Appendix

The Results of the Immediate Process of Production
The Results of the Immediate Process of Production

Part One: The Capitalist Process of Production

1 Capitalist Production as the Production of Surplus-Value

Marx notes the 'elementary forms' of capital—commodities and money—and that when capital takes these forms the capitalist appears as the owner of commodities and money. But, despite this, commodities and money are not automatically capital, nor their owners automatically a capitalist; they become so only under specific circumstances.

In what Marx calls 'its first, provisional form' capital exists as money, 'as a sum of exchange-values embodied in its self-subsistent form of exchange-value, in its expression as money.' But for capital to be capital, 'the exchange value must serve to create still more exchange-value,' i.e. 'the quantity of value must be increased, i.e. the available value [...] must yield an increment, [...] a surplus-value.' A 'sum of money may only be defined as capital if it is employed, spent, with the aim of increasing it.' This process, the production of surplus-value, 'appears therefore as the determining purpose, the driving force and the final result of the capitalist process of production.'

If \(x\) is the quantity of money which is to serve as capital, then what we are dealing with here is the transformation of \(x\) into \(x + \Delta x\). But \(x\) is a given sum of money, which, left to its own devices, will neither shrink nor grow. For it to yield an increment, a \(\Delta x\), we must convert it into a form which has within it a variable...
element. As we have already seen,\footnote{C., \textit{p.} 317.} capital is converted in the production process into a part whose value is maintained (or passed on), and a part whose value increments itself in production itself. If we represent these two parts, respectively constant capital and variable capital, as \(c\) and \(v\), we have

\[
(1) \quad x = c + v
\]

and

\[
(2) \quad x + \Delta x = (c + \Delta c) + (v + \Delta v)
\]

and

\[
(3) \quad \Delta x = \Delta (c + v)
\]

From (3), we have

\[
(4) \quad \Delta x = \Delta c + \Delta v.
\]

But \(\Delta c\), by definition of \(c\), is zero. So (4) is really

\[
(5) \quad \Delta x = \Delta v.
\]

The ratio of the increment in \(x\) to that part of \(x\) which is incremented, i.e. \(v\), is

\[
(6) \quad \frac{\Delta x}{v}
\]

which, because of (5), can be written

\[
(7) \quad \frac{\Delta v}{v}.
\]

If \(C = \text{total capital (i.e. } x)\), we have

\[
(8) \quad C = c + v.
\]

If \(v\) is increased by \(\Delta v\), we have

\[
(9) \quad C' = c + (v + \Delta v)
\]

where \(C'\) is the incremented capital, \(C + \Delta C\).

Subtracting (8) from (9) we get

\[
(10) \quad C' - C = c + v + \Delta v - c - v = \Delta v.
\]

But

\[
(11) \quad C' = C + \Delta C
\]

which means that

\[
(12) \quad C' - C = \Delta C
\]

so that (10) becomes

\[
(13) \quad \Delta C = \Delta v
\]

i.e. the increment of capital is the increment of the variable part of it.

The proportion by which \(v\) has grown is
\[
\frac{\Delta v}{p}
\]
which is the rate of surplus-value.\(^\text{10}\)

The proportion by which \(C\) has grown is
\[
\frac{\Delta C}{C}
\]
which is, because of (13),
\[
\frac{\Delta v}{c + p}
\]
which is, because of (8),
\[
\frac{\Delta v}{c + p}
\]
which is the rate of profit.\(^\text{11}\)

2 Capitalist Production as the Immediate Unity of Labour Process and Valorisation Process

Marx is now going to delve deeper into the capitalist process of production. He starts by setting out his stall like this:

Like the commodity, which is an immediate unity of use-value and exchange-value, the process of production, which is the process of the production of commodities, is the immediate unity of the processes of labour and valorisation. Just as commodities, i.e. the immediate unities of use-value and exchange-value, emerge from the process as result, as product, so too do they enter into it as its constituent parts.\(^\text{13}\)

We need to break this complex paragraph down into its constituent parts. In the process, we shall also define some of the terms used.

The \textit{labour process} that Marx talks about is 'purposeful activity aimed at the production of use-values,' and as such is 'common to all forms of society in which human beings live.'\(^\text{14}\) The capitalist labour process is the 'process between things the capitalist has purchased.'\(^\text{15}\) When we talk about the capitalist labour process (or the labour process under the capitalist mode of production) we are talking about the interaction of commodities (including labour-power) in production, but we are talking about them as \textit{use-values}. On the other hand, the \textit{valorisation process} is the process whereby \textit{exchange-values} are produced: it is the process in which the capitalist produces exchange-value, and surplus-value. It is not 'common to all forms of society,' but specific to capitalist production.

\(^{10}\) \textit{C}, p. 326.

\(^{11}\) This equation appears in the text (\textit{C}, p. 978.5) as \(\frac{\Delta v}{c} + p\), which is incorrect.

\(^{12}\) \textit{C}, p. 442n.

\(^{13}\) \textit{C}, p. 978.7.

\(^{14}\) \textit{C}, p. 290.

\(^{15}\) \textit{C}, p. 292.
But the labour process and the valorisation process are not discrete processes: they are two aspects of the same process (and different ways of looking at the same process): capitalist production. What Marx calls 'the process of production of commodities,' 16 the capitalist process of production (or production process), is a single process, but at the same time a unity of the labour process and the valorisation process. This unity of different processes exists because the commodity itself is a unity of two elements: use-value and exchange-value. Since the capitalist process of production is the production of commodities it is the production of use-values and exchange-values at the same time, and, what is more, the commodities used to produce commodities — the commodities which function as capital (means of production, labour-power) — are use-values and exchange-values at the same time too.

If the production process is the unity of labour process and valorisation process, we can further say that, within this unity, the labour process is the 'real' (or 'material') process, the interaction of things in production, and the valorisation process is the process of the interaction of social forms. 18

At the end of the passage Marx emphasises the circularity of capitalist production: that what is its premise is also its result, and that what is its result is also its premise (the same point will be made below with respect to the commodity). The social system of capitalist production is at once a dynamic system, and a self-reproducing one (hence his earlier extended discussion of 'original accumulation'). Marx's comment that 'in general nothing can emerge from the process of production which did not enter into it as conditions of production in the first place' 20 is no dialectical sophism but a real description of capitalist production itself.

3 The Labour Process

3.1 The formal determinations of the capitalist labour process (what makes the commodities that function as capital different from commodities in general)

For money to function as capital it must first be transformed into what Marx calls the 'factors of the production process'. 21 In other words, money-capital must first buy those commodities — be they means of production or labour-power — that will enter into production. This operation, which is really an act of commodity exchange, and not an act of production as such, is nevertheless a necessary precondition for production. 'The purchase of the means of production and labour-power itself constitutes an immanent moment of the overall process.' 22

Commodities are both use-value and exchange-value; the commodities which function as capital — whether this is the money itself or the commodities this money buys — are both use-value and exchange-value too. But capital-commodities are different from 'normal' commodities. What Marx is going to discuss here is what it is

---

16 'Even though we have considered the process of production from two distinct points of view: (1) as labour process, (2) as valorisation process, it is nevertheless implicit that the labour process is single and indivisible. The work is not done twice over, once to produce a suitable product, a use-value, to transform the means of production into products, and a second time to generate value and surplus value, to valorise value.' (C., p. 991.3). Perhaps I should stress here that we can analyse this single process as a unity of two elements, i.e. that there are two ways of looking at the process because it really is composed of two elements, i.e. that the manner of perception is determined by the reality of the perceived, not by faulty perception.
17 C., p. 304.

