

EXPLOITATION: A Note

A many-sided concept unravels

In general or popular use the word “exploitation” means merely taking unreasonable advantage of someone. Consequently, it has many and varied uses. It can be applied to situations in which people have very poor wages or very bad working conditions. The word is often applied to employers or supervisors, who insist upon making demands of employees or subordinates, which are regarded as generally unreasonable by those on the ‘receiving end’. “Exploitation” can even be applied to interpersonal relations in circumstances where a friend or a partner uses their social, emotional, or erotic power to control or manipulate those around them. And, it seems to be universally applied to those who are very poor anywhere in the world; they are routinely referred to as being exploited irrespective of their actual circumstances or of their relationship to employers or landlords.

In the Marxist tradition, however, the word exploitation has a much more precise meaning. When applied to pre-capitalist relations it simply means the extraction of surplus wealth from the direct producers over and above any amount deemed biologically and culturally necessary for their maintenance. So, peasants or slaves were exploited because any surplus wealth, which they produced in the form of crops, textiles, or other manufactured articles, was directly appropriated or seized by their landlords, masters, or owners. Exploitation, in this pre-capitalist sense, was understood in a fairly simple and direct manner regardless of the form it assumed. Of course God, or gods, of one kind or another, invariably ratified a ruler’s authority, and that of his princes and satraps, and their underlings. Complex hierarchies of obligation and obedience tied ruler and ruled together into the kind of social relationships in which wealth was expropriated from the labourers and artisans and given to the ‘high born’. Whether this wealth was appropriated in the form of rent, taxes, tithes, or fines, in money or in kind, it was the confiscation of the surplus produce, whatever that was, by the rulers whoever they were.

When Marxists discuss *capitalist exploitation* the theoretical focus shifts from the extraction of surplus wealth in this relatively direct sense to the more complicated idea of “surplus

value”. Under capitalism Marxists argue, exploitation takes the form of the expropriation of “surplus value”. Surplus value is produced when workers make commodities whose value is greater than their costs of production – including the wages of those who made them.

For example, in the course of a day the worker makes one hundred cameras, and is paid £125 in wages. The other costs involved in making one hundred cameras, including materials, machinery, equipment, buildings, rent, and shipping, amount to £11,550. So costs, plus labour, amount to £11,675 for the production of the hundred cameras. The cameras are then successfully sold for £136.99p each. So, the capitalist receives £13,699 in return for the cameras. From this sum he must deduct the costs for producing the next hundred cameras, leaving him with £2,024, from which he must pay £467.50p in interest on his loans, and save £856 for research and development, advertising and promotion; this leaves him with a handsome return of 6% (or £700.50p) on his original investment for himself and his shareholders, if he has any.

This final sum left over after the profits have been divided between replacement and reinvestment, interest, research, and promotion – this £700.50p – is the surplus value. For the Marxist it is the extraction of this surplus value from the labour of the worker, which constitutes exploitation. For Marxists exploitation only exists when surplus value is being produced by workers and appropriated by their employers. This is because according to Marxist theory this surplus value is produced by labour; it is not produced by the raw materials, or by the ingenuity, organizational skills, or the risk-taking initiatives of the employer, it is entirely produced by the worker who was paid £125 for their day’s labour which has in turn produced an extra or “surplus value” to the tune of £700.50p which is then legally appropriated by the capitalist, because the capitalist owned (or had borrowed) the initial outlay of £11,675.

It is important to remember that according to this theory it does not matter whether the good or commodity being produced is a camera, a computer programme, a massage, a dry-cleaned suit, or the performance of a singer. The surplus value is produced in a similar manner whether it is a physical commodity or an apparently immaterial service. As long as the people who are paid wages by a private employer are producing the good a

surplus value will be produced by the worker and will then be appropriated by the employer. If, something goes wrong and profits are not realised from the sale of the good, a competitor will either swallow the firm, or the company will simply go out of business.

So, one can readily see that according to this theory the fact and reality of exploitation is more or less independent of the level of wages or the quality of working conditions. A very highly paid and very skilled worker who works in excellent conditions of safety and security may well be producing much more surplus value, and hence be much more exploited, than a person on lousy wages who works in rotten and dangerous conditions. There is another problem and this is the theoretical distinction that some Marxists argue exists between “productive” and “unproductive” labour.

In this theory “productive” labour is labour that produces “surplus value”. Labour that does not produce “surplus value” is said to be “unproductive labour”. Consequently, the work of nurses and porters in the National Health Service or in any other state-run service is not productive because it does not produce surplus value. This explains, the proponents of this theory would argue, why the private capitalists are always eager to keep the costs of these necessary, but unproductive activities as low as possible. Spending on activities, which do not produce surplus value, is only justified from the point of view of the capitalist if it can be demonstrated as essential for maintaining a social and economic environment that is favourable for making profits and generating surplus value. This is what capitalists mean when they say that we must concentrate on “wealth creation” rather than wasting money on bureaucracy or too many teachers or too much on other public expenditures.

So, the Marxist theory of exploitation also suggests that the work of women in the home as mothers and carers, of charity workers, and the many and varied activities of the unemployed or those who are simply not employed because of disability or age, is also unproductive because none of this enormous amount of labour – which probably exceeds in hours and energy that which is carried out in capitalist enterprises – produces surplus value. Therefore, the labour of the majority of the population is said to be unproductive; consequently the majority of the population are not, strictly speaking, exploited at all.

Marxist theorists and political activists overcome this difficulty by arguing that exploitation can only be thought of and calculated at the level of the whole economy; exploitation can only be understood as an expression of the class relations as a whole. Consequently, the exploitation of the worker in the capitalist enterprise is expressive of the exploitation of the entire working class, whether they are engaged in productive or in unproductive labour.

It is at this stage that the Marxist theory of exploitation begins to lose much of its precision because in the face of the actual presentation of class relations where great masses of working class people produce no surplus value at all, it becomes vital to move the discussion onto a much more abstract level where it is necessary to talk about the working class “as a whole” being exploited rather than any particular individual, or any well-defined groups of individuals within the working class.

It should be remembered that this is not a recent problem. The tendency of Marxists in the past to concentrate their particular efforts upon the organization of male industrial workers was not because these workers were considered to be more productive of surplus value or more exploited. For Marxist and communist activists the attraction of male industrial workers lay in their strategic importance in power generation, transport, and exports. Winning support among workers concentrated in these sectors would confer much greater strategic and tactical power and influence in any struggle with the capitalists and their state, than organization among more dispersed and diffuse sections of the working class.

So despite arguments to the contrary, the factories, the docks, the road transport fleets, the railways, the power stations, the steelworks, the coal mines, are of particular or special interest to these activists because workers in these sectors have always been able, through strike action, to bring the capitalist economy to a grinding halt, and in the right conditions, have always been able to provoke political crises which are regarded by agitators as providing great opportunities for the advance of communist or socialist politics and the development of a radical consciousness throughout society. Although some theorists try to argue that the ‘factory’ is important because it is *the* site of exploitation, *the* site

of the production of surplus value,¹ in reality the importance of manufacturing and heavy industry to the revolutionary is its strategic value for trade union and leftist militancy.

Consequently, the difference between modern radical communist theorists like Michael Hardt and Antonio Negri and more traditional Marxist accounts of exploitation are not as great as some would argue.² Whereas, Hardt and Negri argue that exploitation takes place at the level of the “metropolis” which is the site where the exploitation of the “multitude”³ takes place, the traditionalist say that exploitation takes place at the level of the entire working class. Traditional Marxists have to say this, because when pushed to show how a nurse working for the NHS or a dustman or fire fighter working for the state or a local council is exploited they have to talk more abstractly about class relations, because according to the strict account produced by their theory these state employees are unproductive of surplus value and consequently, are not exploited at all, whereas a waged hairdresser, for example, is indeed exploited by the owner of the salon. This kind of emphasis would, of course, be politically unacceptable to all concerned, so it follows that they must, like Hardt and Negri, suggest that exploitation takes place at the level of the “multitude” or of “the working class”, whichever concept and term you prefer.

What emerges are a number of sharp differences between Hardt and Negri’s kind of account about what is needed to mobilize large numbers of people in struggle against capitalism, and the more traditionalist accounts concerning the working class. The differences are not, in truth, about exploitation. On the one side the traditionalists want to emphasise the need for a focus upon the organization of waged workers in their workplaces, on

¹ See, Joseph Choonara, Marx or the Multitude?, International Socialism, Issue 105, January 9, 2005 <http://www.isj.org.uk/index.php4?id=65&issue=105> posted on Studies in Anti-Capitalism at www.studiesinanti-capitalism.net at http://www.studiesinanti-capitalism.net/StudiesInAnti-Capitalism/Empire,_Multitude_%26_Love.html.

² See Antonio Negri and Michael Hardt, *Empire*, