

## **SOCIAL RELATIONS, COMMODITY-FETISHISM AND MARX'S CRITIQUE OF POLITICAL ECONOMY**

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**ABSTRACT:** Starting from Marx's theory of value and commodity-fetishism, I address the question of how fetishised categories of bourgeois economics are organically linked with the reality of the capitalist class relation of work and of class struggle. The paper is thus structured. I first point out that Marx's critique sees the limitation of classical political economy in the confusion between "substance" and "form" (the case of Smith) or in the inadequate treatment of "substance" and *therefore* the lack of a theory of "form" (Ricardo). I then discuss Marx's notion of substance of value and relate it to his theory of commodity-fetishism. In this discussion my central reference point is the category of abstract labor as a social relation. Consequently, I discuss the category of commodity-fetishism as cognitive apprehension of this social relation from a particular class perspective, that of capital. I go on to critically evaluate Rubin's interpretation of Marx's theory of fetishism in light of my interpretation of commodity-fetishism and its relation to the category of value. I then illustrate my argument by using the theory of commodity-fetishism to shed light on the social meaning of some economic categories. Finally, I move beyond Marx and suggest a general theoretical understanding of the evolution of economic theory in relation to these struggles and in the organic connection with the capitalist relation of work.

### **INTRODUCTION**

In the large literature on methodology of science and, in particular, of economics, it is usual to make the distinction between normative and positive economics. This dichotomy

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goes back to the investigation of the general method of science in relation to objectivity and the recognition of an “extra-scientific” intervention beginning with the famous “problem of induction” pointed out originally by Hume (1739). In the realm of social sciences, ever since Weber (1949) attempted to deal with this extra-scientific element in the interpretation of a supposed social objectivity with his doctrine of *Wertfreiheit* (freedom from value), social scientists, including many economists, have attempted to tackle the problem. Although many mainstream economists maintain that the realm of science can be separated from the realm of non-science with the clear distinction between positive and normative economics or, as in Schumpeter’s version, economic analysis from a “pre-analytical vision” (Schumpeter 1954), radical economists have attempted to show how the *is*-statements of economic analysis presuppose the *ought*-statements of the vision. Thus we find different approaches attempting both to expose the value-bias of economic theories and to propose a method for its handling.<sup>1</sup> Within Marxist literature it is possible to distinguish between a “mild” and a “tough” approach. In the first case, writers such as Dobb (1973) for example, recognize the possible absence of a common ground among different “paradigms” due to the different “ideological” starting points from which necessarily follow different conclusions. I believe the shortcoming of this approach is the notion of “value judgments” as representing world-views, sets of beliefs, ideological standpoints of the scientist. This critique does not tackle the issue of the value-bias inherent in the categories and the theories used by economists. This “value bias” may be defined as the implicit social consensus that has arisen around the use of economic categories. Mark Blaug puts it in this way: “There are no empirical, descriptive *is*-statements regarded as true that do not rely on a definite social consensus that we ‘ought’ to accept that *is*-statement” (Blaug 1980:131). What Blaug obviously fails to point out is that the so-called “social” consensus on the various “*is*-statements” of the different economic categories reflects the ideological “consensus” on how society *ought to be as it is*: a capitalist society. As I will, the necessary value-bias of economic categories is a central feature of Marx’s analysis and critique of political economy.

The eclectic stance of the “mild approach” is rejected by the writers in the “tough” approach who instead point out the non-scientific, plain apologetic character of bourgeois economics. Thus, for example, commenting on the state of disintegration

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<sup>1</sup> See for example Hellbroner (1973; 1983), Myrdal (1970), Meek (1967), Hutchison (1964).

faced by the economic profession in the midst of the stagflationary crisis of the 1970s, Paul Mattick argued,

The economists are in a dismal state precisely because they look upon their discipline as a science whereas it is actually no more than a sophisticated apology for the social and economic *status quo*. They evidently do not perceive the real nature of their profession and thus are deeply disturbed by the growing discrepancy between their theory and reality (Mattick 1980: vii).

The notion of apology for capitalism here is clearly counterpoised to a notion of science: truth and falsehood are here sharply contrasted in a very positivistic fashion, only amended by the political meaning attached to truth and falsehood. I believe in this case the main shortcoming is to underestimate the “scientific” character of bourgeois economics, understood not so much in terms of an “accurate” description and explanation of an objective social reality, rather as an interpretation and understanding of the same reality from a particular class standpoint, that of capital. Viewed in this sense, bourgeois economics offers a box of tools with which to conceptualize reality, and therefore *actively* promote policies for its management. I will argue that this “strategic” character of economics, pointed out by Cleaver (1979; 1992), is a consistent feature of Marx’s analysis and critique of political economy. In Cleaver’s formulation economic theory provides not only the theoretical apparatus of an apologetic capitalist representation of the class relation—recognized by the great bulk of modern radical thinking—but also, and more importantly, instruments for prediction, control, and manipulation of the capitalist relation of work at the social level. This means that the theoretical apparatus of economics informs the deployment of capitalist strategies vis-à-vis working class autonomy. It is this element which distinguishes Cleaver’s *inversion of the class perspective method* with respect to other radical formulations and constitutes it as a strategic and political reading.

Cleaver’s contribution, however, stopped at the more immediate aspects of a political critique of economics; he did not address the question of *how* the fetishised forms of bourgeois economics are able to maintain an organic link with the reality of exploitation and class struggle, so as to precisely become a strategic tool for the reproduction and perpetuation of this reality. In this paper I ground Cleaver’s idea of a strategic or political reading of economics in Marx’s theory of commodity-fetishism, theory that Cleaver does not discuss. In

so doing, it is possible to address the question of how fetishised categories of bourgeois economics are organically linked with the reality of the capitalist social relations and of class struggle. Furthermore, it is also possible to provide a general theoretical understanding of the evolution of economic theory in relation to these struggles and in the organic connection with the capitalist relation of work.

The paper is thus structured. In section two, I discuss Marx's critique of the classics, a critique that is centered around the concept of substance of value and its form of appearance. The limitation of classical political economy resides in the confusion between "substance" and "form" (the case of Smith) or in the inadequate treatment of "substance" and therefore the lack of a theory of "form" (Ricardo). In section three I therefore discuss Marx's notion of substance of value and relate it to his theory of commodity-fetishism. In this discussion my central reference point is the category of abstract labor as a social relation, so as to follow Marx's heuristic priority. Consequently, I discuss the category of commodity-fetishism as cognitive apprehension of this social relation from a particular class perspective, that of capital. In section four I critically evaluate one of the dominant interpretations of Marx's theory of fetishism, that of Isaak Illich Rubin, in light of my interpretation of commodity-fetishism and its relation to the category of value. In section five I illustrate my argument and use the theory of commodity-fetishism to shed light on the social meaning of some economic categories. Within Marx's discourse, the latter are representations of the class relation of work from the perspective of capital. In section six I move beyond Marx and suggest the methodological basis for a theory of the development of economics within the framework thus outlined. Economics is here understood as a system of thought commonly accepted, that is as economic orthodoxy. I identify the paradigm shift in the orthodoxy as the change or refinement of a set of categories and their link within a theoretical construct. I argue that given the class nature of economics, the shift occurs as a practitioner's reaction to working class autonomy, which challenges the conditions of reproduction and perpetuation of the class relation of work and therefore creates the need, from capital's perspective, to reframe the theoretical understanding of capitalism so as to reproduce it under new conditions. This new paradigm must therefore attempt to internalize and subsume some elements of working class autonomy.

