Surplus value and labor types

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As the cornerstone concept of Marx's surplus value theory, surplus value contains three kinds of labor in quantity, namely, the surplus labor provided by workers in the labor process, the management labor provided by entrepreneurs in the labor process, and the labor provided by workers in the circulation field. It is of great and far-reaching significance to correctly understand the relationship between these labors and their surplus values, to correctly summarize the historical experience of socialist construction, to ensure that the socialist road advances along the direction guided by Marx, and to accelerate the construction of socialism in the new era.

As Marx's original concept, surplus value is the value created by workers through their own surplus labor under the conditions of capitalist production. This explanation seems simple and clear. However, if we continue to ask in depth: who are the workers specifically referring to? What is the specific meaning of "surplus"? What exactly is surplus labor? Then we will find that surplus value contains three kinds of specific labor, or, in terms of quantity, surplus value includes the surplus labor provided by workers in the labor process, the management labor provided by entrepreneurs in the labor process, and the labor provided by workers in the circulation field.

I. SURPLUS LABOR PROVIDED BY WORKERS AFTER REPAYING THE VALUE OF LABOR POWER

In order to carry out production, capitalists must not only have material means of production such as factories, machines, raw materials, etc., but also have sufficient employable wage laborers, that is, workers. These can only be obtained through the market. Under the conditions of capitalism, many people have nothing but their own labor power. The natural constraints of the physical life body force these people to exchange their own labor power for their right to life and livelihood. They come to the market, with the identity and power of the "owner" of labor power, and bargain with the capitalists on the exchange of labor power as a commodity, and finally obtain their own value of labor power [3] by means of a "contract". In this way, workers maintain their own life and livelihood through the value of labor power, and the price they pay is to provide their own labor power for the production of capitalists. Marx wrote: The worker has obtained his own value of labor power, and he must "reproduce this equivalent" in the labor process. If he spends "6 hours" to produce this equivalent "is enough", but his labor in the labor process is not 6 hours, but say 12 hours. In this way, the result of the labor power exertion not only reproduces the value of the labor power itself, but also produces a surplus value of 12 hours-6 hours=6 hours. "This surplus value is the balance of the product value exceeding the value of the consumed product forming elements, that is, the means of production and labor power." This "balance" is "surplus value" [3]. The surplus value analyzed here is obviously defined from the perspective of the "labor process", and is defined from the perspective of the worker. Marx said that the working time of the worker's labor process can be divided into two parts. In the first part of the time, the worker "only produces the value of his own labor power, that is, only produces the value of his necessary living materials." Even if the worker does not work for the capitalist, but works independently for himself, under the same conditions, he still has to work for the same time on average to produce the value of his own labor power, and to obtain the living materials necessary for his continuous reproduction. Therefore, this kind of working time can be called "necessary working time". "This kind of labor is necessary for the worker, because it does not change the social form of his labor" [3]. "The second part of the working time of the labor process" is "surplus working time" [3]. Since the value created by this period of time does not belong to the worker, it is an excess working time for the worker, that is, the working time that exceeds the necessary working time. The value created by it is also an excess value, that is, the value that exceeds the value of labor power. Marx said, I call this excess value surplus value. It can be seen that surplus value is the excess value provided by the worker after repaying the value of labor power, and the labor it represents is the surplus labor that exceeds the necessary working time. Marx specifically analyzed two kinds of surplus labor provided by workers after repaying the value of labor power. One is absolute surplus labor. Workers sell their own labor power in the market, with "working day" as the calculation unit of the value of labor power. However, "the nature of commodity exchange itself does not set any limits to the working day" [3]. The capitalist "buys the labor power according to the daily value of the labor power", and the worker must pay his own labor power to the capitalist "in a working day" [3]. After the worker repays his own value of labor power through his own labor for 6 hours, for example, the capitalist still forces the worker

