

The Higher Rates of Surplus Value Through Commercial Exploitation

Abstract This chapter argues that surplus value creation in the Arab world, which is integrated with world capital via militarism, is higher than East Asia's, which is integrated via super-exploitation. The Arab world exhibits higher rates of surplus value creation relative to its population because the rate of premature elimination of human lives in war is a far higher rate of surplus value creation than that of the slow consumption of labour power in East Asian sweatshops. In the actuality of production morphed into the class struggle and war, the notions of productive and unproductive labour are internalized and negated and value is that portion of total labour consumed in production. The premature extinguishing of lives in war as production, albeit of waste, is an accelerated form of the consumption of total labour power available to society.

Keywords Productivity growth • Surplus value • Commercial exploitation • Super exploitation • Class struggle

In this chapter, I investigate the issue of surplus value creation under commercial exploitation, the case of the AW, and super exploitation, the case of EA. I argue that the rate of surplus value creation under commercial exploitation is highest because it is associated with forms of slavery and or with the utter consumption of human lives as inputs in war as production. I also make the point that the pragmatic approach to measuring surplus transfers from the colonies or later the developing world to

the centre is misleading because value is not only a quantity determined by previous quantities, it is primarily determined by the balance of forces between labour and capital or the central contradiction between imperialism and revolutionary forces.

EUROCENTRISM AND VALUE

Which is better for US empire, the super-exploitation of Asian sweatshops or the commercial exploitation via wars in the Arab world? On the face of it, US capital spends trillions on wars in the Middle East, bombing impoverished countries whose whole incomes (GDPs) put together would not amount to the yearly income of a mid-sized city in the United States. Meanwhile, outsourcing jobs and investment to Third World sweatshops results in huge revenues to capital determined by the difference between the puny payment to Third World labour versus the huge revenues from final sale-points in the Western hemisphere. The newly elected American President (Trump) has said that America gained little out of liberating Iraq, and that Americans should have a stake in Iraqi oil.¹ Not only in relation to the Iraq war, but to a whole history of colonial pillage, the Eurocentric left adopts Trump-like two-entry bookkeeping measure of imperialist war costs relative to tribute or loot from devastated developing formations.

Eurocentric arguments promote the idea that imperialist exploitation is of little value or generates little revenue to the Western world (see Waites [1999]), and for a recent response to Western Marxism, see Patnaik and Patnaik's (2016) reply to David Harvey.² The populations of the Third World should self-content with such viewpoint, otherwise had imperialist booty been more significant to empire, their deaths rates from colonial plunder would have been several times higher. The credulity of such an argument is in applying European monetary units of measure, which are the products of their power, to the assessment of colonial surplus value. The Western proletariat does not own its means of production and any rise in productivity at their end of the realisation process is not theirs—save the richer sections of the working classes integrated with capital through *de-jure* or *de-facto* petty property ownership, which is the pay-off for loyalty to capital.³ The bulk of these owning sections of the working classes are Western in the geographic sense, but as mentioned in the introduction, Western is an ideological descriptor, and class ties extend to the Third World where capital extends via a Southern bourgeoisie and labour aristocracy.

Moreover, even if one presumes that there exists a higher Western productivity and that higher productivity leads to higher wages, that is

if one admits thinking in ‘isolates’ for measurement purposes, such an argument neglects the point that higher central productivity necessitates a lowering in terms of money value the productivity of the periphery—to acquire cheaper inputs for their central consumption. The higher physical output of central machinery is the mediated outcome the accumulated historically higher rate of exploitation in the colonies or peripheries. Better machines are not the products of better machines; they are the products of social relations that necessitate oppressing and exploiting the Third World. From a Eurocentric perspective, the colonies or peripheries are a third market that contribute to surplus value outside the relation of labour to capital. In Mattick’s assessment of Luxemburg (1978)⁴:

This ‘production for the sake of production’ made no sense to Rosa Luxemburg—not because she was unaware of the profit motive of capitalist production, which constantly strives to reduce the workers’ share of social production, but because she could not see how the extracted surplus-value could be realized in money form in a market composed only of labor and capital (without colonial or imperialist plunder), such as is depicted in the reproduction diagrams...To make the system workable, there must be a third market (the colonies) apart from the exchange relations of labor and capital, in which the produced surplus-value could be transformed into additional money.

Luxemburg (1913) poses that accumulation is more than an internal relationship between branches of the capitalist economy; it is primarily a relationship between a capitalist and a non-capitalist environment and as such colonialist plunder of non-capitalist formations implies higher rates of accumulation. She also poses (writing prior to 1913 or prior to the Russian revolution) that the rate of depletion of the non-capitalist formation is inexhaustible and that capital ceases to be, not because of peripheral labour rising but because the central proletariat rising and finishing capital. The misconception that the European proletariat will lead world revolution was commonly upheld until the October Revolution; from where we stand today, it is European labour aristocracy and its ideological third world clones that are most responsible for the strength of imperialism. This line of reasoning (that Europe draws resources from ‘pre-capitalist’ areas) hypothesises that the colonies are something of ‘a land without people’ (the remark was made by Golda Meir about Palestine).⁵ In short, there are at least two approaches to counter-argue the proposition that the colonies or peripheries exist outside the labour-capital relationship:

1. The natural act of labouring is trans-historical (we had to work across history to survive) and under capitalism it only presupposes value as socially necessary labour time (Rubin 1972). The predominance of exchange value under capitalism, including the commodification of labour power on a global scale, is the category from which value or socially necessary labour and the totality of the social products are derived. Value is not some average quantity based on a proto-type labourer. Although value may be nothing but that fragment of the total labour potential existing in a given society in a certain period as per Mandel (1990), it is still presented as quantity, when it should read first as the power of labour, of national liberation movements, of class struggles before it is read as quantity. There is not a single individual working somewhere whose efforts can be summed up to tell us everything about society and its social product. For Marx, the average intensive magnitude of labour whereby a given quantity of labour is expended in a given time is the mediated condition after objectification/realisation or after the commodity has been sold and the labouring class receives its share of the social product. The idea of labour as substance of value or the average physiological input of labour in the commodity (not labour power, which is a commodity itself for Marx) is Ricardian substance, whereas for Marx value is subject-object (the working class is selling its labour power—subject/object accordingly); given the dominance of exchange value and its intermediation in money form, the Marxian labour theory of value is a social phenomenon attributable to capitalism, and that is why we analyse humanity and its social relations and not nature or not things (Ticktin 2008). Moreover, if value under capitalism is adduced from the exchange of alienated commodities, then there is only one variable, and that is *labour time* to which all other variables are reducible, including the accumulated historical surplus value arising from the cycle of militarism/imperialism. Only when the unthinkable condition, the sum of prices equals the sum of values, that one can assume that the peripheries or the colonies in earlier phases of history can exist in pre-capitalist systems and outside the capital-labour relations (that is they are just things lying there in the ‘pre-capitalist’ Third World). To paraphrase Marx (1893), making prices equal to values is like squaring a circle.⁶ The practice of the law of value under the rule of capital is to under-price the

value and short-change the working class by whatever means available, especially defeated working classes in developing countries.

2. In line with the general law of capitalist accumulation, for surplus value to exist, central wealth has to be the product of peripheral poverty. The law itself is a product of the labour process or simply how labour is reproduced and working people are regimented to produce commodities. Capitalism, from its mercantilist origins, has always been a world system. It has barbarically reached beyond Europe prior and post the rise of capitalism to generate/perpetuate the conditions of its rise (Kadri 2016b). The instance the hinterlands fall under the political grip of the central political power of capital, it ceases to be pre-capitalist. It is not the higher-grade machines that are capital or the size of the reserve army of labour relative to wage employment that makes a formation capitalist or not; it is the hegemony of the capital relationship, which is, *en gros*, a contradiction between private appropriation and social production. Capital is a social relationship, of which the development in productive forces is a single manifestation. In other words, it is not the quality of the region's technology/machine or the size of the reserve army of labour that decides how capitalist it is; it is the reigning social and political relationships, which is universally deemed to be capital under the historical stage that is capitalism. This whole notion that somehow Europe did not under-develop or block the industrialisation of the colonies to be able to grow itself, is rather surreal. The very underdevelopment of the periphery is the practice of the law of value and, hence, a creation of surplus value.