## **MARX'S CRITIQUE OF THE CLASSICS: SUBSTANCE OF VALUE AND FORM OF APPEARANCE**

According to Marx, classical political economy opens the possibility to expose the “contradictions” of the capitalist mode of production. This ability, Marx believed, resides in the fact that the classics base their analysis on “value,” that is, “*a definite social mode of existence of human activity (labor)*” (Marx 1963: 46; my emphasis). However, although the classics and especially Ricardo, through their emphasis on value, have allowed them to focus on labor and therefore opened the way to explore the social dimension of capitalism, their treatment of labor is insufficient for a full understanding of both the nature of capitalist social relations and their forms of appearance.

Adam Smith, for example, tried to understand the “inner connections” of the capitalist system and at the same time come to terms with “external phenomena of life” as they “seem and appear” (Marx 1868: 165). However, “both these methods of approach,” both these lines of enquiry, “not only merrily run alongside one another, but also intermingle and constantly contradict one another” (Marx 1868: 165). David Ricardo, on the other hand, forces economic analysis to face the “starting point for the psychology of the bourgeois system—for the understanding of its internal organic coherence and life process” through “the determination of value by labor-time” (Marx 1868: 166). However, “the determination of value by *labor time*” is necessary but not sufficient for a proper understanding of social relations within capitalism. Thus Ricardo’s analysis fails to discuss two interrelated questions: one that regards the analysis of the “essential character of capitalism” and the other the analysis of its “forms of appearance.”

Ricardo’s shortcoming in not addressing the “essential character of capitalism” must be taken back to the determination of relative values by the quantity of labor. “Right from the start [Ricardo] is only concerned with the *magnitude of value*, i.e., the fact that the magnitudes of the value of commodities are proportionate to the quantities of labor which are required for their production.” What “*Ricardo does not examine*” is “the form—the peculiar characteristic of labor that creates exchange-value or manifests itself in exchange-values—the *nature* of this labor...” (Marx 1968: 164). I wish to call the reader’s attention to the fact that Marx’s focus here is not yet on the value-form or on the form of value, but

the particular *form of labor* creating value and manifesting itself in exchange values.<sup>2</sup>

This is a central aspect to point out because the connection between the “kind” of labor and the form in which *this* labor appears is the key theoretical contribution of Marx. If labor is “a definite social mode of existence of human activity” and therefore is constituted only through relations between people, Marx’s interest in the particular *form* of labor must be taken back to his interest in the particular form acquired by social relations in capitalism. It is precisely at this juncture that Ricardo shows its weakness. Related to this is Ricardo’s failure to account for the “form of appearance” of social relations. Failing to analyze the “form of labor” that is substance of value, Ricardo is also not able to “grasp the connection of this labor with money or that it must assume the form of money ... Hence his erroneous theory of money” (Marx 1968: 164). If Smith was pursuing both the analyses of the inner connections of the capitalist system and that of the forms of appearance, analyses often in contradiction with each other, Ricardo pursues only the first one, but inadequately. Because he stops short of revealing the character of this labor which is substance of value, that is, the capitalist character of this social relation, *Ricardo could not have a theory of how social relations appear*. The form of money is, in Marx’s chapter one of *Capital*, precisely the first step in this direction.

### **MARX’S NOTION OF THE SUBSTANCE OF VALUE AND COMMODITY-FETISHISM**

It seems therefore that in order to fully understand what is at stake in Marx’s criticism, it is necessary to turn to Marx’s own category about “what kind of labor” does produce value, and the relation between this and the form of appearance. A suggestion of what is the character of labor substance of value may be found in Marx’s criticism of Ricardo himself. “Ricardo’s mistake is that he is concerned only with the magnitude of value ... But the labor embodied [in the commodities] must be represented as *social* labor, as alienated individual labor” (Marx 1968: 131). In *Capital* the character of this “alienated individual labor” creating value is defined in terms of abstract labor. In De Angelis (1995a) I have discussed at length how Marx’s definition of abstract labor embeds a conception of the capitalist relation as a class relation of

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<sup>2</sup> Marx says “exchange value” in the quote cited, but in light of chapter one of *Capital* he evidently means “value” (see Marx 1867: 125; 127-128).



work, where work is imposed, alienated, and boundless in character. These three social “qualities” of work constitute the peculiar capitalist character of labor.<sup>3</sup> While referring the reader to my article for a more articulated treatment of the issue, here I want to approach the question of abstract labor from another angle, that of Marx’s theory of the “sensuous.” This is a starting point that allows us to identify what is “positive” and constitutive in Marx’s notion of human existence. I make this start because it enables us to better understand what Marx’s notion of “abstract” is and therefore gives us insight into what may be the meaning of abstract labor, another aspect of human existence within capitalism.<sup>4</sup>

### *The Sensuous and the Abstract in the Economic and Philosophical Manuscripts*

If there is one general result of Marx’s critique of economic thinking of his time, this is his insistence on de-fetishising theoretical categories, whether religious, philosophical, political, or economic, in a continuous effort to put at the center of the enquiry human beings in their interrelation. Human beings for Marx are “sensuous beings.” The “sensuous” is in Marx the appropriation and confirmation of “human reality” and manifests itself in a plural way: “seeing, hearing, smelling, tasting, feeling, thinking, contemplating, sensing, wanting, acting, loving” (Marx 1844: 351). The category of the sensuous is so important for Marx in the *Economic and Philosophical Manuscripts* of 1844 that he can state that “the supersession of private property is ... the complete *emancipation* of all human senses and attribute” (Marx 1844: 352). What makes an individual human is what makes an individual a sensuous-being, not only a being with senses, but a being able to act upon these senses (individually and socially), to shape them, to educate them, to refine them. It is important to notice that the activity of “thinking” is just one of the activities that constitutes us as human for Marx. The senses constituting us as human are not only the five senses “but also the so-called spiritual senses (thinking,

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<sup>3</sup> I must point out that alienation and imposition are also characteristics of the labor relation in pre-capitalist despotic societies, while the true originality of capitalism has been the inherent boundlessness of this imposition. The interested reader may consult Cleaver (1979); De Angelis (1995a); Marx (1867: 344-345; 253; 254).