18 Marx consistently contrasts terms like 'real' and 'material' on the one hand and 'social' and 'economic' on the other in Capital; 'real' and 'material' emphasise general content, as opposed to 'social', which emphasises concrete form and manifestation.
19 C., pp. 873-940.

20 C., p. 978.1 [pp. 978-9].
21 C., p. 979.1.
22 C., p. 979.1.
about capital-commodities that make them different. In Marx's own words, we are going to look at how the commodities which function as capital, considered as both use-values and as exchange-values, 'are characterised by further, more highly developed determinations than those which are found in the simple commodity considered as a thing in its own right.'

Marx first considers the capital-commodities which enter the production process as use-values.

The nature of the use-value of the commodity in general is immaterial as long as it has one (or some): it has no 'further determination', or at least none which is relevant to its nature as a commodity.

It is different with the commodities which enter into the capitalist production process. Considered as use-values, i.e. considering the capitalist production process as a labor process, Marx identifies three 'further determinations' of these commodities.

First, looking at the material means of production, we can distinguish between the commodities that function as the object of labor — raw materials — and those that function as means of labor — instruments, tools, etc. Marx identifies this distinction as 'conceptual' one, constitutive of 'the further definition of use-value — as far as means of production are concerned.'

Second, and in an analogous way, we can also distinguish between the commodities that act as the objective conditions of labor, i.e. the material means of production, and those that function as labor's subjective conditions, i.e. purposively directed labor-power.

Third, one can consider the use-value of the entire process, of 'capital as a whole', which appears as the process (as we are considering it here) of creating use-values. Marx: 'the total labor process as such, within the totality of its objective and subjective interactions, appears as the total manifest form of the use-value, i.e. as the real form of capital in the process of production.'

3.2 The social determinations of the capitalist labour process (what makes the labour process of capitalist production different from the labour process considered generally)

The transformation of use-values by the action of useful labour is common to all labour processes. But the use-values that enter into the capitalist labour process are capital — means of production, means of labor. From this fact is drawn the incorrect conclusion that all means of production and all means of labor are automatically capital, since they function as capital in one, historically specific instance (just as, as money is gold, it is assumed that all gold is intrinsically money).

23 C., p. 979.2.
24 C., p. 980.1 [p. 981].
25 C., p. 979.3.
26 Marx's further discussion of this point is tangential, but interesting. Purposive labor (concrete labor) is embodied in the simple commodity. The purposive form of the product is the only trace left behind by the purposive labor. Use-value — in the form of the specific characteristics of the product — is directly present in the commodity, in the process of production, use-value 'becomes manifest' as the product. Thus the commodity is the preservation of that process of the exercise of and the objectification of useful labor.
27 C., p. 980.1 [p. 981]. This conclusion is preceded by the following interesting discussion. A part of the use-value of capital (or, to put it another way, a part of capital considered from the point of view of its use-value) is living labor-power. This labor-power has concrete 'specifications' arising from the nature of the use-value of the means of production. It is a self-activating capacity which expresses itself by transforming means of production into products, i.e. use-values into different use-values. In the simple commodity use-value is composed of specific characteristics. The labor process is the transformation of such characteristics. This transformation is effected by living labor — which Marx usefully defines as 'labor-power in action' (C., p. 980.1).
So what is that is historically specific to the capitalist labour process?

In the first place, 'the commodities purchased by the capitalist for consumption as the means of production are his own property.' They are the capitalist's money, transformed into the commodities which will function as capital.

This is also the case with regard to the labour-power she buys. But here there appears a contradiction. Insofar as labour-power is capital it belongs to the capitalist, just as much as the means of production do. But insofar as it is the worker's 'living labour', 'the expenditure of his [the worker's] productive faculties,' labour is the function of the worker, and not of the capitalist. The consequence: 'with the labour process, the objective conditions of labour, as capital, and to that extent, as the capitalist, stand in opposition to the subjective conditions of labour, i.e. labour, or rather the worker who works.'

In other words, for the capitalist, labour (or labour-power) is simply one other thing that must be bought for production, another cog in the wheel, as it were. But the worker is not a machine: she is a conscious, purposive human being. Her commodity, labour-power, is sold like any other; but, unlike the owner of any other commodity, once the commodity passes out of circulation, the relationship with it as a thing doesn't end – she has to go with it, to realise it.

Marx now makes a rather oblique remark. The opposition between the means of production as capital and labour as capital endows the former with an apparently 'specific mode of existence as capital even outside the production process;' and that, as a consequence, 'we find in the capitalist process of production [...] an indissoluble fusion of use-values in which capital subsists in the form of means of production and objects defined as capital, when what we are really faced with is a definite social relation of production'; and that 'in consequence the product embedded in this mode of production is equated with the commodity.'

My interpretation of the first part of this remark is this. The means of production – as use-values – standing apart from, and opposed to, the worker, appear to dominate her, even though what really dominates is the fact that the capitalist monopolises the ownership of the means of production. Because of this monopolisation the worker, to work, to produce, must, as a consequence, sell her labour-power. But it appears, because of the apparently independent existence of the means of production as use-values that it is in these use-values that the source of her domination is to be found, rather than in their monopolisation by the capitalist. For this reason the use-values that function as capital seem to be capital because of their nature as use-values, not because they are employed as capital by a capitalist as a consequence of the social relation between capitalists and workers. It appears as if the use-values make the capitalists capitalists, rather than the reality, which is that the capitalists make the use-values capital.

Second, with regard to Marx's comment that 'the product is equated with the commodity'. The product of the labour process is not a commodity, or, it is a commodity whose exchange-value does not interest us, since we are considering the production process as labour process, i.e. abstracted away from exchange-value. We have abstracted production away from the social relations in which it occurs, and the products of the capitalist production process are commodities because of the social relations of capitalist production. But since the use-values that function as capital do so seemingly because of their intrinsic properties as use-values, then the product of the production process (even considered as mere labour process) appears to be a commodity simply

28 C., p. 982 I.
29 C., p. 982 I.
30 C., p. 982 I [p. 983].
31 C., p. 982 I [p. 983].
32 Marx's subsequent references to 'the role of the means of production as devourers of living labour', and the way 'in which machinery, etc. becomes the real master of living labour' (C., p. 982 I [p. 983]) supply supporting evidence for my interpretation.
by virtue of having been produced out of the use-values that function as means of production, independently of the obtaining social relations. We are effectively endowing social properties to inanimate objects by virtue of their intrinsic properties; this is, in short, another example of fetishism.