At any rate, the productivity/wage relationship is ill-founded not only because higher salaries are a form of political rent but also because higher sectional wages are necessary for working-class differentiation. Working-class differentiation is a condition for the existence of capital or the manifestation of capital in its state of becoming. As a case in point, smaller oil-exporting Arab countries with extremely low productivity and high oil revenues boast high wages. It is the colonial power structure that has applied such a historical arrangement by which it rips apart an Arab tribe over designated desert sands underneath which there was much oil (Brunei is the equivalent in Southeast Asia) and, from whose wealth, the broader Arab population is deprived. Imperialist or colonial

firearms impose this regime as an international/legal category. But as is well known, under capitalism, every *de facto* legal property category is an economic category and, as such, the Gulf or, the smaller imperialistically engineered state in Asia, are an immediate extension of the central mode of production. At first, the small Gulf oil coastal towns barged into the early nineteenth century as a result of being vanquished by the British for pirating the Eastern sea-trade routes in the Arabian sea (Lutsky 1969). In the modern age, these towns morphed into oil states and are effectively the property of US-led imperialism and the means by which it foments the conditions for inter-Arab working-class divisions. The dual act of Gulf surpluses funding American debts and warring on the starving population of Yemen makes of the Gulf region the prize of international financial capital. Few other regions, other than the Gulf, contribute to militarism in finance, depopulation and the reduction in the value of human lives, ideologies of religious obscurantism that feed the prospects of permanent war and, above all, bolstering US-led imperialist power.

The *accumulation of capital*, the whole of the social arrangement behind production, extracts surplus value at below the cost of necessary labour or labour's cost of reproduction. Capitalism as a global system depends on this process in order to remain profitable, and it is the control and reproduction of labour and its labour power in which the beginning of surplus value is to be found. Put differently, capital, in its pursuit of profits, needs to depress the wage (lower the costs necessary to maintain labour) or to extend fewer resources on the reproduction of the labour force (for instance, less health and education spending). Hence, population growth, including the politics of the reproduction of human beings and their labour power, is historically regulated by a specific relationship of surplus value extraction: the rate of population growth follows from the rate of accumulation, or it may be easier to say that society can only sustain so many people with a given mode of wealth creation. The foundation for the operation of the wage system in capitalist society springs from the rate of replacement of living by dead labour, from which also the resulting relative surplus population arises.⁷ The rate of growth of the surplus population depresses the wage rate, first by its sheer size, and second, and the violent way in which the wage system—wages falling below the historically determined subsistence level—works its way violently to reduce the surplus population both physically and by demonstrating cheapness of human lives. The reproduction of labour

power as such follows from the destruction of capitalistically constructed (made to appear superfluous) man, which is also the cornerstone of surplus value production.

The population reproductive order guided by the wage system is both creation of initial value (mankind and labour power) and the building block of production and future value—expending labour power in production (Marx 1867). In this irreducibly complex, interrelated, and manifold reproduction reality, subject to multiple causation (overdetermination), no matter where production is located, the chain of production is indeterminate in its state of being (as it becomes) and no teleological order can appertain to it. Every stage of the reproduction cycle has its moneyed and non-moneyed labour power consumed to generate surplus value in a continuous loop. In the course of production, the premature extinguishing of third-world labour lives and/or destruction of labour power is in itself a moment of production (waste or no waste, it remains production) and also serves to lower the outlays on the remaining labour and as the seminal stage of the production process, it contributes to the creation of surplus value.⁸ The realisation of labour power in war, militarism and, more generally, commercial exploitation, at any stage of production, as it becomes the dead labour in the raw material, exotic or non-exotic commodities, or machines at very low prices or, even with no prices at all (snatched for free), because of the power of imperialism, is the highest rate of exploitation. It is the enslavement of whole populations in a codetermined production vortex in which the analytical dichotomy between productive and unproductive labour becomes just that: analytical and not actuality (mediated immediacy). Production through the implementation of the law of value and its more violent regimentation of the peripheral labour process via imperialism is objective and immediate. In that ontological condition, it does not matter where realisation ends because there are either no ends or no beginnings; the system is one of synchronically reinforcing processes of production.

Under such indeterminacy, whether Bavarian BMW workers are more productive than child labourers in the Congo or dying soldiers in Iraq is not a question that lends itself to quantification, because each and every step in social production co-determines the other in an unspecified sequence of events. More important, each and every step includes the stripping of labour's historical agency by the degree to which capital divides the working class in order to allot higher wages to this or

that section of labour; all in the course of destroying labour's historical agency. The social (the act of dividing the working class) has antecedence over the money from manifestation of productivity or profits measured in dollars/Euros. It is because of the primacy of politics, which entails imperialist practice, that a higher rate of surplus value is accorded a lower wage. At this foundational level and for the sake of illustration, if dividing workers stops, a globally homogenous labour finishes off capital and its surplus value altogether. So capital's strength is obviously drawn from the dividedness of labour and the degree to which capital supersedes labour is reflected in the gap between value and moneyed productivity.

At a fundamental level, a moneyed rate of profit is only symbolic of value, which is in the final instance defined by the degree of power the ruling class exercises over workers to usurp from their share of the wealth. Abstracting the highly-paid German workers out of the heap of producers globally, measuring their output in Euros and ascribing to them higher productivity requires an ideologically slanted optic that upholds the belief that the lives and labour of people from whom the exotic goods and inputs arrive into the Western hemisphere are worthless or, more absurdly, are things that the West can do without. *Because each production step is codetermined by the rapport of the power of capital to labour, any measure of productivity is thus subjective and arbitrary.*⁹

The social product is the fruit of an integrated labour that cuts across national boundaries. The realisation process is an indefinite number of realisation processes in which the creation of the value that labour power embodies also generates additional surplus value by the degree to which more grabbed and non-moneyed value forming components go into the reproduction of human beings (including their labour power, which is a commodity) and other commodities. Thus, in a globally integrated production process, it is the concomitant act of undervaluing labour power (reducing wages) in third-world sweatshops or in the enterprise of militarism that accounts for the greater part of the surplus value. Although wages are social (the wages of the working class), as opposed to private, and real wages are determined through class struggle (Kalecki [1943] shows that real wages are determined in the product market and not in the labour market), which would imply that internationalism is the priority action to empower global labour; the politics of ruling capital and its labour aristocracy reduce the internationalist and organic ties of labour to the opportunism of *grabbing what they could for themselves from the rest of the world*. A most pertinent point on the social and global nature of wages

and productivity comes from Karl Niebyl (no date), who carries the social wage concept a step further in his critique of economic pragmatism:

Just as it is not the individual labourer whose labour constitutes labour value, so it is not the particular industrial worker, or a particular group of industrial workers, or the industrial workers of a particular nationality that represents the industrial proletariat or what Marx meant by that term. As individuals or groups of individuals they may well have submitted to a differential level of living at the expense of other working people and with the consequent corrupting influence as in the case of some so-called labour aristocracy, or in the more significant and present case resulting from colonial and neo-colonial exploitation. Labourers can be corrupted, labour leaders can be corrupted, labour cannot. This is admittedly a difficult concept for the pragmatically minded.

There are two intertwined issues at play: first, the reduction in historical surplus value to imperialistically defined quantities of money reflecting productivity (numbers are not innocent),¹⁰ and; second, quantifying the unquantifiable such as the agency of labour. In measuring historical surplus value in the currency of imperialist choice and/or by the scale of imperialist choice, imperialism, allegorically speaking, says to the developing countries: I am worth more than you, or I can do without you. As to agency: in the dialectical unity of historical necessity and uncertainty, with the latter being the outward manifestation of the former via the practice of working-class politics (everything appears as chance although it is necessary when it happens), no twisting or turning of the alleged might of moneyed capital amassed by imperialism and its dubious accounting methods can obviate labour as the agent of history. Labour is the historical force that can demystify and overturn the power of capital. The imperialist-doctored money measures of historical surpluses and their associated productivities, including fictitious capital (unpayable debts), serve as anti-labour ideological tools that discount a whole history of imperialist loot as civilisational missions, systematic errors with unintended consequences or, more ludicrously, as socio-psychological motives inherent in human nature. Even though labour is an organic whole whose share of the wealth grows at the expense of profits, at the current low ebb of socialist organisation and ideology, imperialist measures of Third-World-generated historical surplus value are received theory and appear as both trivial quantity and justifiable on cultural grounds or because of the West's superior technology.

Pragmatism also permeates the cultural discourse in Western Marxist circles. For instance, consider the Horowitz-Mandel debate in 1967. In his reply to Ernest Mandel's critique of the concept of economic surplus by Baran and Sweezy (1975 [1966]), Horowitz (1967) calls for the abandonment of the attempt to get all of theoretical features into a linear relationship with one another in a manner of Marx's use of the labor theory of value; and, not only that, he then thinks it is formalistic to focus on mere terminology such as what constitutes a proper economic theory of value. Mandel (1967) welcomes the challenge by Horwitz and defends the labour theory of value all the while bending Marxian theory to the pragmatic consideration of the mainstream. So instead of the average intensity of labour constituting value, Mandel measures value as that fragment of the total labour potential existing in a given society in a certain period which is used for the output of a given commodity, at the average social productivity of labour existing then and there, divided by the total number of these commodities produced. As true to form as this accounting is, it leaves out the balance of forces from the designation of value. In relation to the Third World, Mandel posits that the concept of the economic surplus applies to underdeveloped countries because the differences between the two crucial problems facing monopoly capital: investment of surplus capital and increasing difficulties in realisation of surplus value are negligible. Whereas for industrialised countries the huge surplus, that potential of labour from society's capacity, compels investment in armaments (the surplus motivating war is a point he shares with Baran and Sweezy). In Mandel's reply, there is a schism between the industrialised country surplus and that of the Third World; are they not historically related? There is also in the measurement of the surplus no mention of imperialism as a historical power. The very process of colonialism/imperialism under-developing the Third World, including its savagery, was itself a process of production producing surplus value. In short, there is either a Eurocentric bent or an effort to bend a social theory to the vulgar pragmatism of the mainstream, and in the process, because such pragmatism is insidiously ideological, Mandel's reply omits confrontation in the social language of Marx.

The Marxian concept of exploitation cannot be narrowed down to individualistic examples used by Marx (1867) in Capital Volume I. Marx does not illustrate with an illusory subject whose characteristics are biological or immutable across time. He illustrates with a real historically determined subject, the wage worker as a novel phenomenon who

sells his labour power for a wage, and whose mediation in the general (universal) does not preclude the existence of diversity, especially in the intensity of labour power, muscle or intellect, consumed in the course of production. The whole cannot be the sum of the parts because simply the parts are of different qualities and, moreover, the whole itself is of different quality (Marx's *Capital* is a categorical critique of the pragmatism of English political economy). It is not within the scope of Marxian method to suppose that if we add all the surplus labour, which increases with higher technology or lowering labour costs, then at the point of realisation, surplus value rises and so follows the profit rate. Labour power, a commodity objectified in other commodities and alienated from the producer, acquires a life of its own; such fetishism clings to the products of labour as soon as they are produced as commodities and is therefore inseparable from commodity production. Unlike previous historical epochs, such a phenomenon is peculiar to the wage system under capitalism (Marx 1867). In pragmatic optics, realisation has a beginning and an end, and it occurs last within the national boundary of the more advanced countries (say the USA or the UK). Realisation also occurs within a specified period, which discards altogether the various historical dimensions and loops of exploitation during production. Putting a price on value in English production during the course of this year overlooks several other production processes, which are already either co-determining or predetermined by that supposedly final realisation stage—causality need not be unilinear. With production being a social process, the engagement of the periphery or the colony in militarism (the war production space) or super-exploitation may end up being realised after the supposedly final realisation stage of the centre. At any rate, war plans and permanent war are constant features of capitalism.

Tangentially on the issue of permanent war: often omitted as a continuous social condition, the Luxemburgist-Leninist theory of imperialism as permanent war has somewhat been resurrected in recent writings. For Cramer (2003), wars were no longer irrational breaks in continuous historical processes. Dal Lago (2006) posits that war is neither an exception nor should it be ignored. As early as 1921 however, Walter Benjamin stated that militarism is the compulsory, universal use of violence as a means to the ends of the state, and all law, whether 'law making' or 'law preserving' is a continuation of violence, albeit once again, as means to the ends of the state. At the time Benjamin wrote, the old monarchist institutions, including its judiciary, justified the killing of the

leftists by the right wing militias (*the freikorps*) on the basis that defending the state was an act that rested on higher moral grounds. This is yet another example of the Leninist concept of ‘*public power*’, which has later become recycled as the deep state. One rather scientific point a critic like Benjamin knew too well but overlooked in this article is that under capitalism violence and the technology of violence are commanded by the products of the market, which assume a life of their own in exchange value (fetishism). The *fetishes* of the market, which require violence to stay alive in the minds of the alienated masses, draw the most of their energy from the continuous massacre of the Third World, and not the intermittent European wars. As to the permanence of violence in the Third World, Fanon’s (1967) remark that the indigenous population’s first encounter with the Europeans ‘was marked by violence and their existence together—that is to say the exploitation of the native by the settler—was carried on by dint of a great array of bayonets and cannons’, best demonstrates the case. Militarism and its violence are intrinsic to and reshape the state as capital’s principal instrument, including the state’s articulation with security, sovereignty and development. In a developing context, such understanding of militarism as a social process resolves into the cogent argument that development is successfully *wrought or not* depending on the power a given country displays against imperialism, including the power to retain and recirculate the social product, or the power that a given country’s level of development imparts to imperialism (Marshall-like plans).

In more holistic-social analysis (as opposed to pragmatic), diverse individuals, existing as social relationships within an intricate and complex web of relationships, structured as classes and reinstituted in forms of social organisation, are mediated by their political agency. The exploited shoemaker of Chap. 12 of *Das Capital* volume I produces relative surplus value with rising productivity or absolute surplus value with longer working days, however, his or her living wage declines as necessary labour time falls or the value of his or her labour power becomes cheaper (Marx 1867). For labour power to be cheapened by cheapening the commodities that reproduce the labourer, it is not the shoe factory owner who reduces the price of the commodities needed for the shoemaker’s survival; it is the repressive practice of the capitalist class, the diverse social individuals with pertinent political agency through the forms of organisation and ideology of their class, at home or in its more ferocious manifestation abroad, imperialism.

Just after mentioning the shoemaker, Marx would follow up with this:

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* (my emphasis, Marx 1867).

