Quiz #7

Fall 2017 **Name:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

I’m asking you to type your answers, print them (using this word doc with your name on it) and bring them to class on Wednesday. (If you understand key elements, your answers need not be long at all and I expect you to find that many of these answers are overlapping in ways. No need to repeat yourself so feel free to refer me other answers in your quiz when appropriate.) You are free to use you notes, anything I’ve asked you to read and to work with anyone you like. You are even welcome to set an appointment with me and talk through it if you like. However, you are all expected to write your own responses without any help or editing from others. (Just so there’s no confusion - using the words of others, whether they are from your classmates or the web will be considered academic dishonesty and reported to the Dean’s office.)

Use *The Modern Theory of Colonization* and your understanding of Marx’s arguments about the structure and functioning of the economic system most of you will be joining soon to answer **four** of the following five prompts.

1) Explain Marx’s criticism/claim that Wakefield “…*christens [tools and other inputs] ‘capital’ under all circumstances, even when they are its exact opposite.*”

**Marx is trying to differentiate between a commodity producing society and a capitalist society. The American peasants are able to produce for themselves and because of this their labor is not being coerced or taken advantage of. The English peasants on the other hand, have no other option but to sell their labor to the capitalist and be coerced by them. The key thing here is the surplus. The American commodity producers get the surplus that they produce and because of this, their standards of living are higher. English peasants however, have no surplus because of the capitalist.**

2) Briefly explain the critical distinction between commodity producing societies and capitalism. Identify passages that make it clear that the economy in the colonies is a commodity producing society but not capitalism. (You don’t need to reproduce entire passages and just short selected, identifiable phrases will do.)

**The reading states,**

**“Free Americans, who cultivate the soil, follow many other**

**occupations. Some portion of the furniture and tools which they use is commonly made by**

**themselves. They frequently build their own houses, and carry to market, at whatever distance,**

**the produce of their own industry. They are spinners and weavers; they make soap and candles,**

**as well as, in many cases, shoes and clothes for their own use. In America the cultivation of the**

**land is often the secondary pursuit of a blacksmith, a miller, or a shopkeeper.”**(12)

4) Smith, Godwin, Hodgskin and Marx all argued that government generally intervenes in the interest of the powerful or “propertied.” What example tends to support this view in Marx’s writing about the colonies? Explain.

**“Government forwards across the sea for the benefit of his old master, the capitalist….”**

**Marx is trying to say that people are forced to work extensively in order to purchase land/retire from wage labor market due to government intervention and their prices on the land. The prices on land are so high that the workers unable to purchase any. In the end, it is these actions by government that seem to benefit the capitalist.**

5) In your own words, explain Marx’s meaning when he argues that “capital is not a thing, but a social relation between persons.” Clearly characterize this “social relation” and briefly explain how it provides the capitalist with a commodity “whose use-value possesses the peculiar property of being a source of [surplus] value.”

**According to Marx, systems where distinguished by the social relationships. Capital was a social relation between the capitalist and the proletariat. If everything where to be reduced to exchange however, the relationships would seize to exist because the exchange view equalizes people.**

**Profits come from the exchange value and use value of labor in capitalism. This is because laborers are replaceable and capitalists only have to pay a subsistence wage for their extra labor. The extra use value received from laborers becomes the surplus value, which in turn generates profits.**