<sup>4</sup> This notion of the sensuous is crucial in differentiating Marx from mechanistic and economic approaches, as well as from idealistic and voluntaristic ones (Pietz 1993: 144), in that it poses the question of *praxis* and human emancipation at the center stage (Marx 1844: 354).

contemplating, etc.), the practical senses (will, love, etc.), in a word, the *human* sense, the humanity of senses" (Marx 1844: 353). The totality of people's sensuous existence is what makes people human. All these senses however "come into being only through the existence of their *objects*, through *humanized* nature" (Marx 1844: 353). The relation of people with the object of their senses is therefore what defines their sensuous existence. It must be noted that these objects of the senses are not just external material things. The "objects" Marx refers to are the constellation of "objects" outside individuals, including, say, other individuals (objects of love or hate), natural resources (objects of devastation or preservation), or products of labor. But these objects are external only in relation to individual subjects or groups of subjects. Humanity as a totality, in its metabolic exchange with "nature," is not outside "nature," but a moment of it. This is why I believe Marx refers to "*humanized* nature," as a synonym for the objects through which "all senses come into being."

This relation of people with the object of their senses is first obviously constituted by the degree of "cultivation" of the senses, which "is a work of all previous history" (Marx 1844: 353). People learn through history and communication among them to refine their tastes for food, wine, etc., that is to constitute their human and social form of taste. But there is a second factor: the degree of material need has a determining influence on the sensuous experience.

*Sense* which is a prisoner of crude practical need has only a *restricted* sense. For a man who is starving the human form of food does not exist, only its abstract form exists ... The man who is burdened with worries and needs has no sense for the finest of plays; the dealer in minerals sees only the commercial value, and not the beauty and peculiar nature of the minerals; he lacks a mineralogical sense (Marx 1844: 353).

There are some striking points in all these examples. First, the notion of a "restricted sense" arises from a form of constraint ("a man who is starving ...who is burdened with ...needs"), or from an hegemonic concern, which is another form of constraint and limitation ("the man who is ...burdened with worries"; "the dealer in minerals sees only the commercial value"). Second, this restricted sense so constituted by some form of constraint is a sense after all, that is, a sensuous experience, a lived experience, and, therefore, *concrete*. Third, these restricted senses also "come into being only through the existence of their *objects*," but not as humanized objects. A person "who is starving" is indifferent toward different forms



of food. For this person, only the “abstract form” of food exists. Also, this person’s way of eating, that Marx indicates hardly “differs from that of animals,” is not primarily a “human form” of eating (this person does not care about the shape of the bowls or whether there are bowls at all, or whether she or he has any cutlery or whether she or he has company while eating, etc.), but an *abstract* form, that is, eating simply as activity through which the body is nourished.

We arrive at one important junction. The category of the “abstract” is indeed a category indicating a *sensuous activity* (point 2 above), generated by some form of constraint (point 1 above), a lived experience in which human sensibility is *confined and restricted* to one dominant character, in which the *form* of expenditure of human energy in this activity does not matter; it is secondary, contingent.

### *Abstract Labor as Social Relation*

The notion of the “abstract” in the *Economic and Philosophical Manuscripts* helps to give new light to Marx’s definition of abstract labor, the substance of value in *Capital*. Marx defines abstract labor as “human labor power *expended without regard of the form* of its expenditure” (Marx 1867: 128, my emphasis). In the light of the discussion so far, *abstract* labor, the substance of value, is labor abstracted from its specific concrete determinations. This means obviously abstracting from the concrete determinations of useful labor which constitutes its useful properties (the work of the weaver, spinner, tailor, etc., in Marx’s examples). But it means more, much more, than this. Abstracting from the concrete determinations of useful labor *also* necessarily means abstracting from those concrete determinations of labor which constitute the realm of workers’ sensuousness. It means, in other words, to abstract from the *lived experience* of the workers. To abstract from the *lived experience* of the laborers means essentially that the laborers are posed in a position of restricted sensuousness as discussed above.

If this is so, we have to investigate on which ground this abstract labor activity is a social relation. Before proceeding with my argument, I must make clear that I regard chapter one of *Capital* on the commodity as a chapter on capitalism, and not, as in the old orthodoxy derived from Engels (1906) and taken up by Meek (1976) among others, as one analysis of pre-capitalist simple commodity production. Marx’s analysis in *Capital* is, *from the start*, an analysis of the capitalist mode of production. His opening paragraph is self-explanatory: since “the wealth of societies in which the capitalist mode of production prevails appears as an ‘immense collection of commodities,’” and “the individual commodity appears as its elementary form,” *therefore* “our investigation begins with the

analysis of the commodity" (Marx 1963: 125) (see for example the essays collected by Moseley 1993). This of course in recent years is beginning to be widely recognized has as an important implication as far as the interpretation of the analysis of value and commodity-fetishism, both central elements of this chapter, are concerned. It means that whatever Marx has to say about value and commodity-fetishism, he has to say about capitalism in its totality, which includes all aspects he will analyze after chapter one.

I have argued that the notion of a "restricted sense" arises from a form of constraint or external limitation. We also know that capitalism is a social system, the inherent logic of which is the "unceasing movement of profit-making" (Marx 1867: 254), and that value is at the basis of the capitalist form of wealth. "Unceasing movement of profit-making" must therefore mean inherently boundless abstract labor. But why would the laborers be living a de-sensualised experience? They must be subject to some constraint. These constraints cannot be natural, as there is no "natural" drive for unlimited growth of production and consumption, as well as unlimited de-sensualised work experience. These constraints must therefore be social, and present themselves as different forms of *power* over the laborers. One of these constraints may as well be that the laborers are prevented from directly accessing the means of livelihood, land, etc., as Marx's analysis of so-called "primitive accumulation" has pointed out and recent analyses elaborate as "modern enclosures" (Midnight Notes 1990). Another may be cultural patterns which shape consumption as consumerism, that is, consumption for consumption sake. Another may be the eliciting of a continuous sense of insecurity in the mind of the laborers, caused, for example, by cuts in welfare programs, the persistent presence of a reserve army of labor, the different forms of modern "debt bondage," including house mortgages, student loans, personal loans for durable goods, etc. In all these illustrating examples, constraints are social constraints, and the consequent workers' necessity to perform abstract labor is socially induced. It must be stressed that all these examples refer to various forms of the process of commodification of labor power, which therefore becomes the *precondition* to the execution of abstract labor.