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to continue working for him in this working day, and even "extends" this continuous working to the limit that the physical life body can bear. For example, extend it by 4 hours, 8 hours or even 12 hours, etc. The value created by the working time through the "extension of the working day", Marx said, is absolute surplus value. The labor it reflects is also absolute surplus labor [3]. In a "working day", the total labor amount of the labor product is constant, and the division of this total labor amount into necessary labor and surplus labor is also constant. However, due to the improvement of technology and capital organic composition, etc., due to the improvement of productivity, etc., the quantity and proportion relationship of the two parts of labor in the working day have changed. "Here, what changes is not the length of the working day, but the division of the necessary labor and surplus labor in the working day" [3]. That is to say, due to the improvement of technology and capital organic composition, etc., and the improvement of productivity, in the same working day, due to the constant value of labor power and the shortening of its production time, the time for producing surplus value is relatively longer, and the surplus value is relatively larger in quantity, and the proportion to the value of labor power is higher. Marx said: "I call the surplus value produced by shortening the necessary labor time and changing the proportion of the two components of the working day accordingly, relative surplus value" [3]. The relative surplus value reflects the relative surplus labor. "Capitalist production is actually" "employing more workers" to work "under the same capital" [3], on the other hand, because there are no means of labor and objects of labor, workers cannot carry out independent individual labor, so capitalist production can only be a kind of collective labor. Since it is collective labor, of course there must be the same plan, unified goal and unified action steps, etc., and thus inevitably form a kind of labor cooperation [3]. In this kind of cooperative labor, each worker is only a "partial worker" who always "engages in the same simple operation". More partial workers are combined in the same labor process, forming a "combined" "total worker" [3]. In the same labor process, each "partial worker" pays his own labor power, which will form a "total worker" labor power payment. This kind of total worker's labor power payment forms a kind of "collective force" [3]. Marx said that this collective force is not a simple sum of the labor power of individual workers, but "creates" a "new productive force" [3]. Just as the total attack power of the same number of individual cavalrymen is incomparable to the attack power of a cavalry company, just as the total sniping power of the same number of individual infantrymen is incomparable to the sniping power of an infantry battalion, the collective force of the total workers' labor power in the same labor process, compared to the "mechanical sum of forces" of the individual workers' labor power, has not only an essential difference, but also a quantitative difference. Here, the total worker's "effect of combined labor is either impossible to achieve by individual labor, or can only be achieved in much longer time, or on a very small scale" [3]. That is to say, compared to the mechanical sum of the value created by the individual labor power, the value created by the collective labor power is much more. Or, the partial worker as a part of the total worker, the value he creates with the same labor power, compared to the value created by the individual worker's labor power, is much more. There is a "quantitative difference" of labor value here. In other words, the individual worker as a natural physical life body and the partial worker as a part of the total worker, in the same labor process, the labor power is the same, and thus the labor power value obtained is also the same. However, in the same time, the labor value provided by the partial worker is much more than the value created by the individual worker as a natural physical life body, and thus the surplus labor he provides relative to the labor power value he obtains is also much more. This "quantitative difference" value, relative to the labor power value obtained, becomes a surplus value. The labor embodied in it becomes a special component of surplus labor. According to Marx, this surplus labor is a "collective force" surplus labor [3]. In short, relative to the labor power value, the surplus labor provided by the worker (whether as an individual partial worker or as a whole total worker) after repaying the labor power value, has absolute surplus labor, relative surplus labor and collective force surplus labor, which all constitute the surplus value in different situations and in different ways.

II. MANAGEMENT LABOR PROVIDED BY ENTREPRENEURS IN THE LABOR PROCESS

Marx roughly distinguishes capitalists into three categories: industrial capitalists, commercial capitalists, and money capitalists [2]. The capitalist engaged in production is an industrial capitalist, also known as an "entrepreneur" [2].

As "simultaneously employing more workers" in the "same capital" in the direct process of capitalist production, it is a "form of the social combination process." Such a production process will inevitably generate "supervision of labor and command of labor" [2], in other words, it will inevitably generate "management" of labor [2].

Marx writes: the capitalist production process itself "has duality: on the one hand, it is the social labor process of manufacturing products, and on the other hand, it is the value augmentation process of capital" [2]. Therefore, in the capitalist production process, one cannot "confuse the managerial functions arising from the nature of the common labor process with the managerial functions arising from the capitalist nature of this process and thus from the antagonistic nature" [2]. The duality of capitalist production determines this duality in its management, and it also determines that industrial capitalists inevitably have a dual identity.

The first identity of industrial capitalists is that of a "capitalist." In production, they manage as "capitalists." At this time, production is the "value augmentation process of capital."