Marx (1867) stresses that labour power is cheapened by revolutionising the mode of production and its underlying labour process, of which imperialist wars and subsequent arrangements involve modes of super or commercial exploitation. According to Marx (1867), the ‘idyllic’ conditions of capitalism entailed ‘the extirpation, enslavement and entombment in mines of the aboriginal population, the beginning of the conquest and looting of the East Indies, the turning of Africa into a warren for the commercial hunting of black-skins’, these signalled the rosy dawn of the era of capitalist production. By the mid-sixteenth century, the process of under-valourising the colonies and the central ‘*Lazarus classes*’ continues as credit expansion to cover merchant capital’s transition to industrial capital morphs warring companies into warring states and ‘a system of public credit, that is, of national debts, whose origin we discover in Genoa and Venice as early as the Middle Ages, took possession of Europe generally during the manufacturing period, and the colonial system with its maritime trade and commercial wars served as a forcing-house for it’ (Marx 1867). These encroachment wars never stop and the revolutionising of the modes production by abolishing the old to meet the demands of higher rates of accumulation goes on in new forms.¹¹ In modern times, there are intensifications of capital’s metabolism; its ever cheapening of the rates at which man and nature are consumed in production. The social cycle underlying profitable production requires heinous violence to regiment the labour process. Encroachment wars upon the AW, assaults whose aim is the de-subjectification of working people via the demolition of their states, best capture the recent imperialist forms working-class coercion and resource capture (subjectivity as in the removal of the autonomy of man as subject–object and not invented identity as in postmodernism). The integrated cycle of militarism, defeat-destroy-engage/disengage assets, releases massive real and financial resources to central formations.

In the real world, the world in which wages are not individual wages, but the wages of the social class whose real level is class power determined, and prices are the class power-mediated value forms, the rate of surplus value rises by the rate of commercial exploitation (recalling that in dialectics, the general is the sum of heterogeneous entities, so these are the real mediated workers like the shoemaker and everyone else whose *summation* is the mediated general condition of their political/institutional class power). Because international class solidarity/struggle determine the real share of wages, the share of the peripheral working class in wages is partially determined by the degree to which the central working class partakes in the spoils of capital. Furthermore, in an organic and socially metabolic production order, wages are determined *as a residual after profits* and redistributed to the working class thereby defining a rate of profit in which consuming peripheral labour and its labour power at very cheap wages (below the social cost of reproduction) is a necessary condition for continuously rising profit rates. To such course of events, the violence of war against peripheral formations is akin to the way a combined production process of two social formations, a central formation articulating the peripheral mode of production as cheap inputs, materialises across time. Articulation by colonial violence was central to Marx's thesis (1867), '[i]t was otherwise in the colonies where the capitalist regime came into collision with the resistance of the producer in the colonies and where the capitalist resolves the contradiction with the power of the mother-country, as he tries to clear out by force their modes of production and appropriation based on the independent labour of the producer' (Marx 1867). Imperialist wars are themselves production processes and necessary corollary to central industry. These wars employ labour directly and indirectly, realise the weapon commodity, engage peripheral labour in an uneven war that destroys excessive labour power and undercuts the price of the labour commodity (wages), and reconstitute value with much lesser necessary labour time. What is important to note here is that for Marx, wars and their accumulation domain, militarism, are not an exogenous shock that redresses the business cycle, they are endogenous and key to the creation of surplus value and wealth.

Although Smith's (2016, 240) emphasised the positive influence upon the rate of profit arising from reducing wages below the value of labour power in the peripheral sweatshops, noting that Marx 'excluded it (super low wages in the colonies) from further analysis', and that orthodox

Marxists scoured *Capital* for ammunition to use against dependency theory in order to exclude the blindingly obvious fact of higher rates of peripheral exploitation and, conjunctionally, to obscure capitalism's imperialist trajectory and shield it from criticism; Smith's emphasis laid only on the recent rise of the Southern industrial proletariat and its contribution to surplus value, but not on war industry and militarism. Smith (2016) proposes that higher numbers of industrial proletariat in the South undergo higher rates of exploitation that contribute to higher profits. However, the Southern surplus value is not bigger under these latent stages of monopoly capitalism alone because already much of the stock of Northern wealth is an accumulated surplus value amassed from the practice colonialism and slavery; adding to that, the labour process under the domain of militarism—in which the combined consumption of humans and their labour power is a building block of surplus value creation that has never ceased to flow North.

The idea that surplus value is something peculiar to the industrial proletariat (in the narrow sense) is, as Niebyl (no date) correctly develops the Leninist concept of class, a misuse of the concept proletariat: 'the industrial proletariat is a class concept designed to explain a basic function in industrial capitalism and in capitalist society its own basic functions are veiled; Marx's entire *Capital* was designed to unveil its true nature and function *and what was unveiled was the true function of man, of producing man, of labouring man*', which brings us back full circle to the reproduction/elimination of man and his or her associated labour power, of which wars and their related effects, are central to value destruction and surplus value making. Waste may have become rife under monopoly capital, but as a domain of accumulation it is akin to capitalism from its early stages of development. Imperialist wars destroy value and cheapen the power of labour by demonstrating that no matter how many millions perish, labour is so abundant and superfluous, such that wages need not rise. War disempowers, alienates humans and resources from social control, and the impact of continually sponsored imperialist wars disempowers the working class.¹² Second, militarism's spending or, more yet, the promoting of the ideology of war, are ends in themselves because they redistribute real value to the capitalist class and expand financial assets—simultaneously through higher credits (military spending or war debt) afforded to the financial class and austerity. Foster et al. (2008) reasserted the Kaleckian position that US military spending grew because of capitalist empire rather than the need to contain the Soviet

threat by soaking up the USA's vast surplus and helping stave off economic stagnation.¹³ The idea that it was not against the Soviet Union, a position also shared by Baran and Sweezy (1975) and Mandel (1975) as mentioned above, places the primary cause of war in the abundance or scarcity of things (Rousseau relates the cause of war to too much or too little output), whereas under capitalism war is the macroscopic refec-tion of the contradictin within the commodity, which is self-expanding value. The self-expansion of the commodity is the genesis of expnading wars and although oil and pipeline control imply wars, wars to capital are endemic and *causa sui*. As true as the surplus impelling war proposi-tion may in part be, it is secondary to the fact that wars of encroachment capture, destroy or under-value real human and physical value in the Third World. It restructures value relations in favour of the victor.

Niebyl (no date), as well as Baran and Sweezy (1975), argue that despite the fact that the proportion of industrial workers is declining, such decline has no bearing on revolutionary potential, where Niebyl departs from Baran and Sweezy is in his critique of their point that advanced monopoly capitalism does not exist in isolation, and any spec-ulation about its future which takes account only of its inner laws and tendencies is certain to be misleading. So, it is not a question of shifting numbers, but a question of the same working class assuming new forms of historical anti-systemic agency in new struggles. Niebyl thinks that the term *inner laws (the model based on numbers)*, and here he means accu-mulation under monopolies that delay the writing off of their outdated technologies producing higher profit/financial surpluses generated by fewer industrial workers, is *misleading* because in the same way one can-not deduce lower revolutionary potential under monopoly capitalism in America (treated in isolation from the rest of the world) as a result of a smaller industrial working class, one also cannot speculate about world-revolutionary potential with the same *inner laws*. At this juncture, it is not the surpluses of Baran and Sweezy (the piling up moneyed prof-its in the North) that egg on war; it is war as means of devalorisation and shifting power and value relations that signal to the objective his-torical forces of imperialism to re-engage in more wars. The reworking of value relations is the application of the law of value; an application whose success is measured by deeper divisions within the global working class. Naturally, it is this undervalued global working class whose divid-edness is a manifestation of capital, but also one whose coming into its own as a result of struggle necessarily implies that it should revolt against

capital, which represents both the historical agent and the determinant of value. Hence, wither the pragmatism incarnate in money form surpluses because without ascertaining a labour theory of value, we bestow upon the money form and other fetishised appearances, such as nationhood, an eternal power of their own. This also means that although capital is auto-implosive, it can continuously buy its way out of crisis with money (the sphere of exchange); such a condition is impossible because: first, capital devours man and nature, and; secondly, it also means that a transition out of capital or historical change is impossible. In that priceless piece on methodology in which Niebyl criticises pragmatism, he says:

That interpretation (of *inner laws*) encounters, however, the difficulty that the term inner is connected with laws which poses again the previously discussed problem of analysing isolates, i.e. models. The wars of resistance against monopoly capitalism are indeed constituent parts of the world capitalist crisis. The point here is that these wars cannot be interpreted as *substitutes* for the role of the proletariat (in the sense that Marx used that term), but are historical forms of it.