If the *presupposition* of abstract labor is a socially induced constraint, a form of power over the laborers, abstract labor itself as abstracted from the *lived experience* of the workers, as the activity that reduces the workers to a position of restricted sensuousness, is no less a social relation. Abstract labor, understood as real activity, has a twofold character: on one side it means *abstracting* from the lived experience of the workers, on the other side it means the *lived experience* of the

abstraction. Who is abstracting from this lived experience? Not the workers themselves, who are *living subjects* of the abstraction. *From the perspective of the laborers*, there is no human activity which is entirely "sensuousless"; at most from this perspective there is a *lived contradiction* between an activity which carries the burden of a restricted sensuousness and the realm of sensuous needs, sensuous desires, and sensuous aspirations. Labor is entirely sensuousless only from the perspective of those whose "unceasing drive for profit" require them to look upon labor purely as external objectivity to be controlled. I use the word capitalists to indicate these social agents. I must qualify, however, that I use the word "capitalists" in the same fashion Marx does, i.e., as bearers of a social function. From the perspective of this function, living subjects are acting as labor-power, as inputs of production, things. This can also be expressed by de-personalizing the function and defining with Marx the "rule of the capitalist over the worker" as "the rule of the independent *conditions of labor* over the *worker*, conditions that have been made themselves independent of him" (Marx 1867: 988-989). We could therefore replace the word "capitalists" with the word "capital" in order to identify this despotism of dead over living labor, a despotism that takes the form of abstract labor as discussed above.

The reality of abstract labor must therefore identify a social relation, a relation of work, in which the different sides are holding two opposite and contradictory objective positions. This is what defines the capitalist relation of work as relation of struggle.<sup>5</sup> Thus, Marx's category of abstract

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<sup>5</sup> In De Angelis (1995a) I have also provided a critical evaluation of the social and technological approaches to Marx's theory of value and abstract labor. In a recent collection on *Marx's Method in Capital* (Moseley 1993), all the authors either reject Marx's derivation of abstract labor as substance of value, or accept it simply as a plausible hypothesis. In my framework, the rejection or the marginalization of this category to the hypothetical status are both synonyms of the abandonment of the ontological radicalism of Marx's critique of political economy. Marx *without* abstract labor is Marx without a critique of work in capitalist society. Marx with the *hypothesis* of abstract labor is a Marx with the hypothesis that the capitalist system is a system based on the de-humanization of life, a system in which the only "radical" certainty is perhaps the identification of capitalists' appropriation of surplus. The theoretical danger of this is the difficulty to draw a clear distinction between Marx and the "surplus approach." The political danger is the likely consideration of alternative forms of appropriation of surplus as emancipatory from capitalism, while instead "dead labor" may still be in control of "living labor," and the requirement of society may still be "production for production sake."

labor as labor creating value is not a theoretical representation abstracted from reality, not even a formal theoretical means to equalize different concrete labors for the sake of measurement, but the mirror image in thought of a real and tangible activity, which has a twofold meaning correspondent to the different sides of the work relation. The reality of abstract labor is, from capital's perspective, one of an external objectivity to be controlled ("the owners of the conditions of production treat living-labor power as things" (Marx 1867: 988-989)). The reality of abstract labor as lived by the workers is that of the contradiction between "restricted sensuousness" and the realm of sensuous needs and aspirations.

### *Capitalist Class Relation of Work and its Forms of Appearance*

I must turn now to the question of commodity-fetishism. It has been pointed out that commodity-fetishism "expresses a problematic distinct from that of 'ideology,' one with its own historical and conceptual specificity, concerned with articulating a materialist conception of theory" (Pietz 1993: 128). In the framework I am here proposing, the conception of abstract labor, as social relation of work at the basis of the capitalist mode of production, is the central material kernel of Marx's theoretical contribution. The category of commodity-fetishism must link this materiality of the capitalist social relation to the way this relation is cognitively apprehended. This is what I would define as "a materialist conception of theory." As soon as we attempt to shed light on the way this social relation is cognitively apprehended, we face the problem of how the *form* of the appearance of the "object of knowledge" is intertwined, on a materialist ground, with the object of knowledge itself; but in Marx's framework, the object of knowledge is the capitalist *relation* of work in all its manifestations and articulations. Because the subject matter is a *social relation*, a relation of work, the question of commodity-fetishism, that is the question of how this relation appears, becomes a question of the *meaning* acquired by that relation of work; a meaning, however, that can only be defined in terms of the *relative* positions of the participants in that relation of work. Because the participants are holding objectively different positions—the exploiter and the exploited, the capitalist and the worker—the meaning attributed to the relation itself must also be different: "The way of looking at things arises out of the actual relationship itself; the latter is not an expression of the former, but vice versa" (Marx 1971: 296).

From the point of view of an observer posited outside the labor activity, and especially of an observer who gains wealth

out of that activity, de-sensualised activity must present itself with the character of a sensuousless thing. For the ones performing abstract labor, the activity presents itself as a *lived process* of reification, in which the totality of human senses *are clashing* with the process of their restriction, with the abstract form of expenditure of human energy. The fetishised apprehension of the work relation, the one that apprehends work entirely as a sensuousless thing, is therefore a property of one particular perspective, that of capital. There is thus a direct relation between these thing-like relations at the point of production and the way these relations "appear." Appearance is *real* to the extent that it reflects a real experience to the extent that it reflects a way to *apprehend* the world as a result of the way it is experienced. For capital, the work relation appears only as external object, having commodity form. The commodity form, which is real, is precisely the objective character assumed by the work relation. This objectivity assumes a twofold character: the objective price of the commodity labor power and the objective work performed by that labor power.<sup>6</sup> Objectivity corresponds here to external reality: sensuousless, thing-like objectivity. The character of sensuous-less, thing-like objectivity is what informs capitalists' interpretation of the relation of work; it is the way that relation appears and is for-them.

The commodity form is also real for the working class, but its objective character is not external, is not posited outside their lived experience. Labor-power itself is a commodity, and its use, its expenditure as labor, is not, from the perspective of the "laborers," an objective, external, sensuousless reality. It is real-life activity. Thus, the commodity form is not apprehended as objective, external reality, not as an external living process of objectification (creating things), but as the process of *being* transformed into things, reification. Again, one must be careful not to overemphasize this process of reification in the manner of the critical theorists. The *real-life* process of reification, the process of restricted sensuousness, exists in clashing opposition with the humanity of the subjects as sensuous beings. Thus, necessarily, the conflict arises between two world views, understood here not in a mere ideological sense, but as two ways to apprehend the work relation by the working class itself: on the one hand, the one consistent with working class as variable capital, on the other, the one consistent with working class attempts to transcend the conditions of reification (from individual "shirking," represented in today's efficiency wage models, to mass

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<sup>6</sup> Rubin (1928), as I will discuss more in detail in the next section, seems to concentrate only on the first aspects of this objectivity.



insurrection). We have here the traditional dichotomy encountered in the discussion of workers lived experience of the work relation, between class “in itself” and class “for itself” (Marx 1852). This dichotomy, however, is not captured by the category of “false consciousness,” because both realities, the reality of alienation and the reality of sensuous needs and aspirations, are *real*.