This brings us on to the second feature that is historically specific to the capitalist labour process: the apparent difference between variable and constant capital as capital. Commodities enter into production from the process of the circulation of commodities, which only means that the commodities that function as capital have first to be bought on the market. The means of production, i.e. constant capital, drop out of the circulation of commodities and enter into production as specific commodities, as specific things. Variable capital (whose variability is only immanent until it is exchanged for living labour), on the other hand, is destined for the subsistence of the worker - it is the transformed form of these means of subsistence. But its exchange for these means of subsistence, and the latter’s consumption as use-values, occurs outside the production process: not only does the worker consume her subsistence outside of— in pauses in — production, so too do those members of her family who do not work. 'The capital earmarked for wages appears formally as something that has ceased to exist in the eyes of the capitalist, but which belongs to the worker as soon as it has assumed its true shape of the means of subsistence destined to be consumed by him.'33 Variable capital specifically distinguishes itself from constant capital here, which is why the means of production appear in and of themselves as capital, while means of subsistence do not. Nevertheless, in the form of the use-value which emerges from the production process at its conclusion can be found the residue both of means of production and of means of subsistence; despite appearances, both are consequently equally capital.

4 The Valorisation Process

4.1 The Valorising Element of the Valorisation Process

Marx starts by suggesting that the exchange value that enters into the production process is smaller than that of the capital invested in the market. His point is that the only value in the form of commodities that enters into production is that of the commodities that make up the means of production; instead of the value of variable part of capital what enters production is 'valorisation as a process'.34

4.2 The Conditions of the Valorisation Process

With respect to the ‘maintenance’ of the former, constant capital — the ‘old value that enters the process of production’35 — there are a number of requisites that need to be fulfilled.

First, the commodities of which it is to be composed need to contain 'no more than the socially necessary labour-time essential for their production.'36

Second, the use-values that make it up — i.e. the use-values that function as means of production — must be of a quality adequate for production.

Third, the constant capital needs to be consumed productively, and not squandered. In part, insofar as this ends on the labour of the workers themselves, the supervisory capacities of the capitalist are called upon. In addition to this, to the necessity that production be carried out in an orderly and methodical fashion, the capitalist needs to endure that production is carried out successfully, i.e. that it really does end in the production of a product. the risk of this not happening is constant: in part because of uncontrollable external circumstances which and enter

---

33 C., p. 983.1 [p. 984].
34 C., p. 985.3.
35 C., p. 985.5.
36 C., p. 985.4.
into the process and impede it (although, as Marx points out, this aspect is not specific to capitalist production: 'if the risk falls on the capitalist himself, it is only the consequence of his having usurped the ownership of the means of production').

The maintenance of the variable capital ('the vital element in the valorisation process') depends on two factors: (1) its reproduction, and (2) whether or not its value is incremented through the creation of a surplus-value in excess of the value represented by wages.

For the successful realisation of the valorisation process the worker must perform the normal social quantity of useful labour in a normal given time and at a normal level of intensity, she is, in fact, quite literally compelled to do this. But these are the minimum conditions for the realisation of the valorisation process. In reality, the capitalist, wherever possible, forces the worker to exceed these conditions: forces her to exceed the normal rate of intensity, and extends labour as far as possible beyond the time necessary for the replacement of the capital laid out as wages. These are conditions peculiar to the capitalist valorisation process, and they have the following consequences on what Marx calls the 'real form' (i.e. use-value form) of capital in the valorisation process.

First, that there must be sufficient means of production available to absorb not only necessary labour but also surplus labour. Second, that the intensity and duration of the labour process is not fixed.

5 The Nature of the Capitalist Process of Production

5.1 The Antagonistic Nature of the Capitalist Process of Production

In the labour process the means of production, despite being the property of the capitalist, are what is used by the worker as the material in which her labour is manifested as she transforms the means of production into product. In the valorisation process this all appears quite different. It is not living labour that realises itself in objective labour but objective labour which maintains itself off and at the expense of living labour. Living labour is now something more than a means of capitalising already existing values. In terms of effort, of the expenditure of his life's energy, work is the personal activity of the worker. But as something that creates value, a something involved in the process of objectifying labour, the worker's labour becomes one of the modes of existence of capital.' The self-valorisation of capital therefore 'spells the impoverishment of the worker who creates value as value alien to himself.'

In capitalist production, objectified labour, the already-existing values that enter into production, are transformed into capital, value which valorises itself. And in capitalist production, this quality of objective labour, its ability to become capital, appears to be a quality attributable to the articles which make up the means of production themselves: their appear to be capital intrinsically.

37 C., p. 985.4 [p. 986].
38 C., p. 986.1.
39 Marx here notes — albeit tangentially — a correspondence between the form taken by constant and variable capital considered as use-values, and the form they take considered as exchange-values; i.e. between the form assumed by the elements of capital in the labour process, and those they assume in the valorisation process. In the former case, we saw right at the end of the discussion of the labour process (C., p. 983.1 [pp. 983-985]) that, while the commodities which function as constant capital enter into the production process in their own right, without changing their use-value form, the use-values of which variable capital is composed (i.e. the means of subsistence) are, in their consumption by the worker, replaced by living labour. Now, here, we have just seen that, considered as exchange-value, constant capital enters into the valorisation process too in its own right. Variable capital, however does not take the value of the variable capital, rather than entering into the valorisation in its own right, is replaced by labour, 'the value-creating activity, the activity of the living factor embodied in the production process' (C., p. 986.2 [p. 987]).
40 C., p. 987.3 [p. 988].
The rule of the capitalist over the worker is the rule of the conditions of labour over the worker: the rule of the means of production and means of subsistence over the worker. This relation, the domination of the conditions of labour over the worker, is a relation created by and within production. Nevertheless, it conditions non-production relations. Even in the sphere of exchange, although the worker appears as a simple seller of commodities, just as the capitalist does, given the specific, opposed nature of the commodities they sell each other, the worker will inevitably enter production 'as a component of the use-value, the real existence of capital, its existence as value.'

That the rule of the capitalist over the worker is the rule of the conditions of labour over the worker means that 'the rule of the capitalist over the worker is the rule of things over man, of dead labour over the living, the product over the producer.' Here, subject and object have been reversed. This is a state of affairs which is 'antagonistic': the 'alienation of man from his own labour.'

Nevertheless, this is a historically necessary stage in social development. It forms the indispensable transition, without which wealth as such, i.e. the relentless productive forces of social labour, which alone can form the material base of a free human society, could not possibly be created by force at the expense of the majority.

Both the worker and the capitalist are 'enslaved' by these conditions of capital. The capitalist functions in order to fulfill the necessities of capital, i.e. she functions as 'personified capital, capital as a person'. By the same token, the worker functions as labour personified. Both are, in this sense, alienated.

Nevertheless, how they respectively experience this alienation is quite different. The consequence for the worker is that she experiences labour as 'just effort and torment.' This puts the worker 'on a higher plane' than the capitalist, for the latter finds 'absolute satisfaction' in the process of alienation, while the worker 'is a victim who confronts [alienation] [...] as a rebel and experiences it as a process of enslavement.'

5.2 The Relation between Labour Process and Valorisation Process

5.2.1 The Circumstances under which the Labour Process Becomes a Valorisation Process

The process of production is the immediate unity of the labour process and valorisation process, just as its immediate result, the commodity, is the immediate unity between use-value and exchange-value.

The labour process is the means whereby the valorisation process is carried out, the valorisation process is the production of surplus-value, 'the objectification of unpaid labour.'