That labour was substance of value and that workers must be paid lower wages for higher profits was the leading idea of political economy in the nineteenth century. In fact, such propositions must have made common sense since the dawn of history. Reducing Marx to the pragmatism of calculating how much surplus value out of the 'productive' shoemaker was excised is the English pragmatism that Marx had criticised. To reduce Marx's concept of the proletariat to productive shoemakers, bag-makers or whatever-makers sections by his analytical breakdown of productive/unproductive labour ridicules his revolutionary theory. The proletariat is a transformative concept: it is the working class armed with revolutionary consciousness. In view of prevailing commodification under capitalism, Marx argued that labour power itself has become a commodity, but unlike other commodities, capital must reduce the price of such commodity by principally violent means. The lowering of necessary labour has always required policies of austerity, militarism and foremost, a shortening of life expectancy relative to the historical standard or outright depopulation. These are objective processes rooted in the fetishism of commodities or the relationships between humans that were supplanted by relationships between commodities. The new realm and conditions of production and the production of surplus value shift into

the sphere of the class struggle, the struggle by which workers relate as a social class to the means of production and their owners.

War, a principal activity of militarism, and an acute stage of the class struggle by which the rates of surplus value are determined, assumes central stage in capitalist production relations. Endogenous mechanisation only presupposes the rate of cheapening of labour power, it is the social agency of the working class opposing capital, and its internationalism, which determine the trends in surplus value creation. It is no longer this or that productive labour that is the proletariat; these abstract categories are sublated and the proletariat becomes the specific labour forms carrying out anti-systemic struggle amongst the global working classes. Working classes imbued with divisive inter-working class identities are not the proletariat; they are the instantiation of the hegemony of capital or its re-organising arm. For Marx, the truth is in the whole; and, in this whole, which is the new concreteness under highly financialised imperialism, a condition in which productivity is social and the wages are the wages of the social class, the crux of the matter when investigating the foremost source of surplus value is best gauged against the rate at which human lives are snuffed before their time, and hence, the higher rate of surplus value creation by militarism, a domain of accumulation that has long been eminent on the Arab stage.

It is only rhetoric to the fatuous that the history of colonialism/imperialism is a history of savagery and depopulation co-existing with Western wealth creation. Knowingly or unknowingly, war practitioners of the politics of empire exhibit an uncanny savvy of the dialectics of imperialism. Both Robert S. McNamara and Henry Kissinger have likened Third World population growth to a nuclear bomb.¹⁴ These people, through serving empire, unconsciously knew more value theory through the practice of imperialism than many Western Marxists attributing higher central wages to better Western machinery.¹⁵ The productivity of the labour of the North is not wrought from their engagement in higher technology, but through their tacit or active consent or participation in the depopulation of the South, often by the payoff of the 'democracy' that many central workers defend.¹⁶ Looking back from where we stand, the social reforms and the fight for democracy in the North have bred manifold forms of fascist practice in the South. The higher central wages are in significant part a form of rent devolved by the power of capital wrought from its victory against the working classes of the Third World. Whether the wealth drawn from the Third World is assessed in puny or huge

dollar amounts, the point remains that there is one history to imperialism and the developing world is part of it. Yet, the counterfactual refrain of the mainstream is that the West can do without the developing world in spite of the growing crisis. The crisis of capital, its demand for more social dislocation to meet higher profit rates, dims in comparison with the ideological crisis of labour where pragmatic methods still assess the rate of surplus value in isolated national boundaries.

In an act of self-exoneration, the pragmatists conceal third world loot behind minimal numbers or dollar amounts. For Niebyl (no date), the explanation was that the profitability of British and American imperialism, and its corrupting influence made it possible for Anglo-American social scientists to stop their inquiry into the world in which they live at the point of describing it without being forced, by the reality of emerging social contradictions, to analyse the nature of that reality. However, there is more than just corruption at work here; the partaking of sections of labour with capital for such a long a time has produced a social being and an attendant social consciousness that appear anti-labour without the medium of corruption. In view of the recent rise of the ultra-right in the Western world, the central capital/labour partnership seems to have entrenched itself as *zeitgeist*, such that some sections of labour edging towards fascism have become intellectually corrupt without much kick-back from corruption. Yet, the fact that labour's social being and material circumstances have to be degraded and undervalued, such tendencies contingently upon forms of organisation and revolutionary consciousness predispose global labour as the inexorable subject of history. It is not the models of wealth amassed by monopolies that explain shifts in revolutionary tendency, it is the capital-labour contradiction manifest in wars of all other forms of resistance against monopoly capitalism.

In the totality of the class struggle as production and reproduction of working-class conditions, of which militarism and war are principal domains that engage Arab workers, a much higher rate of surplus value is being emitted from the AW. In their deaths caused by wars and immiseration, just like alienated labour everywhere, Arab workers additionally produce an essential service, which is the repositioning of global geostrategic balances. And one may add that such repositioning influences the power and financial standing of the US-led capital class by which it earns vast imperial rents through dollarisation, including the East Asian flows (by way of enhanced power). In EA, breakthrough entities consume capitalised labour power to produce manufactured items with a strong

scientific content and high value added that raise Asian labour returns but only to the degree to which their higher wages buying their allegiance to capital empower imperialism to lower the global labour share. Just like central labour's, EA labour's income rises through imperialist guarantees and or because of the need to bolster the ideology of nationalist unity in order to co-opt and enlist these working classes as proxy security guards for imperialism. At the time Marx wrote, there might have been a moral component driving the rise in wages (as in Marx 1893), but as European shauvanistic social democracy crept into the political scene by the late nineteenth century, an anti moral component also crept into European wages. Moreover, at the time Marx wrote he may have adhered to a positive view of ideology (for reasons to do ideology rather than theory, since he was also a practitioner of politics), where improvements in wages were the fruits of the class struggle readying the conditions for the transition to socialism. Marx's accent on positive ideology (things will always move towards revolution in Western Europe) changed towards the end of his life, as he was dismayed by the prospects for revolution in Europe after 1871 (Hobsbawm 1964). One can readily invert this proposition of morally supported wages in the imperialist age: there is more of an immoral component in imperialism's redistribution of the global wage in ways that pit one section of the working class against another than the moral component behind the rising wages by which these well to do sections of the working class improve their living standards.

What is more, capitalist reproduction by the extension of imperialist violence (the case of the AW) brings to light the side of capital where central classes set the stage for Arab capital to engage in an act of self-destruction, which together with financialisation, the higher frequency of capital flows to the centre combined with the destruction or setting aside of value and the realisation of new value, has become even more relevant to profiteering. Because the profits of Arab merchant classes depend much more on the reduction in labour share, which suppresses demand, and foreign exchange inflows from unsteady raw material export earnings or geopolitical rents, there is a limit to what they can do to re-organise at the national level to meet exponentially rising profit rates. Because the national demand component from industry is missing, Arab capital reverts to violent infighting, as always incentivised by imperialism. This is obviously not the case in EA where industrial capital has an interest

in capitalising its own working class. Moreover, as Arab wealth is dollar denominated and falls under the hammer of central financial authorities, the intermediation of their reproducibility in ideological forms lays the grounds for re-engaging them in the higher profits of imperialist war making.¹⁷ Whereas the East Asian state adopts forms of selective democratisation, the Arab state gradually turns into a peculiar security apparatus (*Moukhabarat*) with less and less of consent generated from social investment.