The capitalist comes to the market with money capital to purchase means of production and labor, i.e., workers. He treats these means of production and workers as his investment cost or advance capital placed on an equal footing. In the production process, workers only contribute labor as a commodity bought by capital. Means of production and workers are "separated" as capital compels workers, through capital, to provide as much labor as possible. His management is merely through his "command" and "supervision," making "capital increase as much as possible." Thus, the capitalist and the worker are in an "opposed" and "antagonistic" position. The "command of labor" and "supervision of labor" by the capitalist are managerial functions arising from the "capitalist nature" of an antagonistic kind [1]430.

The second identity of industrial capitalists is that of an "entrepreneur." In production, they manage as an "entrepreneur." At this time, production is the "social labor process of manufacturing products."

The so-called social labor process of manufacturing products is the "general labor process" that is "separated from the production process of capital" [2]. Under capitalist production conditions, workers, as sellers and contributors of labor power, are separated from capital in the production process. Their labor is only the manufacturing of products, and their labor process is the "general labor process," which is the general "social labor process of manufacturing products."

Marx analyzes that in the capitalist production process, it can be assumed that the capital of industrial capitalists is not their own but borrowed from money capitalists. Due to this borrowing, industrial capitalists are in an "antagonistic" relationship with money capitalists: money capitalists are capital owners, and the industrial capitalists different from "this capital owner" are proletarians. Their opposition to money capitalists is the opposition between proletarians and capitalists. They borrow from money capitalists, and their only collateral can be their labor power (of course, there are other necessary conditions, not discussed in this text). This collateral is essentially a sale. They sell their labor power, and the value of their labor power sold is the "interest" on the loan. They must repay this interest in future labor, i.e., repay the value of their labor power. In the eyes of money capitalists at this time, the current borrower is not yet a capitalist performing a production function but merely a "hired worker" without capital, hired for the purpose of increasing their capital through "interest" [2].

Unlike workers who sell their labor power and only receive the value of their labor power as wages, industrial capitalists, through the sale of their labor power, obtain a certain amount (and duration, etc.) of capital and its right to use. They use this capital to purchase means of production and labor, thus organizing their own production and establishing their own enterprise. Because the capital of this enterprise is not their own, they are not strictly capitalists in the sense of owning the capital, but only "entrepreneurs" who can freely "command" and "supervise" the production of this enterprise [2]. In the eyes of money capitalists, the entrepreneur, without capital, performs labor that is "separated from capital." Their managerial labor of "commanding" and "supervising" is merely indicative that they are "even unrelated management personnel" arising from the division of labor, similar to workers, only "appearing as a simple bearer of the general labor process" [2]429. In other words, entrepreneurs, in their "general labor process," contribute their labor power through "commanding" and "supervising" like workers. "They also labor," and therefore, they are also "creating surplus value" [2]

Entrepreneurs create value through their managerial labor, and this value is naturally within the "enterprise." They use a portion of this value to repay interest, i.e., the value of their labor power. This repayment is made outside the "enterprise." In other words, they return a portion of the value they created, as interest, to money capitalists, who are outside the enterprise. At the same time, they retain the other portion of the value they created, the surplus portion, i.e., surplus labor or surplus value, within the enterprise, i.e., as the "result" of the social labor process within the enterprise. Consequently, within the enterprise, there are two kinds or two parts of surplus value: one is the surplus value of workers (i.e., overall workers) in the labor process within the enterprise, after repaying the value

III. LABOR PROVIDED BY WORKERS IN THE CIRCULATION SPHERE

Marx wrote: Under the capitalist mode of production, capitalists use their money to buy means of production and labor in the market. They employ these means of production and labor to carry out their own production and create their own products. When capitalists sell their products in the market, they obtain money once again. However, the money obtained from this "circulation" is already "more than the initially invested money." This implies that capitalists gain "an increase equal to the originally advanced sum of money." Marx called this increase or surplus over the original value "surplus value" [3].

This definition clearly explains surplus value from the perspective of "circulation," or in other words, from the standpoint of "value." In this context, the capitalist mentioned by Marx refers to an industrial or productive capitalist. Only industrial capitalists use money to purchase means of production and labor in the market, organize their production, and sell their products. Therefore, the surplus value of money mentioned here is the surplus over the initially invested (in production) money by industrial capitalists. This surplus value, as a monetary value, is the surplus value obtained by industrial capitalists.