There is thus a direct relation between these thing-like relations at the point of production and the way these relations “appear.” This connection can help us to give new light to a famous passage in the first chapter of *Capital*.

To the producers, therefore, the social relations between their private labors appear as *what they are*, i.e. they do not appear as direct social relations between persons in their work, but rather as material relations between persons and social relations between things (Marx 1867: 165).

This passage has generally been interpreted as uniquely indicating relations among producers in the market, often, but not always, following the common interpretation which sees chapter one of *Capital* as dealing with petty commodity production. The discussion so far, however, which has regarded Marx’s analysis of value and of commodity-fetishism fully within Marx’s discussion of capitalism, allows us to point out another deeper meaning of the sentence. Social relations “appear as what they are,” as relations between things. The relations among people in circulation appear as relations among things, products of human labor (and therefore sensuous and social), but with the objective character of value, because at the point of production “capital treats living labor-power as a *thing*”; workers *are*, from the point of view of the valorization process, from the point of view of “human labor power expended without regard of the form of its expenditure,” things.

Because Marx grounds commodity-fetishism and the thing-like appearance of the social relations in the immanent character of the class relations of work, the category of commodity-fetishism has a twofold aspect. First, it presupposes the process of people’s *reification* at the point of production. Second, it defines capitalist apprehension of the process, which arises from the capitalist position on the work relation. From this analysis it follows that the question of commodity-fetishism is central to any critique of economics because it represents the theoretical bridge between Marx’s conception of the capitalist relation of work and the *representation* of this class relation from the perspective of



capital, that is, from the perspective of the maintenance, perpetuation, and diffusion of the capitalist relation of work.

### **A CRITICAL DISCUSSION OF RUBIN'S INTERPRETATION OF MARX'S THEORY OF COMMODITY-FETISHISM AND VALUE**

It is worthwhile at this point to pause and critically evaluate the theory of fetishism as it is presented in conventional interpretations. Rather than offer a complete survey of the literature on this subject, I prefer to concentrate on one author who perhaps more than any other has stressed the importance of Marx's theory of fetishism, Isaak Illich Rubin. In his *Essays on Marx's Theory of Value* published in 1928, Rubin's contribution resides in considering Marx's theory of value and that of fetishism as interlinked. This contribution is important not only because it broke a silence in the Marxist literature on the subject, but also because it explicitly linked Marx's discourse on the "economy" with that on "society," the world of commodities to that of the relations of production. The existence of this linkage between Marx's theory of value and theory of fetishism is also what I have proposed in the previous sections, but with an important difference. While for Rubin "the complete *dialectical* ground of Marx's theory of value can only be given on the basis of his theory of commodity fetishism which analyzes the general structure of the commodity economy" (Rubin 1928: 61), for me it is the other way around, Marx's theory of value being the foundation of his theory of fetishism. In arguing for this inversion, however, what is at stake is not a simple re-orientation of the direction of causality. Rather, in starting from value and arriving at fetishism, and in contemplating the class meaning of the category of value as discussed in relation to abstract labor, the categories of value and of fetishism take different meanings than in Rubin.

What is, according to Rubin, Marx's theory of fetishism? Rubin agrees with what was (and is) the common Marxist interpretation, according to which Marx has revealed the presence of human relations under the appearance of relationship between things. This leads to the ideological illusion which assigns to things characters and determinations that are typically of social relations (Rubin 1928: 5). The key contribution in Rubin, however, is to show the necessity in a commodity economy for the social relations of production to take the form of things and express themselves through things. "Marx discovered the objective

economic bases which govern commodity fetishism" (Rubin 1928: 6).

To explain these objective economic bases of commodity fetishism, Rubin starts from the distinctive character of the "commodity economy." In this, production is regulated and determined by independent producers of commodities and not by society. On the other hand, the individual producers are not producing for themselves, but for the market, that is, for society. The *connection* among the individual producers within the social division of labor is brought about by exchange in the market. By bringing on the market their commodities, the individual producers not only allow resources to be distributed among the different branches of production, but also, through the movements of prices, cause a different allocation of resources and redistribution of productive forces (Rubin 1928: 7). In a market society, therefore, the "things," which Rubin constantly refers to as the products of labor (Rubin 1928: 10), represent the "intermediary in social relations, and the circulation of things is inseparably related to the establishment and realization of the productive relations among people. The movement of the prices of things on the market is not only the reflection of the productive relations among people; it is the only possible form of their manifestation in a market society" (Rubin 1928: 10). Therefore, "the thing acquires specific characteristics in a market economy (for example, the property of value, money, capital, and so on), due to which the thing not only hides the production relations among people, but it also organizes them, serving as a connecting link between people" (Rubin 1928: 10). Within a "commodity-capitalist society," there are thus two interrelated phenomena. On one hand is the reification of relations of production among people, because "*people* enter direct production relations exclusively as commodity owners, as owners of *things*" (Rubin 1928: 22). On the other hand is "personification of things," that is, "the process through which the existence of things with a determined social form, for example capital, enables its owner to appear in the form of a capitalist and to enter concrete production relations with other people" (Rubin 1928: 22). From this point of view, commodity-fetishism is the result of the process of reification of social relations of production, and thus regular economics considers "the social characteristics of things (value, money, capital, etc.) as natural characteristics which belong to the things themselves" (Rubin 1928: 27).

Rubin's interpretation of Marx's theory of value is rooted in his understanding of fetishism: "The theory of fetishism is, *per se*, the basis of Marx's entire economic system, and in particular of his theory of value" (Rubin 1928: 5). Because in the theory of fetishism the emphasis is on the reified character

assumed by relations among independent producers in the process of exchange, relations that are *mediated* by things, "in a commodity economy value plays the role of regulating the distribution of labor" (Rubin 1928: 68). This role derives from the social characteristics of the merchant economy, from the fact that the distribution of social labor is not organized directly by society, but indirectly through exchange. Thus, since a good acquires value only in a determinate social organization of labor, value is not a property of goods, but a "*social form or social function which the product of labor fulfills as a connecting link between dissociated commodity producers*" (Rubin 1928: 68). Again, the role of "things" as intermediary is central in the definition of value.