So for comparisons to be meaningful, or at least less amenable to eclectic interpretations outside the real history of events, just as DNA charts the course of biological development, at some deeper or distant past level the reorganisation of class structures in response to accumulation around the commodity as self-expanding value would be better suited to illustrate how these two regions are realisations of a single fundamental relationship, capital exercising its law of value, diverging into two different social/historical processes. They do not diverge on account of entrepreneurship or because General Park of South Korea assigned a competent bureaucrat to the Ministry of Industry and an incompetent by nepotism to the Ministry of Sports. They diverge because imperialism as the violent spearhead of the interests of US-led capital does not vanish from the scene and always intervenes to set the stage for control and/or growth in militarism.

REVIEW AND CLOSING COMMENT

Wars are the realisation stage of militarism, which is itself a domain of accumulation with all the ideological and institutional underpinnings for auto-reproduction—not just military Keynesianism. Apart from the realisation of the bomb-commodity, in wars, we also have another commodity, human life reduced to labour power, consumed to make another human life cheap by cheapening the price of labour power—a sedimentary stage of surplus value creation. As to physical productivity and profits priced in Western currency, one must think of those in terms of the difference between the direct producer, the price paid to consume the cheaper Arab or African lives relative to the price earned via militarism in the Western market or the final sellers. For the sake of perspicuity, I add that few speak of Arab and African lives in terms of commodities like coffee or cocoa, grown and paid for in low prices, but sold/realised

for high prices by Western monopolies. In political economy parlance, in the totality that is capitalist production, the profit rate emerges as the mediated actuality of that most gruesome part of exploitation—the consummation of labour power in war, which is a form of commercial exploitation and a higher level in the commodification of human life than chattel slavery.

To return to our initial question: why deconstruct the Arab world and construct North-East Asia? The short answer is that by extinguishing lives far short of their historically determined life-expectancy, US-led capital and its militarism draw from wars higher rates of surplus value; at least on account of commodifying labour, the rate of commercial exploitation exceeds that of super-exploitation. The former form of exploitation principally characterises the Arab world, the latter form pertains to the exploitation of downstream sweatshop countries of East and South East Asia. Because the intensification of commercial exploitation founds the social background for higher profits, newer manifestations of slavery, as in the act of denationalising/destroying peripheral formations, would continue to form the ‘pedestals’ upon which the higher physical productivity of the North stands. The pedestal is used here in reference to Marx’s remark in the chapter on the Genesis of Industrial capital in Vol. I (1867): ‘The veiled slavery of the wage workers in Europe needed, for its pedestal, slavery, pure and simple.’ The ‘pedestal’ that was slavery never stopped at the point of the abolition of formal slavery. Imperialist destruction of Arab states hijacks the will of people and reduces subject to object for whole nations just as if it were a massive form of slavery.

Another way of looking at this problematic from the value relation side of things posits the following. Militarism and its wars ratchet up imperialist power and reduce the negotiating power of working classes and, by the same token, a wide range of prices that fall below value. With class struggle assuming the form of production and since war as a production process is also a manifestation of the class struggle, the consumption of human life directly in ‘war as production’ generates high rates of surplus value. The value relationship as such, the complex of contradictions between socially necessary labour time (the value proper that goes into forming the labourer), the labourer’s productivity (the use value of labour power) and the labourer’s labour power sale (its exchange value as in selling it for a wage) generates surplus value by the degree to which exchange value sinks way below the socially necessary

labour time that produces the labourer. Wars, for instance, reap a whole life's productivity in the short life expectancy of a fighter who is paid pittance in wages—including civilians who are paid zero or negative wages (starvation). All these people are willingly or unwillingly engaged in 'war as production.'

It is not the higher sums of prices of products of capital-owned machinery, as opposed to Northern labour-owned, which demonstrate the higher surplus value of say an American worker, a worker defined by the mythical contours of nationality, especially as the US lays control to much of the world—control itself is a component of the production process. Prices as the mediated actuality of value via the balance of forces in the international class struggle and, within the class struggle as a production sphere itself, tally with the historically accumulated stock of imperialist power and camouflage real value by the degree of labours' repression. Prices are constructed as fetishes by the ideological power of capital. They are demystified at the junction of proletarian revolution bringing them under social control. At each stage in history, the value that forms by imperialist wars adds to the stock of accumulated historical surplus value and, subsequently, the power, real and ideological, of central capital. Imperialist wars intensify capital, or the contradiction between the private and the social, which is the basis for higher rates of surplus value. The wars' ideological spinoffs, their capability in luring class consciousness away from class and closer to identity politics (rally around the flag), also assists in obscuring slavery with the fetishized prices that capital chooses to form.

Imperialist wars entrench slavery or the deprivation of the power to negotiate the sale of one's own resources and labour power. Many peoples in the South are deprived of the power to negotiate the prices of their products at values that reproduce their populations in better shape. They continuously earn less than what is needed to improve their standards of living. Put differently, the de-subjectification of the conquered populations, the retreat of their revolutionary consciousness and representation in the state, widens the divide between the incomes of the primary producers and the prices of their produce. Apart from the fact that colonialism had curtailed the industrial development of the colonies, these rising rates of southern exploitation generate higher northern wealth and undergird their historically rising trend of physical productivity. As of late, slavery had assumed quicker more collective

forms incarnate in the destruction of states. The imperialist wars of encroachment have also bred counter-revolutionary ideological impetuses at a time when working class organisation and its attendant ideology are waning. The war momentum carried by the objective and impersonal forces of history faces little opposition from effective peace movements and the dangers that capital will metabolise through all-out war are looming.

Furthermore, the production of the northern commodity is an anachronous predicate of its 'pedestal'—enslavement cum commercial exploitation. The stages of production are codetermined in social time as opposed to being sequential in conventional time. Production is the realisation of a torrent of accumulation by competition in which concomitant forms of slavery, from wage slavery to the outright slavery of consuming human lives in war, exhibit no beginnings or ends; production is just a flow of already implemented, and to be implemented, diverse decisions to produce. The stages of production of laptops, mining for rare metals, the Congo wars and or the Iraq campaign are presented teleologically or in some palatable order referring to any given commodity cycle only for the purpose of elucidation, whereas reality is overdetermined, cross-causal and/or where cause becomes effect, and effect, cause. In short, the so-called final realisation stage of the commodity at the point of sale in the centre, the point at which physical productivity is measured in dollars to show that the North is more productive, is not final because it entails or presupposes a cycle of imperialist destruction. Closing the loop of dollar-accounting exercises measuring surpluses in the Western market is fallacious or serves imperialist ideological proclivity, because the war extension, for raw materials or the regulation of demographic growth, is itself big industry and the final realisation stage. Figuratively speaking, it is in the Congo or Iraq wars where the reproduction cycle ends and restarts.

Similarly, overdetermination overshadows the analytical dichotomy between productive and unproductive labour, which becomes just that: an analytical dichotomy that is indistinguishable in transformed actuality. Productive and unproductive labour are mutating categories from the same genus, the working class. To construct an argument for the making of surplus value under more mature conditions on the basis of this formal duality, inevitably leads to contradiction; as is the case with any formal process, here, we end up with a minute number of productive labourers.

However, labour is the common denominator between productive and unproductive, and under capital's law of accumulation it is labour, including the necessarily disengaged labour (through unemployment or imperialist war of depopulation), which reproduces society to capital's desire.