Although we have considered the production process from two points of view, as labour process and as valorisation process, it is clear that production is a single process. In this process work is contributed in its
concrete mode of existence as the production of a concrete product. This work – Marx calls it 'real work' – creates value insofar as it is carried out at a given intensity and results in a product. Surplus-value will manifest itself as surplus product, i.e. a quantity of product in excess of the product whose value is equivalent to the value of wages. If these conditions are fulfilled the labour process becomes a valorisation process.

5.2.2  The Relation between Objectified Labour and Living Labour in the Labour Process and the Valorisation Process

Marx now further develops the distinction he made earlier between objectified and living labour. To do this he first recapitulates his analysis of the twofold nature of labour. '[...] within the process of production [the] [...] distinction [between 'concrete labour in the use-values of the commodity, and [...] socially necessary labour as calculated in exchange-value'] confronts us actively. It is no longer we who make it, instead it is created in the process of production itself.'

The distinction between objectified and living labour manifests itself in the labour process in this way. Concrete means of production appear as use-values which embody concrete acts of labour; the concrete labour expended in production appears as living labour in the process of realising itself. Living labour 'gives birth to its products and thus stands in contrast to labour which has already acquired objective form in the shape of products peculiar to it.' Here, the antagonism between objectified and living labour is that between 'capital in an established form on the one hand and living labour as the immediate life task of the worker on the other.' In addition, objective labour constitutes an objective factor of production, a necessity for the realisation of living labour.

It is different when we come to inspect the valorisation process. Here, the labour contained in the means of production is 'a specific quantity of general social labour.' To this is added, in production, an additional quantity of general social labour. The first, labour already objectified in the past; the second, labour being objectified in the present. The first, in its process of self-valorisation, its transformation into capital, absorbs into itself additional living labour. Now, rather than realising itself in the form of product, living labour is sucked up by objectified labour manifesting itself as capital and in so being is objectified as money, as general social labour.

---

51 C., p. 991.3.
52 We might say, therefore, that the labour process is not automatically a valorisation process, and only becomes one under certain conditions, in the same way that money and commodities are not automatically capital, but only become so under certain conditions, and in the same way as gold is not automatically money, but only becomes so under certain conditions, however much, in all three cases, we are lead to believe the contrary.
53 C., p. 992.2.
54 C., p. 992.2 [p. 993]. By which comment we are obliged to infer that the distinction between abstract and concrete labour is not for Marx a mere conceptual convenience but an actual property of labour itself. Clearly, we can say the same thing about the distinction between the labour and valorisation processes.
55 C., p. 993.1.
56 C., p. 993.1.
57 C., p. 993.3.
58 In other words, between labour process and valorisation process subject and object have been reversed. Marx makes this point against the faulty conceptions of classical political economy, which had been unable 'to work out a clear analysis of the commodity in terms of the dual from of labour.' (C., p. 993.3 [p. 994])
5.3 The Immediate Process of Production

5.3.1 The Social Determinations of the Capitalist Labour Process

Money is transformed into capital by being transformed into commodities which will constitute factors in the labour process — commodities which will be consumed for labour-power to work. However, it is not the case that these commodities play the role of factors in the labour process because the capitalist has bought them, but that the capitalist has bought them because they play the role of factors in the labour process.

In the concrete labour process it is irrelevant if those commodities that enter into it are capital, represent a capitalist’s money, or not. And they do not become capital simply by being consumed in the labour process: their consumption in the labour process simply makes them elements of the labour process. The fact that capital has taken over the labour process and the worker therefore works for the capitalist instead of himself does not mean any change in the general nature of the labour process itself.60 When money is transformed into capital it is necessarily simultaneously also transformed into elements of the labour process as well: but this does not make the elements of the labour process necessarily capital simply by virtue of being elements of the labour process. ‘Under certain circumstances a chair with four legs and a velvet covering may be used as a throne. But this same chair, a thing for sitting on, does not become a throne by virtue of its use-value.’61

We are here seeing again the distinction between material process and social form: ‘by confusing the appropriation of the labour process by capital with the labour process itself, the economists transform the material elements of the labour process into capital, simply because capital itself changes into the material elements of the labour process among other things.’62 Work is the eternal natural condition of human existence. ‘The process of labour is nothing but work itself, viewed at the moment of its creative activity.’63 The confusion between material process and social form ‘is the failure to comprehend the labour process as an independent thing and at the same time as an aspect of capitalist production.’64

What is it then that is specific to capitalist production, to the capitalist labour process? It is that its product is not a mere use-value, nor a mere commodity (i.e. an article with an exchange-value), but surplus-value: ‘commodities that [...] represent more labour than was invested for their production in the shape of money or commodities.’65

In capitalist production the labour process is only the means, the end is supplied by the valorisation process or the production of surplus-value.66

5.3.2 The Preconditions of the Capitalist Labour Process

The transformation of money into capital can be broken down into two distinct processes:

- the sale and purchase of labour-power, which takes place in the market, in the sphere of the circulation of commodities
- the consumption of said labour-power, which takes place in production itself

---

59 Marx’s title; the following section is an extended interpolation in the text, intended as a ‘corrective’ to the foregoing text. (C., p. 995 n.)
60 C., p. 995.1 [p. 996].
61 C., p. 997.1.
62 C., p. 997.1 [p. 998] (italicisation maintained). We should note Marx’s comment here that ‘this illusion is one that springs from capitalist production itself’ (C., p. 997.1 [p. 998])
63 C., p. 997.1 [p. 998]
64 C., p. 1000.1.
65 C., p. 1001.2.
66 C., p. 1001.2 [pp. 1001-2].
However, although the two processes subsist independently side-by-side, each conditions the other. The first introduces the second, and the second completes the first.67

Superficially, worker and capitalist confront each other in the first of these processes, that of exchange, as equals, as buyers and sellers of commodities. But, despite this, the worker stands exposed, since she alone, unlike the capitalist, is compelled to sell not a commodity, but her labour-power as a commodity. This is because he finds on the other side, opposed to him, all the mass of production, all the material conditions of work together with all the means of subsistence, money and means of production. [...] All material wealth confronts the worker as the property of the commodity possessors. [...] [The worker] works as a non-proprietor and [...] the conditions of his labour confront him as alien property.68 Thus, even in the circulation process, money and commodities are marked as capital — before they really become capital — by virtue of the fact that they confront a labour-power stripped of all material wealth. The objective conditions essential to the realisation of labour are alienated from the worker and become manifest as fetishes endowed with a will and soul of their own.69 It is not the worker who buys means of production and subsistence — objectified labour, personified as a capitalist — but the means of production and subsistence that buy her.

Even though the means of subsistence constitute a form of the material in which capital confronts the worker, once production begins labour-power has already been paid for, and the means of subsistence have passed, in principle at least, into the worker's consumption fund, i.e. they already form a part of her private consumption. The means of subsistence 'form no part of the physical elements in which capital manifests itself in the immediate process of production, even though they constitute the physically existing form of variable capital which enters the market place as the purchases of labour-power within the sphere of circulation.'70 Thus within the immediate process of production variable capital is extinguished into the form of living labour, and ceases to exist as capital. But when we look at capitalist production as a whole, we see that it is only as a consequence of the transformation of variable capital into labour that value in the form of money or commodities may be converted into capital. From the perspective of capitalist production as a whole the sale and purchase of labour-power, although entirely separate from the immediate production process, 'forms the absolute foundation of capitalist production and is an integral moment within it.'71 The use-values which make up the means of production and subsistence only become capital because of the existence of wage-labour.

