put it this way, he saw all value expressions as associated with two sorts of concepts, critical and acritical.)

In my earlier paper I discussed at length the concept of freedom associated with capitalist production and the manner in which (on Marx's view) it hides an underlying real slavery.<sup>44</sup> A pointed anticipation of this distinction appears in the *Communist Manifesto*:

By freedom is meant, under the present bourgeois conditions of productions, free trade, free selling and buying.

But if buying and selling disappears, free selling and buying disappears also. This talk about free selling and buying, and all the other "brave words" of our bourgeoisie about freedom in general, have a meaning, if any, only in contrast with restricted buying and selling, with the fettered traders of the Middle Ages, but have no meaning when opposed to the communist abolition of buying and selling, of the bourgeois conditions of production, and the bourgeoisie itself.<sup>45</sup>

This early statement is just as valid in the light of Marx's later work, except that in his later work it became clearer that what must be abolished is not (merely?) buying and selling in general, but the buying and selling of labor power.

As to self-actualization, a famous passage in the *Grundrisse* distinguishes three meanings or forms of self-actualization and relates each to a different set of production relations: pre-capitalist, capitalist and socialist.<sup>46</sup>

In short, the ruling ideas of each age have ever been the ideas of its ruling class,<sup>47</sup> the ideas that legitimize the production relations that

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44 'Justice and Capitalist Production,' 446-50.

45 'Communist Manifesto,' in *Karl Marx: Political Writings*, ed. David Fernbach (New York: 1973) I, 81-2.

46 *Grundrisse*, 487-8.

47 'Communist Manifesto,' 85.

make it the ruling class. But the ruling ideas of an age do not exhaust the meaning or content of value expressions. It is possible to criticize a society using the same words its supporters invoke to defend it.<sup>48</sup> Are the agents of capitalist production 'free'? Nascent capitalists criticize their non-bourgeois societies as unfree because of restrictions on trade, including trade in labor. Marx criticized capitalist production as unfree — and unjust — because of the forced extraction of surplus labor from the working class, which is made possible by the 'free' market in labor.

Capitalist production both liberates and enslaves. It promotes and retards self-actualization. It is just and unjust. But (at least on Marx's view) the positive attributes of capitalist production all inhere in the market, and are absent from the sphere of direct production. It is as buyers and sellers that the agents of capitalist production are 'free,' can 'develop themselves' and are treated 'justly.' Turning from the market to direct capitalist production, however, we see that the working class is enslaved, retarded and robbed. And that, says Marx, is the essence and reality of capitalist production.

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48 How is this possible?