Set against the fullness of reality, the connotation of productive labour can be anything but productive. The making of a bomb requires productive labour and produces surplus value, but the factory here is not some virtual space, it is the real populated and bombarded cities, and so on. The distinction productive/unproductive initially proved that surplus value is the product of living labour and, subordinately, that labour power is the commodity that is being sold for a wage and not some average intensity of labour as per Riccardo. Recalling, labour is subject-object. Developing reality sublates, it preserves and negates the contribution of productive and unproductive labour, and mediates them in a single form, as the product of a working class whose share of the social product is the wage bill as determined by the power balances of the class struggle. Just as the contradiction of transformation of value into price cannot be resolved logically, and is resolved by observing the historical process by which labour is conditioned to relinquish its share of value, the divide between productive and unproductive labour is resolved by grasping the organic unity of labour as a result of the developments in revolutionary consciousness.

Productivity pre-supposes the level of wealth, while individual productivity is pre-determined socially. The wage is a social wage whose rate varies in relation to how capital through the state or imperialist wars disciplines, regiments, and controls the reproduction of labour. Unmediated categories that purport to show the industrial proletariat (productive labour) as an 'isolate' (isolate as per Niebyl [no date]), or as the sole agent of history, are meaningless because the outward appearances that labour assumes are related to the functioning of the law of value (the essence), or the process by which capital subdues the international labour process. Wars of encroachment and, subordinately, depopulation, are a crucial part of that and of the making of surplus value.

Once more, relying on Niebyl's work and moving away from the pragmatism of thinking in isolates allows us to recognise the potential forms of the proletariat (as mediated immediacy) emerging in broad class alliances, which include the unemployed, the poverty-wage workers, and the peasantry as agents of history alongside the now dwindling numbers

of the industrial working class (productive labour). Production under the hammer of war as the practice of the law of value and its more violent regimentation of the peripheral labour process via imperialist depopulation is the recurrent/permanent historical event that requires explication. In that state of becoming, production is also systemic violence. The system here is a synchronically-reinforcing process of production to which violence is a prerequisite and an input. Consequently, the retreat in civilian-end use commodity sales and/or realisation (aka the under-consumption crisis) is matched by rising militarism (Lenin 1916). As Lebowitz (2006) aptly points out, production is not only about producing goods, but also about producing conforming or revolutionary human beings. However, production is also production of waste (including militarism) and the production of labourers by the death of other labourers. I have also noted that production, whether it involves civilian or military cycles, is a co-temporal predicate of its own components.

The Third World is cheap in price terms because it was and continues to be cheapened to the requirement of a co-temporal production process by which the higher-priced output of bourgeois-owned Northern machinery requires inputs whose national owners are subjected to some form of Shock and Awe (code name for Iraq bombing in 1991). Yet here once again, we have a boomerang effect: the destitution of Third World workers drags down with it the Northern working classes. In an organic value composition of capital, the term 'organic' is crucial because the value outlays on variable capital are a single share from a social product that integrates labour across national boundaries, and so the ultimate form of surplus-value creation occurs at the intersection where the labourer and his or her labour power is consumed in production, or where recurrent imperialist depopulation policy takes place. Apart from realising the excess surplus of the centre, war and 'the politics to extend war,' especially in the Arab world, perform a dual role: securitizing the rule of capital and under-valorising labour power.

NOTES

1. 'They want the Iraqis to pay for that?': Trump's comments about Iraq's oil are stirring backlash' <http://www.businessinsider.com/ap-trumps-talk-of-keeping-iraqs-oil-sparking-concerns-2017-1?IR=T&r=US&IR=T>

2. Waites (1999) provides economic data assessed and produced by the minting machines of European empires to show that the Third World was insignificant to Western economic development and that the post-independence woes of the developing world are the faults of its governments (Bairoch [1993] is an earlier example of such dollar accounting). To Waites, the colonial North appears to have been on vacation in the South, more so than the case of an empire practicing imperialism to earn imperial rents. At any rate, the value under discussion here is the Marxian socially necessary labour time, which is the relationship of value to use value and exchange value. Value is not only a substance, but it subject object. The working class selling its labour power to produce commodities, which acquire a life of their own (fetishism), and later (the commodities) command the life of workers. Quantifying value relationships via a price, which is the class-power-brokered mediation of value in *actuality*, would have to consider that at various concomitant stages of realisation, each stage has its own shadow price, for which the value of reproducing human life is the benchmark measure. Although at best converting value into prices is not possible and, if so, it would remain a gross approximation, we simply cannot use the dollar, which is literally backed by and the product of a long history of superior weaponry and conquest, as signification of value.
3. The productivity of the central working class is not its own—capital owns the technology and the machinery. Any rise in its productivity is an increase in the wealth of capital and its ability to pay for the allegiance of Western sections of the working classes. This leaves us with the absolute intensity of labour as the measure of productivity, and positing integrated global accumulation, the dreadful condition of labour in sweatshops and war trenches, including deaths in imperialist wars—commercial and super-exploitation in the developing world—these put developing countries surplus value ahead of that of the ‘European’ proletariat.
4. Analytically, each step in the production chain of surplus value involves a pricing system determined within its own context of class struggle/power. From the production of labour power until the realisation of labour power in production or its setting aside or elimination, surplus value keeps building with the extension of waged and non-waged labour (slave-like) in each stage of the production process. Capital has to extract surplus value at an increasing rate by cheapening its inputs through further repression of labour and regimentation of the labour process. In order to grow, the money signification in profit rates requires all the more loot of labour power and other resources. US-led imperialism continues to undo developing states re-lowering the price of labour

power from those countries below the cost of its reproduction (including engaging large amounts of that labour power in warfare). The flood of refugees or cheapened labour expelled from these regions of perpetual war also serve to further lower the price of labour power in neighbouring states and in the central countries to which they flee.

5. The occupation and ethnic cleansing of Palestine presupposes high rates of war-related surplus value whose moneyed form manifestation is apparent in financial and militaristic rents. The Arab–Israeli question, its contribution to fomenting the hottest and most media-hyped security issue globally, its engagement by a Western intelligentsia peddling monotheistic myth of promised land as reality (Kassem 2011) or, worse yet, historians doubling as real estate agents who posit that the collective memory of Israelis precedes that of Palestinians and, therefore, they are more entitled to the land (Knauf 2014), is *post facto* evidence of how war and ethnic cleansing are historical forms of production for the sake of waste or wasteful consumption. Waste and the consumption of waste including the military commodity, which allegedly provides security, are central to capital and to increasing demand for the products of militarism. In critical school language, it is similar to the way popular culture promotes a desire to consume new fashion or gadgets, which are wholly unnecessary for society's well-being, in order to induce the business cycle.
6. A decent attempt at correcting the measurements of South–North flows is carried by Hickel (2013) (Cope 2014): 'Developing countries receive about \$136 billion in aid from donor countries each year. At the same time, however, they lose about \$1 trillion each year through offshore capital flight, mostly in the form of tax avoidance by multinational corporations. That's nearly 10 times the size of the aid budget'. Although the number is huge, it is a gross underestimation because the wealth of the North is an immediate historical product of the misery of the South (measurement is illusive because each reproduction context is characterised by its own value/class power relations, and approximations of all sorts would remain grossly off the mark—had the mark existed objectively). Not that flows could be measured in current dollar terms, but at least one could say that the rate of flows from the South to the North can best be approximated by the rise in the incomes of the North accumulated in wealth drawn via colonialism and imperialism, the impact of halting Southern development by means of neoliberalism and wars, and the under-pricing of Southern labour by all means of power, foremost in which, is military power.
7. Competition driving technological growth under capitalism is an alienated condition that falls outside of social control. The rising organic

composition of capital is also an objective condition, or a condition falling outside immediate social control. As argued in Kadri (2016a), the condition for military technology growth and imperialist violence are also alienated and objective processes under capitalism.