The purpose of capitalist production organization is not to produce use-values but to increase money, i.e., to obtain more value. However, the labor products produced in the production process only have use-value. To transform use-value into value, it is necessary to transform labor products into commodities and further transform the value of commodities into the value of money. This requires going through the circulation process to enter the market for exchange. In this sense, the circulation process is, in fact, a continuation of the production process. Marx stated, "The capitalist production process, looked at as a whole, is the unity of the production process and the circulation process," and the circulation process is only a "supplement" to the production process [2].

The circulation process has two forms or types: one is the circulation process operated solely by industrial capitalists, and the other is the circulation process operated by dedicated commercial capitalists.

In the circulation process operated solely by industrial capitalists, they engage in both the production and market exchange of products simultaneously. This market exchange is directly supplementary to the production process and is thus an integral part of the production process. In this case, the labor contributed by capitalists to the circulation process and the labor contributed by workers, i.e., market workers, are both part of the overall labor of the production process. Their roles are akin to members of the "general worker" engaged in production. The only difference lies in the division of labor among the "general workers." This is similar to how a machine maintenance worker does not directly participate in product production but still contributes their labor to the production. Marx said, "With the development of the labor process itself," the concept of productive labor and productive workers "inevitably expands." "Now, to engage in productive labor, it is not necessary to personally perform it. It is enough to become an organ of the general worker and fulfill the function to which one belongs" [3].The labor provided by workers in the circulation process contributes to the circulation function belonging to the overall production. In other words, the labor provided by workers in the circulation process complements the labor of the production process. Without this supplementary labor, the labor products produced by workers in the production process remain as use-values. Only through the labor of workers in the circulation sector can these labor products be transformed into commodities and, further, the value of commodities be transformed into the value of money. This process allows the entire capitalist production process to be completed, enabling capitalists to realize the "circulation" of their capital investment. The money capital invested in production can only be recovered in another form, i.e., in the form of "more than the initially invested money." This "surplus" amount of money is the conversion of the total surplus labor provided by workers in the production process. In other words, it is the entire surplus value provided by workers in the production process.

If industrial capitalists operate the circulation process alone, they not only have to invest their labor and energy in circulation but also have to hire relevant market workers (collectively known as workers), and more. They must also make specialized monetary investments outside the production process, such as establishing the necessary facilities for market exchange, acquiring essential transportation vehicles, etc. In terms of economic efficiency, excluding extremely special cases (such as monopoly products), the capital invested in circulation may not necessarily be cost-effective compared to focusing solely on product production [2].Therefore, in practical life, except for extremely special circumstances (such as monopoly products, etc.), industrial capitalists generally separate their product production from the product circulation process. In other words, they specialize in product production and delegate the product circulation process to dedicated commercial capitalists.

A commercial capitalist is someone who specializes in the circulation of commodities. The circulation of commodities is their specific function, which distinguishes them from industrial capitalists. Like industrial capitalists, commercial capitalists first use their money capital to buy products from industrial capitalists through market transactions, then sell these products in the market, ultimately gaining an "increase" exceeding the "originally advanced sum of money," i.e., obtaining surplus value. To achieve this, they must invest in establishing the necessary places for market exchange, hire relevant workers, etc., similar to how industrial capitalists invest in establishing their production factories. As "merchants," they are "commodity operators" [2].They "engage in labor themselves, that is to say, they perform the function of buying and selling" [2].Therefore, they also create value and surplus value. In this sense, they are both capitalists and entrepreneurs. They are laborers as capitalists, just as industrial capitalists are both capitalists and laborers as entrepreneurs [2].The labor of their employed workers, i.e., workers, certainly creates value and surplus value.

However, commodities "do not produce any value during the circulation process, and therefore, they do not produce any surplus value" [2].Then, do commercial capitalists and their workers not create value and surplus value with their labor? Or, where is the value and surplus value created by their labor reflected?

Originally, when a commercial capitalist purchases the industrial capitalist's labor product, it is at a price lower than the value of the labor product. In other words, when the industrial capitalist transfers their labor product to the commercial capitalist for sale, they also transfer a portion of the product's value and surplus value. Due to this process, the industrial capitalist does not fully obtain the value of their labor product, and therefore, they do not fully receive the surplus value of their labor product.