There is of course a correspondence between this value-form and the labor-form. This correspondence is for Rubin "the most specific and original part of Marx's theory of value" because it "explained precisely the *kind* of labor that creates value" (Rubin 1928: 71). By distinguishing between concrete and abstract labor Marx, according to Rubin, distinguishes between labor as a set of technical methods and labor in the form taken up in capitalism. Since, as the theory of fetishism has shown, in capitalism the technical/material aspects of production is not directly regulated by society but by independent individual producers through the market, "*private* labor of separate commodity producers is connected with labor of all other commodity producers and becomes *social* labor only if the product of one producer is equivalent as a value with all other commodities" (Rubin 1928: 70). However, at the same time, "this equalization of all products as value is ...an equalization of all concrete forms of labor expended in the various spheres of the national economy" (Rubin 1928: 70). It follows, therefore, that private labor of individual and atomized producers cannot acquire the character of social labor in the form of concrete labor as it is expended in the production process, "but through exchange which represents an abstraction from the concrete properties of individual things and individual forms of labor" (Rubin 1928: 70). It is true that "in the process of direct production this reduction [of concrete forms of labor to abstract labor] has an anticipated or ideal character, since production is designed for exchange" (Rubin 1928: 144). However, "in the process of direct production labor is not yet abstract labor in the full sense of the word, it must still become abstract labor" (Rubin 1928: 151). Although in Rubin this abstraction of labor is neither a theoretical nor a mere physiological act, but a social act, the social meaning of this abstraction of labor as abstract labor is that of the "social equalization of different forms of labor" (Rubin 1928: 144). In conclusion, the character of a capitalist economy based on separated atomized individual producers—a

society in which social labor is not directly regulated and organized, the basis of commodity-fetishism—requires a socialization of labor through the mediation of commodities, and therefore a process of socialization of labor through the process of equalizing of products as values, and therefore of concrete labor as abstract labor. If Rubin succeeds in moving away from the technicalism and naturalism of the physiological interpretation of value and labor, he is still confined in an interpretation of Marx which sees the class relation of work only as a derivation of other relations.

Rubin's interpretation seems to find support in some of Marx's statements in section 4 of chapter one of *Capital*. In particular,

Objects of utility become commodities only because they are the products of the labor of private individuals who work independently of each other. The sum total of the labor of all these private individuals forms the aggregate labor of society. Since the producers do not come into social contact until they *exchange* the products of their labor, the specific social characteristics of their private labors appear only within this *exchange* (Marx 1867: 165; emphasis added).

If this sentence and the rest of the section on commodity-fetishism is considered on its own as the starting point of Marx's analysis, in the way Rubin does by grounding Marx's theory in the theory of commodity fetishism, then it follows that Rubin is correct. In this sense abstract labor is the form taken by concrete labor through the process of equalization, and therefore of socialization of labor, that in a society in which individual producers are independent comes only through exchange. However, we cannot forget that Marx's definition of value and its substance is carried *before*, and indeed is the grounding element of, his discussion of commodity-fetishism. In other words, *we already know what abstract labor is before we get to the section on commodity-fetishism*. Rubin's derivation of the definition of abstract labor from this section was well intended, as he was attempting to graft Marx's theory of capitalism right from chapter one onto the discussion of social relations and the critique of capitalism, vis-à-vis the dominant physiological interpretation of many of Marx's commentators and critics. However, by doing so he confined the social character of capitalism to a problem of the form of the allocation and distribution of social labor in society, and not on the fact that this fetishised form is a direct consequence of the *character* of labor in capitalism, a character that labor acquires not ex

*post*, after production has taken place and once it is “distributed” through the working of the market, but at the point of production. And because this character acquired by labor at the point of production is abstract labor, it is possible for the independent producers to distribute the objectified character of this reified labor across society.

If we start from this character, from the understanding of the definition of abstract labor that I have proposed in the previous section and, more generally, in De Angelis (1995a), not only we do not lose the *social* meaning of Marx’s theory, but we ground it in class analysis and, right from the start, in the paramount all-embracing question of our epoch: the critique of capitalist work in all its forms. If abstract labor is understood as “human labor power expended without regard of the form of its expenditure,” as a sensuous activity with the character of alienated and reified humanity, then it follows that it cannot be the result of an act of equalization but the *precondition* for this equalization. In this sense, the reification of the individual producers in the market which occurs by means of things (commodities) mediating their social relations, the reification stressed by Rubin, is but an outer expression of a deeper process of reification that involves the activity of the workers producing those commodities. To briefly develop this connection by starting with Marx’s sentence quoted above (“Since the producers do not come into social contact until they exchange the products of their labor, the specific social characteristics of their private labors appear only within this *exchange*.”), we may ask: Does the social character of the private producers’ labor originate in exchange? The answer must be negative. In the quote above Marx stresses that it only *appears* in exchange. It is in fact an obvious thing that the labor of the “private producers” is also a moment of “social labor.” This is a natural condition of human social metabolism.<sup>7</sup> However, neither the decision nor the nature and character of production as carried out by the private producers of commodities is informed by such a natural fact. This is precisely because from the perspective of these producers, “their” labor does not count in its organic link with the rest of human labor of society; it does not count in its sensuous character, that is, in the twofold aspect that it is a human activity for the production of objects for human (and *therefore* social) use, and that in being a human activity it is a sensuous activity. No, as far as commodity producers are concerned that labor counts only as abstract human labor, as “human labor-power expended

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<sup>7</sup> And finally, as soon as men start to work for each other in any way, their labor also assumes a social form” (Marx 1867: 164). See also the famous letter to Kugelmann (Marx 1868).

without regard of the form of its expenditure,” as a sensuousless activity. Only to the extent that this is the case can they socialize the products of labor as “values,” that is, with the character of an objective, sensuousless social form. But this form of socialization of human labor presupposes that all private commodity producers have done so, that in all branches of production human labor has been treated as “thing.”

Finally, I must point out that the analysis of commodity carried out in chapter one of *Capital*, which leads to the dissection of commodity-fetishism, is posed in general terms in which the “producers” of commodities and the “owners” of commodities appear to be the same subjects. This fiction has enabled Marx to show that the reification of human subjects is concealed in the elementary form of capitalist wealth, the commodity. It also shows us the strength of Marx’s analysis. In principle, this core element of capitalist production behind which human labor is abstract labor, and therefore is imposed, alienated, and boundless in character (De Angelis 1995a), does not reside in the *formal* separation of owner and producer of commodities. Indeed, the subjects may be formally the same, thus introducing state capitalism and its ideology of “public property” as another potential target of a Marxist critique. When later in *Capital* Marx introduces the distinction between producers (who perform abstract labor) and owners of commodities (for whom production counts as “value” producing activity) as two distinct subjects, he is able to clarify what was already embedded in his analysis of commodity, namely, the *essential character* of class relations in the capitalist mode of production.

## **COMMODITY-FETISHISM AND ECONOMIC CATEGORIES**

In this section I discuss some key economic categories in the light of the previous discussion of commodity-fetishism. I will point out *how* the categories of, wage, cost, and profit—to discuss only some relevant cases—acquire meaning through the advantage point of the two classes involved in the work relation.

### *Wages*

In chapter 19 of volume one of *Capital* Marx deals with the particular form of wage: “On the surface of bourgeois society the worker’s wage appears as the price of labor, as a certain quantity of money that is paid for a certain quantity of labor” (Marx 1867: 675). The wage form therefore allows concealment



of the antagonism inherent in the labor relation by making all labor appear as paid labor. This appearance is at the basis of "all the notions of justice held by both the worker and the capitalist, all the mystifications of the capitalist mode of production, all capitalism's illusion about freedom, all the apologetic tricks of vulgar economics." The wage-form "makes the actual relation invisible, and indeed presents to the eye the precise opposite of that relation" (Marx 1867: 680).