8. To analytically theorise production by its end process of realisation, which is typically the Western formations, is the bias of Eurocentricity. Dialectics, the study of progress in history by auto-negation, does not eschew analytics and its reference points of beginnings and endings, but it certainly eschews theories propped on the basis of bourgeois-instantiated accounting schemes. Mass slaughter by colonialism and imperialism and its disease and starvation are the continuum of the capital relationship and its production scheme under capitalism. It is the ontological state (the state of being) affecting the reproduction of the subject (man) in the subject-object relationship (the reproduction of man and society). The expending or the premature shortening of lives, which predominantly occurs in the Third World is the principal source surplus value (that is why Emmanuel (1972) asked the question: are lives across the globe of equal value?). Sections of the working classes in the central countries benefit from this mass slaughter and that is why also Emmanuel (1972) cautioned about the central working classes commitment to internationalism. That is why also studies that follow the course of commodity production from the Third World onwards (Smith 2016) fail to account for the building of the historical weight of imperialist mass slaughter and its attendant surplus value on the reorganisation of the productive forces and their attendant production relations, a priori conditions that entwine with commodity production. No step-by-step approach can measure how extinguishing lives or the dwindling agency of labour undergirds and creates surplus value. Analytically, values and prices materialise on different planes with different units of measure, such that a measure of the underlying value in the form of prices is at best a gross estimation.
9. Aside from the anachronic nature of production, the salient productivity measurement argument is that one can measure productivity in a specific period and at firm level but that would require labour-hour data and machine operation rates. Such a micro approach provides reference points to profit makers so that they adjust their production capabilities; it is not helpful in this broad spectrum tackled here. Even in received theory terms, because of aggregation problems over diverse capital or labour inputs, national productivity measures are extremely flawed. Although with Sraffa's (1960) aggregation technique one may drop the national setup and follow the course of cross-national production since it reduces all machines to the sum of dated labour from different years and as such

it may add the contribution of third-world workers down the line; this would still not be pertinent to the argument because the historical de-subjectification of labour (culling of labour's historical agency and assigning imperialist values to colonised labour) is not taken into consideration when assigning value to labour at different dates. At every historical stage of the dating process, there exists an actuality of price, pertinent only to the quality at that historical stage, which cannot be summed up to other stages using the same unit of measure.

10. For an astute critique of the literature and the hyped imbroglio of transformation of values into prices, see Saad-Filho (2002).
11. Doubtless, capitalism creates wealth. The minimum historical standard of living rises as a result of objective and alienated progress in the forces of production, which invariably add to wealth and lengthen life expectancy. However, numbers in the hands of capital's institutions bamboozle working people. For instance, in Max Roser's work (2016), which speaks of a rise in living conditions over two centuries, such effort suffers from the same setback that one observes when comparing living conditions since the day mankind was still a quasi-primate until the nineteenth century. Over time quality of life changes, and quality is not reducible to quantity unless, roughly speaking, historical agency is considered as weight, which is similar reducing historical uncertainty to probability. What was the role of working-class struggle in achieving better living conditions is the question to ask. Measurement wise, each period has its own historically minimum level of subsistence income, which rises because of the endogeneity of technology; without weighting the series with the level of wealth and the effect of the struggle of the working class (which is subjective), these time series comparisons are meaningless. More important, the endogeneity of war and technology forced through by blind capitalist competition further removes the intensification of communal violence (wars) from social control. To say the least, the death levels and rates from war under capitalism in the twentieth century and its related effects are staggering and unmatched by any other period human history.
12. The permanent wars in the AW have pushed not only the financial wealth of the region to the safety of the USA market, but the resonance of the war impels most global capital into the security of the US market. There is not much for Western powers in trade gains to be accrued from the pitance of moneyed income of the AW, save for the Gulf states whose funds are already under the purview of the dominant financial power. Apart from oil, there is precious little to desire when the share of labour income of non-Gulf Arab counties is less than 0.5% of world income. Arab funds

invest \$21 trillion abroad, 2004. Online: <http://www.albawaba.com/business/arab-funds-invest-21-trillion-abroad> (viewed 9 October 2015).

13. In Kalecki's argument there is little or no mention on how the realisation stage of militarism augurs devalorisation in the Third World via commercial exploitation. For him, because private capital disparages civilian government spending since it chops away on its market share, it prefers military spending, which absorbs the economic surplus and adds to its profits. It also provides monopoly capital with the luxury of grabbing military technology for its oligarchic competition. Through media justification and other ideological apparatuses of capital and the state, military spending rises along with associated productivity, hence, raising income and living standards. Kalecki does not mention the necessity of expanding in the developing world to raising military spending and standards of living. Such is a theory without value theory. What if the developing world locks down and withholds resources from the First World. Would militarism continue to drive up productivity and wealth? Just as capital has to stultify its Northern working classes to continue spending on the military, it also has to, by hook or crook and in a socio-political act, transform the developing world into its playing field to stanch its resources. Every act of accumulation is a social or value relation act before it gells at the macro-economic levels in price terms.
14. The critiques I am providing here departs from... The great virtue of this theoretical situation, in addition to making immediately available to Marxists a set of highly sophisticated analytical techniques, is that it focuses attention on the real differences between orthodox and Marxian analysis, rather than on differences in mere terminology, or highly formalistic and basically irrelevant questions such as what constitutes a proper economic theory of value.
15. Depopulation of the Third World should be the highest priority of the U.S' and, 'Short of nuclear war itself, population growth is the gravest issue the world faces... the problem will be solved by famine, riots, insurrection and war'; this quote is attributed to McNamara, but Kissinger also shares a similar position. In *Time Bomb or Myth: The Population Problem*, McNamara (1984) asserts that population growth rates in most developing countries fell significantly in the 1970s, but efforts to deal with population growth should not be relaxed. The moment capitalist relation set in, labour power becomes a commodity to be regulated via depopulation policy. Pre-capitalist wars may depopulate for grab, but the idea that there are too many people relative to jobs available is a possibility only under capitalism. Labour has to be uprooted, moved

or prematurely extinguished because profit motivated rising productivity determines that not all can be employed in auto-subsistence as under feudalism. It is because of this particular application of the law of value by which the social is bent to meet the money form that Friedrich Engels criticised the transhistorical Malthusian theory of population by which the poor multiply and press against the means of subsistence, by saying that 'in short, if we want to be consistent, we must admit that the earth was already over-populated when only one man existed.' <https://www.marxists.org/archive/marx/works/1844/df-jahrbucher/outlines.htm> (viewed 10 June 2013)

16. As constant capital rises (through mechanisation), it reduces variable capital outlays and in an organic-like manner, it displaces labour. Tangentially, the principal reason for unemployment is the degree to which the unemployed weaken/divide the working class. As under-consumption takes hold (lower demand) and as wages fall below productivity growth (recalling that this productivity has nothing to do with real production conditions, which engages the Third World in dreadful sweatshop conditions and wars), the labour issue is then posited as how much to raise wages of only certain sections of Western labour to keep up with productivity growth. That makes it totally an issue of circulation because the productivity that Western economists measure is really moneyed revenues denominated in dollars or Euros. As such, the 'who gets what from circulation' diverts attention from the real organic conditions of production, the toil that produces real things, which also reproduce and homogenises labour (brings labour together), to how much capital should pay to strengthen its political and ideological rule.
17. There are many wildly divergent estimates of Arab assets abroad, but what is clear is that under conditions of war and uncertainty, private capital seeks the long term safety of central markets.

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