Capital is not a thing, any more than money is a thing. In capital, as in money, certain specific social relations of production between people appear as relations of things to people, or else certain social relations appear as the natural properties of things in society.72

In the sphere of exchange, 'the sale and purchase of labour-power presupposes that the means of production and subsistence have become autonomous objects confronting the worker.'73 Yet entering the immediate process of production what we find is principally a labour process in which the worker enters into an active relationship with the means of production determined by the nature of the work itself. The autonomous nature of these means of production, the way they hold fast to their independence and display mind of their own, their separation from labour — all this is now abolished in practice.74 How is this? 'Since work creates value only in a definite useful form, and since every particular useful form of work requires materials and instruments with

67 C., p. 1002.1.
68 C., p. 1003.1.
69 C., p. 1003.1 (italics maintained).
70 C., p. 1004.1.
71 C., p. 1005.1.
72 C., p. 1005.1.
73 C., p. 1006.1.
74 C., p. 1006.1 [p. 1007].
specific use-values [...], labour can only be drained off if capital assumes the shape of the means of production required for the particular labour process in question." The failure of previous political economy is that it is "incapable of detaching [...] [the] physical existence [of the elements of the labour process] from the social characteristics amalgamated with it, which is what really make them capital." In reality "the labour process is only the instrument and the actual form of the valorisation process, since its purpose is to employ the labour materialised in wages to objectify in commodities an extra quantity of unpaid labour, surplus-value." Thus while in exchange equivalents change hands — 'equal amounts of objectified labour, although the one amount is objectified in a thing, the other in flesh and blood' — this exchange inaugurates a process in which a greater quantity of living labour is given up for a smaller quantity of objectified labour. The failure of classical political economy lies in its inability, despite the fact that it does see the process of production as a commerce between objectified and living labour, to show how an unequal exchange could be reconciled with the very laws of exchange themselves, and in confusing what happens to a certain quantity of objectified labour in the sphere of circulation with what happens to it in that of production.

Neither, of course, is the capitalist herself any the wiser as to what is going on. For her, since she only pays for labour after it has been valorised, 'the exchange of a small amount of objectified labour for a large amount of living labour appears to be a single immediate process.'

5.4 The Subsumption of Labour under Capital

(It would be useful to recall Marx's previous reference to the subsumption of labour under capital. In the chapter on 'Absolute and Relative Surplus-Value', he noted that the production of relative surplus-value 'requires a specifically capitalist mode of production, a mode of production which, along with its methods, means and conditions, arises and develops spontaneously on the basis of the formal subsumption of labour under capital. This formal subsumption is then replaced by real subsumption.')

The labour process becomes the instrument of the valorisation process, the process of the self-valorisation of capital — the manufacture of surplus-value. The labour process is subsumed under capital (it is its own process)

---

75 C., p. 1006.1 [p. 1008].
76 C., p. 1006.1 [p. 1008]. Marx goes on to say: 'In the labour process looked at purely for itself the worker utilises the means of production. In the labour process regarded also as a capitalist process of production, the means of production utilise the worker [...] (C., p. 1006.1 [p. 1008]), which would suggest a distinction between outward apparent reality and underlying essential reality.
77 C., p. 1009.1
78 C., p. 1009.2.
79 C., p. 1009.2. This extended interpolation (C., pp. 995-106), and a shorter second one (C., pp. 1016-19), the first part in any case being missing, and with a more or less repetitious restatement of points already made, and can be safely ignored for present purposes, save this one interesting if tangential remark. Although the investment of capital in a particular branch of production is determined in any instance by the needs of a society for a particular product — 'for although it is only the exchange-value of the product that is paid for, products are only ever bought for their use-value' (C., p. 1012.1) — capital is itself indifferent as to the particular nature of production. Capital is invested, transferred and redistributed according to the greater ease or difficulty in selling the commodities manufactured. As a consequence, whatever may be the barriers it may erect for itself, the capitalist mode of production 'eliminates all the legal and extra-economic impediments to its freedom of movement in the different spheres of production' (C., p. 1012.3 [p. 1013], emphasis added)
80 C., p. 645.
and the capitalist in the process as its director, manager. For him it also represents the direct exploitation of others.\textsuperscript{81}

### 5.4.1 Formal Subsumption

The formal subsumption of labour under capital is 'the general form of every capitalist process of production; at the same time, however, it can be found as a particular form alongside the specifically capitalist mode of production in its developed form, because although the latter entails the former, the converse does not necessarily obtain [i.e. the formal subsumption can be found in the absence of the specifically capitalist mode of production].\textsuperscript{82}

The essential features of formal subsumption are:

- The existence of a 'pure money relationship\textsuperscript{83} between the appropriator of surplus labour and the appropriated. The direct relation between exploiter and exploited – between buyer and seller of labour-power – does not take a form, for example social or political, other than the fact that the buyer is the owner of the conditions of labour.

- Therefore the means of production and subsistence – the objective and subjective conditions of production – confront the worker as capital\textsuperscript{264}.

- There is no change in the 'mode of production',\textsuperscript{84} in the technical determinations of the labour process, other than the fact that (1) the economic relationship of subordination leads the capitalist to direct and supervise production directly, and (2) that labour is performed more continuously and intensively, and the conditions of labour are employed more efficiently (because of the pressure to maintain socially necessary labour time).

Marx gives the following examples of the formal subsumption of labour: the peasant who becomes a day labourer working for a farmer; the replacement of a guild hierarchy by a system based on the opposition between capitalist and wage-labourers; a slave-owner employing her slaves as paid workers; etc. In each of these cases 'production processes of varying social provenance have been transformed into capitalist production.'\textsuperscript{85}

The formal subsumption of labour under capital is so-called 'because it is only formally distinct from earlier modes of production on whose foundation it arises.'\textsuperscript{86} The subsumption is achieved by changing the way in which compulsion is applied to the producer, i.e. the way in which the surplus is extracted.

With what consequences? First, an increase in the continuity of labour (since, in the first two examples, in place of individual customers producers now only have a single capitalist paymaster). Second, we see the 'mystery' (Marx's word)\textsuperscript{87} of capitalist relations appear: 'the value-sustaining power of labour appears as the self-supporting power of capital; the value-creating power of labour as the self-valorising power of capital and in general [...] living labour appears to be out to work by objectified labour.'\textsuperscript{88}

We are not here necessarily talking (yet) about a fundamental change in the nature of the labour process itself: 'capital subsumes the labour process as it finds it, that is to say, it takes over an existing labour process,

\textsuperscript{81} C., p. 1019.3.
\textsuperscript{82} C., p. 1019.3, square brackets in original.
\textsuperscript{83} C., p. 1025.5.
\textsuperscript{84} C., p. 1026.2; 'mode of production', that is, understood in the technological and logistical sense.
\textsuperscript{85} C., p. 1020.2.
\textsuperscript{86} C., p. 1020.4.
\textsuperscript{87} C., p. 1020.3.
\textsuperscript{88} C., p. 1020.4 [1020-1], italicisation maintained.
developed by different and more archaic modes of production. Changes that do occur do so as gradually accumulating consequences of subsumption – an increase in labour intensity, in continuity, in orderliness, etc. By contrast stands the development of a specifically capitalist mode of production, which revolutionises the nature of the labour process as a whole.