Still, these "imaginary expressions" of the "value of labor" borrowed by classical political economy "from everyday life without further criticism" (Marx 1867: 678), "arise ... from the relations of production themselves. They are categories for the forms of appearance of essential relations" (Marx 1867: 677). From the perspective of the workers *as variable capital*, every change in the amount of wages received "necessarily appears to [them] as a change in the value of price of [their] 12 hours of labor" (Marx 1867: 681). But from the perspective of the workers as sensuous beings, the 12 hours of labor are the real life cost of the wage received. If the latter falls or rises, and the workers "always give 12 hours of labor" (Marx 1867: 681) for a given intensity of work, their lived condition worsens or improves.

Capitalists on the other hand do not share in this sensuous experience of labor with the workers and try "to buy all commodities as cheaply as possible, and [their] own invariable explanation of [their] profit is that it is a result of mere sharp practice" (Marx 1867: 681). Moreover, in the eyes of capitalists, a movement in wages appears not as movement in the payment of the value of labor power, but that of "the value of its function." Marx takes the example of an increase in the length of the working day for a given wage, which appears to the capitalists not as an increase in surplus value, but a reduction in hourly wages. This appearance is of course congenial to the maintenance of a form of discourse which emphasizes distribution rather than relations of production as the basis of the conflict between classes. I want to give here another example, more in line with the "real subsumption of labor under capital," that is, an increase in labor productivity for a given intensity of work. From the perspective of people's needs, an increase in productivity means the potential reduction in the labor necessary for the reproduction of their existence. If this potential reduction is not concretized in an actual reduction of working time following increases in productivity, if they keep working the same as before for a given wage, the capitalists must appropriate the increase in productivity, an appropriation that, according to Marx, occurs in the form of relative surplus value. But to the capitalists this does not appear as such. Wages cannot appear to them as "value of labor time," as labor necessary to reproduce their existence,

the reduction of which can lead to an improvement in their condition, simply because labor, to them, is not a lived experience. Therefore, an increase in productivity cannot appear to them as an increase in the surplus value they appropriate, but as the reduction in the cost of one of their inputs of production per unit of output produced. In other words, the wage form as “price of labor” conceals the realm of potential fulfillment of human needs, which includes also the need for less work. To the capitalists this concealment is a natural form, because for them an increase in the productive potential of society does not raise the question of the possibility to reduce work, but simply is a means to pay less for one of their inputs.

Other phenomena “which seem to prove that it is not the value of labor-power which is paid, but the value of its function, of labor itself” are the “individual differences between the wages of different workers who perform the same function” (Marx 1867: 682). The basis for a strategy of divide and rule through the creation of a hierarchy of the working class across gender and racial lines is provided by the wage form itself. By presenting wage as the “value of labor”—that is, the value that a function acquires for capital—instead of the value of labor-power—which would open the way to link people’s access to social wealth in terms of the needs of reproduction of human subjects, the “workers”—it is possible to segment the working class along a mythological hierarchy of “productivities” to legitimize wage differentials. I have argued elsewhere (De Angelis 1995a) that within this wage hierarchy a stressed-out teacher is paid more for one hour’s work than a stressed-out nurse, and infinitely more per hour than a stressed-out housewife or student. This is the case even if for all these social subjects, from the point of view of these human beings, the lived experience of stress leads to the same neurosis. Of course, bourgeois economics introduces the link between marginal product and wage, thus legitimizing a higher wage in terms of a higher contribution to production. But in a world in which the great bulk of the productive power of labor is associated with the form of social cooperation of labor rather than the individual contribution (Gleicher 1983), this link serves only a disciplinary role in promoting greater intensity of work and legitimizing class division.

### *Cost Price and Profit*

The thing-like form of categories reflected in the capitalist standpoint is clear in Marx’s analysis of the category of cost price with which Marx opens volume three of *Capital*. The cost price is the expenditure of capital advanced by the capitalists, and it is a typical form which appears “on the surface of society,” that is, “*in the everyday consciousness of the agents*

*of production themselves*" (Marx 1894: 118; my emphasis). Cost price includes both constant and variable capital as a qualitatively homogeneous "mass" of capital. The general formula of cost price is the first logical step in the direction of understanding the phenomenal form of an economic category in light of its connection to capitalist relations of production. For Marx, in the cost price we express

... the specific character of capitalist production. The capitalist cost of the commodity is measured by the expenditure of *capital*, whereas the actual cost of the commodity is measured by the expenditure of *labor* (Marx 1894: 118).

Thus, the key question implicit in the discussion of the capitalist category of cost price seems to be: cost for whom? In this sentence there is the principle of political deconstruction of capitalist categories. Two notions of cost are here counterpoised. One, based on expenditure of labor, is cost in terms of sensuous real-life energies expended in the labor process; the actual cost of production is people's lived experience of that production:

*Labor-time*, even if exchange-value is eliminated, always remains the creative substance of wealth and the measure of the cost of its production (Marx 1971: 257).

It is only in reference to *this human notion* of cost that the crucial question of people's needs and aspirations can be properly addressed. Because attached to *this* notion of cost there is the specular human notion of wealth. If labor is the cost,

free time, *disposable time*, is wealth itself, partly for the enjoyment of the product, partly for free activity which—unlike labor—is not dominated by pressure of an extraneous purpose which must be fulfilled, and the fulfillment of which is regarded as a natural necessity or a social duty, according to one's inclination (Marx 1971: 257).

If from the perspective of the people involved in the production process, cost is the sensuous lived experience of work, from the perspective of capital, cost is something external. This notion of cost is based on a detached evaluation of a sensuousless, objective, and external reality, the capitalist cost as recorded by the company's bookkeeper. Capitalists' consciousness reflects capitalists' practice. People and machines do not make

any difference from their perspective. They are both inputs, and their actual mix is a function of both a technical need and a budget constraint. People are seen and treated as things, as “human” capital. As things, they can be “allocated” among other inputs in the labor process. Thus, capital apprehends the world uniquely as objective, as pure *external* reality, and the thing-like appearance of social relations in capitalism is not a merely mystified representation of a different reality. It goes without saying that cost regarded in this fashion does not carry any specular notion of wealth as *disposable time*, precisely because, from this perspective, wealth is labor time itself.