The commercial capitalist obtains another portion of the labor product's value or surplus value, specifically the difference between the value of the labor product and the surplus value obtained by the industrial capitalist [2].In the process of market exchange during the circulation, the commercial capitalist sells the labor product at its full value, thereby earning the portion of value and surplus value that the industrial capitalist "concedes" (commonly referred to as the factory price) [2].The value and surplus value realized by the labor of the commercial capitalist and their workers are the difference between the product value and the factory price. Of course, there are many details involved, which are not discussed here. In other words, the labor of the commercial capitalist and their workers, as the labor in the process of circulation itself, does not create value. However, since the process of circulation is a "supplement" to the production process, their labor becomes a "supplement" to the "labor" in the production process and thereby becomes labor that creates value and surplus value.

When the production process ends, the result obtained by the industrial capitalist is the labor product. Excluding the production costs of constant capital and variable capital, the remaining product labor is the surplus labor. This surplus labor, through the transformation in the process of circulation, becomes the surplus value represented by the money value. In this sense, the surplus value created by the workers in the process of labor (i.e., the production process) belongs entirely to the industrial capitalist. The "enlarged amount of money" obtained by the industrial capitalist through "circulation" is the monetary value represented by the transformation of the surplus labor through circulation, reflecting the amount of surplus value. In this surplus value, there is the labor provided by the workers in the process of circulation, which constitutes a part of the surplus value.

If the merchant capitalist operates the process of circulation alone, the industrial capitalist must transfer their labor product at a value lower than the product's value. The monetary value obtained from the merchant capitalist is only the value of the portion of the labor product produced by the industrial capitalist. Although this value, as "monetary value," is also "more than the initially invested (in production) money," it is no longer equivalent to the surplus labor contained in the labor product obtained after the production process ends [3].The current monetary value is much smaller than the surplus value reflected in the initial surplus labor. This is the result of the distribution of surplus labor between the industrial capitalist and the merchant capitalist, already belonging to the scope of surplus value distribution, and not just the transformation relationship from surplus labor to surplus value. When the merchant capitalist operates the process of circulation alone, it has actually become a process of circulation separated from the production process. It is no longer a unified entity with the production process. Therefore, although there is some similarity with the industrial capitalist obtaining "more than the initially invested (in production) money" through "circulation" [3], it is not the same concept. In other words, under the condition of the merchant capitalist operating the process of circulation alone, the "enlarged amount of money" obtained by the industrial capitalist is not the transformation value of all the surplus labor produced by the industrial capitalist. Therefore, it does not conform to Marx's definition of calling this enlarged amount "surplus value." Marx stated that when the production process ends, and the industrial capitalist obtains the labor product, the division of surplus labor or surplus value "by quantity" is "simple" but "very important," and the fundamental reason lies in this [3].

Surplus value is a fundamental concept in Marx's theory of surplus value. Due to the discovery of surplus value, Marx proclaimed the inevitable downfall of capitalism and the inevitable triumph of socialism. Unfortunately, subsequent Marxists did not accurately and deeply understand the scientific connotation of Marx's concept of surplus value. As a result, they did not comprehensively and scientifically grasp the theoretical system of Marx's surplus value theory. After the victory of the October Revolution, traditional socialists believed that only the labor of workers, i.e., the direct labor of workers in production, creates surplus value. They believed that the bourgeoisie (including industrial capitalists and commercial capitalists) are entirely "gainers without labor" [1].Therefore, they adopted a direct, simple, and complete expropriation of the bourgeoisie, completely denying the dual nature of industrial capitalists and commercial capitalists as laborers in the process of dictatorship and rejecting their managerial capabilities in production, and so on. In the process of socialist construction, there was a one-sided emphasis on the position of workers as direct producers, neglecting or even denying Marx's scientific judgment on the "total worker" and erroneously excluding intellectuals from the ranks of the working class, and so on. The theoretical mistakes led to the difficult and tortuous progress of traditional socialist construction. Since the reform and opening-up, while summarizing historical experience, the theory and achievements of traditional socialism have been effectively denied in practice. Although there have been official practical standards and a nationwide discussion in political economics, it must be admitted that their original intention and effect were more political than theoretical. In fact, the increasing disintegration of the public ownership economy and the extraordinary development of the private economy have led to significant resistance to deepening reforms favorable to socialist development, as well as the intensification of contradictions in national life. Now, the central government has called for strengthening the study of the basic theories of Marxism, which is very wise and timely. Therefore, in-depth discussions on Marx's surplus value theory have significant practical significance for us to accurately grasp the development of the times and the international situation, ensure the victory of socialist construction in our country in the direction guided by Marx, and accelerate the construction of socialism with Chinese characteristics in the new era. It also has profound historical significance.

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