What formal subsumption does engender, however, is an increase in the scale of production: this enlargement of scale conditions the real foundation on which the specifically capitalist mode of production can arise if the historical circumstances are otherwise favourable, as they were for instance in the sixteenth century.

Thus on the one hand we see the contrast between formal subsumption, which engenders no fundamental change in the nature of the labour process, and the development of a specifically capitalist mode of production, which does, and, on the other, we can also contrast formal subsumption to situations in which capital is permitted certain subordinate functions, but in which there is no subsumption of the labour process in that capital does not act as the direct purchaser of labour or as the immediate owner of the production process. The two examples that Marx cites are pre-capitalist usurer’s and merchant capital (even though the latter ‘provides the soil from which modern capitalism has grown’).

As a consequence of the replacement of the old relations of subordination by the financial relation of formal subsumption, ‘the process of exploitation is stripped of any patriarchal, political or even religious cloak.’ Nevertheless, of course, the new relations of subordination also find their political expression.

The differentiation between the formal subsumption of labour and the old forms of the labour process which it replaces is more marked in function of the volume of capital deployed by the individual capitalist: because a would-be capitalist needs a certain minimum sum of capital to cause him to cease being a worker, and least in part, and direct all his energies to the supervision and direction of production; and because the real subsumption, whose ‘premiss and precondition’ is formal subsumption, emerges when ‘capital sums of a certain magnitude have directly taken over control of production, either because the merchant turns into an industrial capitalist, or because larger industrial capitalists have established themselves on the basis of the formal subsumption.’

Forms of subordination may change in more than one direction (while still remaining merely formal changes). The replacement of ‘patriarchal forms of subjection’ by financial ones results in a form which is ‘freer, because it is objective in nature, voluntary in appearance, purely economic.’ Or, on the other hand, in the case, for example, of self-sustaining farmers, domestic secondary industry, independent handicraft, a prior state of independence is replaced by a regime of financial subordination.

Alternatively, the relation of capitalist and worker can replace those obtaining in the guild system. Although involving relations between buyers and sellers, the medieval guild system (‘which was of such critical importance in Europe for the evolution of both capitalists and free labourers’) was in a number of respects an inadequate
vehicle for the relation between capital and worker, due to the barriers placed on the master craftsman, effectively carrying out the functions of a capitalist: ‘production was not restricted by the confines of capital itself’99. The purely formal conversion of guild production to capitalist production swept away these barriers. The limits on his [the master’s] production are no longer determined by the limits imposed on his capital. His capital [...] can be freely purchased by labour, and hence the conditions of labour of any kind whatever. [...] With the sudden expansion of trade and consequently of the demand for goods on the part of the merchant class, the production of the guilds is driven beyond its limits by its own momentum and hence is formally converted into capitalist production.100

In these cases the work of the wage labourer becomes more intensive, freed as it is from the haphazards of isolated individual customers. But not only for this reason. A slave, for example, whatever the other privations she may face, has her existence more or less guaranteed; a free worker, simply because of being free, is impelled to work not only because of fear for her own existence, but also because of her wants. On top of this, of course, in order to continue to be successful in selling her labour-power on the market, she has to reckon with competition from competitors, other wage labourers. The key difference with regard to the free worker is that she is free because she is the owner of her own labour-power, for a wage labourer, although compelled to sell her labour-power, is not so compelled to sell it one particular capitalist.

5.4.2 Real Subsumption

At a certain stage of development relative surplus-value assumes decisive importance in capitalist production.101 Now, given that the value of a product is equal to the socially necessary labour time objectified in it, the individual capitalist is ‘spurred on to seize the initiative’102 by the fact that surplus-value can arise when the individual value of a product falls below its social value and may therefore be sold at a price above its real value. This signifies that ‘the entire real form of production is altered and a specifically capitalist form of production comes into being.’103

What are the consequences of the real subsumption of labour?

- socialised (collective) labour: co-operation, division of labour within the workshop, machinery
- application of science to production (a self-reinforcing development since the development of the material basis of society prompts scientific and technological development in itself
- significant increases in the scale of production

These constitute a development of the productive forces. But this development takes the form not of the productive power of labour but of the productive power of capital; no, a fortiori, does it take the form of the productive power of the individual worker or of individual workers joined together in production. The mystification implicit in the relations of capital as a whole is greatly intensified [...] far beyond the point it had reached or could have reached in the purely formal subsumption of labour under capital.104

If the production of absolute surplus-value was the material expression of the formal subsumption of labour under capital, then the production of relative surplus-value may be viewed as its real subsumption.105

99 C., p. 1029.1 [p. 1030].
100 C., p. 1031.1.
101 C., pp. 533-4.
102 C., p. 1023.1.
103 C., p. 1022.2 [p. 1023].
104 C., p. 1024.1.
105 C., p. 1025.1.
The ‘direct subordination of the labour process to capital’ is common to both formal and real subsumption of labour, but what is specific to the latter is the existence of ‘a technologically and otherwise specific mode of production – capitalist production – which transforms the nature of the labour process and its actual conditions.’ In short, ‘the real subsumption of labour under capital is developed in all the forms evolved by relative, as opposed to absolute, surplus-value.’ As a consequence, capitalist production acquires its constantly self-revolutionising character with respect to the productivity of labour and to the relations between workers and capitalists. Now, with large-scale production, comes the opportunity for the application of science to production. A constantly growing minimum amount of capital appears in proportion to specifically capitalist methods of production; capital, as a consequence, ‘must increase the volume of its operations to the point where it assumes social dimensions, and so sheds its individual character entirely.’ Once real subsumption takes place in certain branches of industry its effects are felt outside as new branches, as yet only formally subsumed, if subsumed at all, are brought under its sway.

Under real subsumption – the capitalist mode of production properly speaking – ‘the material result [...], if we except the development of the social productive forces of labour, is to raise the quantity of production and multiply and diversify the sphere of production and their sub-spheres.’ Now, the law of production for production’s sake comes into full effect. The scale of production is now no longer determined by existing needs, but by the ever-increasing scale of production demanded by the law of value, which here demands that each individual product contain proportionally as much unpaid labour as possible.

5.5 Productive and Unproductive Labour

The immediate purpose and the authentic product of capitalist production is surplus-value. Hence, ‘from the standpoint of capitalist production [...] labour is productive if it directly valorises capital, or creates surplus-value. [...] It is productive if it is realised in a surplus-value without any equivalent for the worker, its creator; it must appear in surplus produce, i.e. an additional increment of a commodity on behalf of the monopoliser of the mass of labour, the capitalist. [...] It is therefore labour which directly serves capital as the agency of its self-valorisation.

If we are not to fall into the trap of classical political economy, which sees capitalist production as the only possible form of production, we need to differentiate between the questions ‘what is a productive worker from the standpoint of capitalism?’ and ‘what is a productive worker as such?’ For to say that a productive worker is one who produces a product is simple tautology.