In this sense, relations between people *are* indeed relations between things. In fact, from the perspective of capital, people, together with machines, raw materials, etc., represent different elements of a mass, different elements of price cost, *k*. It is only in connection to this mass with the character of “thing” that the other economic category of profit can be represented. Precisely “because no distinction between constant and variable capital can be recognized in the apparent formation of the cost price, the origin of the change in value that occurs in the course of the production process is shifted from variable capital to capital as a whole.” Thus, because “the price of labor-power appears at one pole in the transformed form of wages, surplus-value appears at the other pole in the transformed form of profit (Marx 1894:127). Profit therefore is the same thing as surplus value “save in a mystified form” (Marx 1894:127). The act of economic representation of the class relation of work from capital’s perspective is completed once the rate of profit as ratio between profit and total capital is calculated. But this is only the ratio between two “things,” and in the “thinghood” of this ratio there is no trace of alienated lived activity and the struggle against it.

### **SOCIAL ANTAGONISM, COMMODITY-FETISHISM, AND THE DEVELOPMENT OF ECONOMIC THEORY: NOTES FOR FURTHER RESEARCH**

If economic categories are fetishised representations of the class relation of work, and if this representation reflects capital’s standpoint in the work relation, the problem that is left to be addressed is how can one interpret in this light the *development* of commonly accepted meanings of economic categories, the “paradigm shifts” from one orthodoxy to another, and therefore the interconnection between theoretical paradigms. In other words, what is the link

between paradigm shifts, changes in theoretical “conventional wisdom” in economics, and the fact that the categories employed by these paradigms are fetishised?

Marx deals with this issue, although in a sketchy way, in his analysis of a XIX century “paradigm shift,” that is the passage from classical to vulgar political economy. At the basis of this passage there is class conflict.

[T]he development of political economy and of the opposition to which it gives rise keeps pace with the *real* development of the social contradictions and class conflicts inherent in capitalist production (Marx 1971: 501).

Thus, if classical political economy has opened the way to shed light on the real opposition in society, the class relation of work, at the same time “it is confronted by its own contradiction simultaneously with the development of the actual contradictions in the economic life of society” (Marx 1971: 501). This leads to a separation of the “scientific element,” that is, the element of classical political economy which allows us to discern the character of capitalist relations of work from the “vulgar” element. Thus

vulgar political economy deliberately becomes *apologetic* and makes strenuous attempts to talk out of existence the ideas which contain the contradictions (Marx 1971: 501).

This vulgar element however is not “wrong,” it is simply biased, it corresponds to one position in the work relation. For example, the pairs rent-land, interest-capital, and wages-labor are

is the form in which these relationships appear to be directly connected with one another in the world of phenomena, and therefore they exist in this form in the thoughts and the consciousness of those representatives of capitalist production who remain captive to it (Marx 1971: 503).

This paradigm shift acquires meaning for Marx in the context of the growing class *antagonism*. And indeed, the period which witnessed the rise of vulgar political economy is a period of growing working class struggles. The apologetic character of vulgar political economy has been forged out of this antagonism.

However, one must take the full consequence of Marx’s theoretical framework and point out that by talking out “of

existence the ideas which contain the contradictions,” vulgar political economy has not only provided an apology for the capitalist mode of production, but also has provided in “academically syncretic and unprincipled eclectic compilations” (Marx 1971: 501) a box of tools to apprehend the capitalist relation and provide recipes for its maintenance and perpetuation. This is, I claim, the more important *strategic* character of economics. For example, Jean Baptiste Say is one of the economists that Marx lists as “vulgar.” His well known argument (Say 1803) introduced in England by James Mill, which became widely accepted orthodoxy, was that production creates a demand for other products. This is because producers sell their products to buy other goods. James Mill (1808) extended this assertion by claiming that general over-production was impossible, because the demand for goods comes from income, and the latter increases with the increase in production. This argument had both an apologetic and a strategic element. The *apologetic* element in Say’s law is contained in its concept of time. Say’s law imagined no separation between the decisions of saving and investment. The decision to invest was not based on future expectations of demand, costs, or prices. In this framework, the *existence* of profit is presupposed, and whatever the perturbation there is a clearing mechanism within the market. In these conditions any dimension of time disappears, since past, present, and future possess the same qualitative character as three forms of “equilibrium.” With the vanishing of the qualitative difference between past, present, and future, with the vanishing of any idea of their interrelation, the end product is *eternity*, that is, the eternity of the capitalist relation of work. The *strategic* element of Say’s law is in its “policy implications.” Following Say’s law, the notion of crisis was rejected in favor of that of temporary disequilibrium. This would be overcome if wages were sufficiently elastic. From here, the “vulgar” political economists of yesterday and today can denounce the limitations posed by the institutional framework on the law of demand and supply and invoke its reestablishment. The attack against workers’ organization in the name of the full working of the market mechanism and wage “rigidities,” is a logical strategic consequence of the “vulgar” theory itself, a consequence that Marx was very aware of:

...as soon as, by setting up trade unions, etc., [the workers] try to organize planned co-operation between the employed and the unemployed in order to obviate or to weaken the ruinous effects of this natural law of capitalist production on their class, so soon does capital and its sycophant, political



economy, cry out at the infringement of the “eternal” and so to speak “sacred” law of supply and demand. Every combination between employed and unemployed disturbs the “pure” action of this law (Marx 1867: 793-794).

## CONCLUSION

This paper has interpreted Marx's critique of political economy and his discussion of value and commodity-fetishism to extract some main methodological points which can help to inform today's radical critique of economics. The conclusion is that the conceptualization of social reality from the perspective of capital can only be judged in relation to its ability to control social reality itself, that is to say to manage the process of accumulation. If *treating* people as objects means to implement historically specific ways of implementing the work relation vis-à-vis working class resistance (that is to say working class refusal to be objects), *seeing* people as objects (fetishism) means to conceptualize—at different levels of generalization—historically specific ways to implement the reifying capitalist work relation within society vis-à-vis working class resistance. In fact, as the notion of abstract labor as “imposed, alienated, and boundless” work presupposed resistance and struggle (De Angelis 1995a), the notion of fetishism as capital's thing-like conceptualization of the social reality also presupposes the struggle against it.

To return to the analysis of the role of economic categories, the question which needs further development is to what extent the analysis of commodity-fetishism (which, as it was seen, is at the basis of a class understanding of economics) can shed light on the paradigm shifts of economics, that is to say, the abandonment of one orthodoxy for another. Once commodity fetishism is understood in terms of capital's own thing-like representation of a real process of reification (transformation of people into things), and once we understand this process of reification as always accompanied by a given form and degree of working class resistance, then the development of the categories used to represent this real process of reification must reflect the ruptures imposed upon the capitalist mode of production by social conflict and the need for a bourgeois reformulation of the theoretical framework informing its “box of tools.” It is therefore necessary to supplement the general methodological points of

a critique of economics provided in this paper by extensive historical research on the development of economic thought.<sup>8</sup>

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<sup>8</sup> For an analysis in this direction regarding the rise and fall of Keynesianism see De Angelis (1995b).

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