Two points now logically follow.

(1) With the real subsumption of labour the ‘real lever’ of the labour process is increasingly not the individual worker but ‘labour-power socially combined.’ We are led now to consider the aggregate worker, and the aggregate product, and, in considering whether or not labour is productive, to determine the matter at the level of the aggregate.

---

106 C., p. 1034.1.
107 C., p. 1034.1 [pp. 1034-5].
108 C., p. 1035.2.
109 C., p. 1035.5.
110 A matter which is effectively the subject matter of chapter 15, ‘Machinery and Large-Scale Industry’, C., pp. 492-639.
111 C., p. 1037.1.
112 C., p. 1038.3.
113 C., p. 1038.4 [p. 1039].
114 C., p. 1039.6 [pp. 1039-40].
On the strength of the analysis of capitalist production already developed, we can now differentiate between the wage-labourer and the productive worker. The latter is always the former as well; the former not necessarily the latter. In order to be a wage-labourer, a worker simply has to sell her labour-power. This is an act which occurs in the sphere of circulation. According to our analysis of production up to now, once labour-power is sold, the living labour is incorporated into capital as that component which in part maintains and in part augments the capital invested; in so doing, it transforms this last into self-valorising value, and is, in turn, at the same time objectified.

But when labour is purchased not so as to deploy it like this, but to be consumed as a use-value, as a service, and not to replace variable capital to be incorporated into the capitalist process of production, its seller is a wage-labourer, not a productive worker.

It is true that, as production in general increasingly becomes the production of commodities, ‘the more each person has to, and wishes to, become a dealer in commodities, then the more everyone wants to make money, either from a product, or from his services [...], and this money-making appears as the ultimate purpose of activity of every kind.’

The field of wage-labour thus grows, incorporating layers previously aloof from it: professions, doctors, barristers, etc. The consequence of this is that it becomes increasingly easy to confuse such cases as productive labour, something that is only assisted by the fact that this phenomenon is a direct consequence of capitalist production itself. At the same time, this ‘also creates an opening for its [capitalism’s] apologists to convert the productive worker, simply because he is a wage-labourer, into a worker who only exchanges his services for money.’

It is important to grasp that whether or not labour is productive has nothing to do with its particular utility. The use-value of labour which valorises capital – productive labour – for capital is its ability to generate exchange-value (surplus-value). Therefore, ‘for labour to be designated productive, qualities are required which are utterly unconnected with the specific content of the labour, with its particular utility or the use-value in which it is objectified.’

One consequence of this is that labour of the same type might be productive or unproductive depending on how and why it is deployed. It is also quite feasible for the same person to carry out both productive and unproductive labour: if she spends part of her time working for a capitalist, and a part for an immediate customer, she in both instances a wage-labourer but only in the first of them a productive worker.

Again, according to the same logic, labour that is expended in producing use-values to be consumed as revenue, i.e. unproductively, is productive or unproductive according to the definitions supplied above, according to

115 C., p. 1041.3.
116 C., p. 1041.3 [p. 1042].
117 C., p. 1044.1.
118 C., p. 1044.3, italicisation maintained. Perhaps here we can see just why it is so important to grasp the distinction on which Marx insists between labour process and valorisation process. What is the use-value of labour? The answer that Marx gives repeatedly in Capital is that it is its ability to create value, and more value than it has itself (see, for example, C., pp. 270, 292 and 301). But looked at in another way, this is unsatisfactory. Surely, it has been argued (Phil Dunn, ‘In reply to: OPE-L: [3432] Re: “Debunking Economics” and Marx’s value theory: A short note’, <http://www.iwgvt.org/files/sympdunn.asc>), the use-value of a commodity is that aggregate of its properties which permit it to fulfill a human need of some kind, so the use-value of labour-power must be that aggregate of ‘skill, the capacity to make useful articles, either alone or in co-operation.’ For is that not what labour-power does, when it is expended in production – make useful articles? Clearly, all now depends on whether we view the products of labour as use-values or as exchange-values, and this depends on how we see the process of production – as labour process, or valorisation process. For if we see production as a labour process, as a process for turning out use-values, then indeed the use-value of labour-power must be its capacity to fashion useful goods out of means of production. But once we also see the process of production as a valorisation process, as a process for turning out exchange-value, then we can see that here the specific use-value of labour-power, independently of its ‘useful’ properties, is precisely its capacity to create, maintain and augment value.
whether or not it contributes to the valorisation of capital, and not according to the material properties of the use-values produced, is productive or not independently of whether it is reproducitively productive or not.119

What is it that leads people to want to define productive and unproductive labour in terms of the material content of labour?

First, because of the fetishism inherent in capitalist production, according to which economic (social) categories (being a commodity, productive labour) are seen 'as qualities inherent in the material incarnations of these formal determinations or categories.'120

Second, because of the tautology according to which labour is productive if it results in a product.

Third, because of the application of criteria appropriate to reproduction.

Marx concludes this discussion with an interesting observation: ‘As the representative of productive capital engaged in the process of self-expansion, the capitalist performs a productive function. It consists in the direction and exploitation of productive labour. In contrast to his fellow-consumers of surplus-value who stand in no such immediate and active relationship to production, his class is the productive class par excellence.'121

5.6 Net and Gross Product

The purpose of capitalist production is the production of surplus-value, therefore all necessary labour which reproduces the worker rather than produce surplus-value, is, from the point of view of capitalist production, superfluous.

This is, historically, a new idea. Once, inventions were prohibited so as to protect the livelihood of the producers, who was seen ‘as an end in himself and appropriate employment [...] his privilege.’122 It also conflicts with the idea of protectionism, ‘an idea tinged with nationalism’, which holds that industries should be protected since they form the source of income for a mass of people.’123

There is thus a conflict between capitalist production and production on behalf of the immediate producers. The former is most decidedly not the latter. ‘The individual capitalist who sends his money abroad and receives 10% interest for it, whereas by keeping it at home he could employ a mass of surplus people, deserves from the standpoint of capitalism to be crowned king of the bourgeoisie.’124

5.7 The ‘Capitalisation’ of the Social Forces of Labour

In the process of production living labour has already been absorbed into capital. Thus the social productive forces of labour appear as the productive forces of capital.

‘Labour is the expression of labour-power’125 and belongs to the individual worker: it is what she has to pay the capitalist for what she receives from her. Nevertheless, insofar as it is objectified in production it belongs to the

119 And Marx makes the parenthetical although nevertheless important point that ‘luxury goods are absolutely necessary for a mode of production which creates wealth for the non-producer and which therefore must provide that wealth in forms which permit its acquisition only by those who enjoy.’ (C., p. 1045.2 [p. 1046])

120 C., p. 1046.3.
121 C., p. 1048.5.
122 C., p. 1050.3.
123 C., p. 1050.3.
124 C., p. 1050.5 [pp. 1050-51].
125 C., p. 1052.2.
capitalist. The environment in which this takes place, the workshop, 'confronts them [the workers] as a capitalist arrangement which has been imposed on them.'

The social productive forces of labour (or the productive forces of social labour) only come into being with capitalism, and appear intrinsic to it.

With the development of the capitalist mode of production there occurs a fundamental change in the scale of the objective conditions of labour, and a fundamental change in the economy with which they are employed. This 'concentration' of the conditions of production is a product of social wealth, but again appears autonomous of the worker, and intrinsic feature of capitalism ordained by capitalists. Like the social character of their own labour, the social character with which the conditions of production are endowed [...] appears [...] as something independent of the workers and intrinsic to the conditions of production themselves.

In relation to this last point, Marx refers to the savings which arise from economies of scale which accrue as profits (but not as surplus-value). These economies result from the fact that the means and materials of labour are used collectively, and this in turn is based on the fact of co-operation of the workers involved in production: it is 'the objective expression of the social character of labour and the social forces of production arising from it.' However, 'to the worker who enters into these relations [...] they appear as given conditions, independent of himself, [...] they appear to be the direct act and achievement of the capitalist, who functions here as the personification of the social character of labour.'

The same occurs with regard to science, whose application to material production takes place apart from the skill and knowledge of the individual worker. The application of science too appears to be a productive force of capital.

Even under conditions of the formal subsumption of labour, the material conditions of labour appear independent of the worker, and she its subject: capital employs labour, not the reverse. With the real subsumption of labour, it is not only the material conditions of labour which appear as properties of capital, but even the social form of labour which appears as a from the development of capital, and the productive forces of social labour as productive forces of capitalism.

What is at the root of these mystifications of capital?

Capital consists of commodities, and, as such has a twofold appearance. First, as exchange-value (money), as self-valourising value, which finds its resolution in the exchange of a fixed quantity of dead (objectified) labour for a greater quantity of living.

Second, as use-value, the form in which 'capital conforms to the specific nature of the labour process', in the form of materials – means of labour – to which labour belongs. Alongside this appropriated labour capital also appropriates the network of social relations and the level of the means of labour that correspond to them. 'Capitalist production is the first to develop the conditions of the labour process, both its objective and subjective ones, on a large scale – it tears them from the hands of the individual independent worker, but develops them as powers that control the individual worker and are alien to him.'

---

126 C., p. 1052.2.
127 Marx's word: C., p. 1052.4.
128 C., p. 1052.6 [pp. 1052-3].
129 C., p. 1053.2.
130 C., p. 1053.2
131 'The general intellectual product of the social process.' (C., p. 1053.2)
132 C., p. 1056.1
133 C., p. 1056.1.
In short, therefore, it is capital which appears productive, both as the compulsion to surplus labour, and as the personification and representative, the reified form of the social productive forces of labour.\textsuperscript{134}

6 The Self-Expansion and Self-Reproduction of the Capital Relation\textsuperscript{135}

Even after its conversion into means of production and labour-power — the forces of production — the money that would be capital is only capital potentially: 'potential capital', 'capital in intention' becomes capital 'in actuality and in effect' only when living labour is really incorporated into the objectively existent forms of capital, only when additional labour is sucked into the process.\textsuperscript{136}

What happens in this process?

First, with regard to the worker. She has sold her labour-power for means of subsistence: for a specific value determined by the value of her labour-power. The result of the process of production for her is simply the reproduction of her labour-power. She emerges from the process as she entered it, ready, for survival's sake, to enter it again.

Capital, however, does not emerge from the process unchanged, and in two respects.

First, it only really became capital — value valorising itself — in the course of production. From potential capital, 'capital in itself'\textsuperscript{137} it now exists in the form of aggregate product, and it confronts labour as an autonomous power. What the worker now finds herself confronted with is the product of her own labour standing opposed to her as capital.

Second, the capital has not just realised itself as capital: in addition, since the surplus-value created in production is changed into new capital, the original capital has therefore created capital. Capital has been accumulated.

This newly accumulated capital needs more wage-labourers in order to realise itself. Thus capital does not only create capital, it creates living labour ('the material through which alone it can function as additional capital').\textsuperscript{138}

It is not only true [...] that labour produces on a constantly increasing scale the conditions of labour in opposition to itself in the form of capital, but equally, capital produces on a steadily increasing scale the productive wage-labourers it requires.\textsuperscript{139}

The ever-increasing 'world of wealth' that accompanies this development of the social forces of production confront the worker as capital, 'as wealth that controls him.'\textsuperscript{140}

Thus in short capitalist production is not only the reproduction of the antagonistic relation between labour and capital but also its reproduction on a constantly expanding scale. The maintenance and increase of labour-power

\textsuperscript{134} C., p. 1056.6.

\textsuperscript{135} The two paragraphs immediately preceding this section (C., p. 1058.3 and p. 1059.1 [pp. 1058-60]), subtitled by Marx 'Transition from Sections I and II of This Chapter to Section III, Originally Treated as Section I', appear to me to be more logically located after this section than before, since they form a natural bridge to the part of the chapter dealing with the commodity as the premise and result of capitalist production, here located below (but in the text as published in this edition of Capital placed at the beginning, a procedure contrary to Marx's intention, and which I have chosen not to follow, as I have explained in the second footnote to these notes).

\textsuperscript{136} C., p. 1060.3.

\textsuperscript{137} C., p. 1060.3.

\textsuperscript{138} C., p. 1061.3.

\textsuperscript{139} C., p. 1061.3.

\textsuperscript{140} C., p. 1061.3 [p. 1062].
appear therefore merely as the reproduction and extension of its own conditions of reproduction and accumulation.”

We can see now the idea that worker and capitalist confront each other in the market as equally-matched commodity owners only distinguishable from each other by the material content of their respective commodities for the myth it really is. In this case, ‘the original relation remains intact, but survives only as the illusory reflection of the capitalist relation underlying it.”

There are two aspects to this – the relation between social relations of exchange and social relations of production – that we have to take note of: the actual one, and the historical one.

First. The capitalist sells back to the worker – in the form of means of subsistence – a portion of her product, in order to maintain and increase labour-power. Thus, ‘while the worker produces his produce as capital, the capitalist reproduces the worker as a wage-labourer, and hence as the vendor of his labour.” The ‘classical’ seller of commodities sells her own labour objectified in use-values. The seller of labour power, however, is in reality buying back a portion of her own product in return for living labour. This constant sale and purchase of labour-power, and the constant entrance of the commodity produced by the worker himself as buyer of his labour-power and as constant capital, appear merely as forms which mediate his subjugation to capital.’

It is therefore as incorrect to view wage-labour as a superficial characteristic of capitalist production as it is to regard it as its true essence. In the first case the essential mediating effect of wage-labour is lost sight of, in the second, the deceptive appearance is taken as the real essence.

Second. The historical existence of capitalist relations presupposes the prior existence of a certain historical level of social development in which, despite the limits imposed by the old mode of production, certain needs and means of production and communication exist which go beyond these limits. Formal subsumption of the labour process introduces specific changes in the mode of production and prompt the development of new forces of production, thus influenced the mode of production new real conditions come into being, and ‘a complete economic revolution is brought about.” What classical political economy cannot understand, even though it does understand how production takes place within capitalist relations, is how these relations came into being in the first place; nor, of course, how they will cease to be either.

---

141 C., p. 1062.3.
142 C., p. 1062.4 [p. 1063], italicisation maintained.
143 C., p. 1063.3.
144 C., p. 1063.3.
145 C., p. 1064.5 [p. 1065].
23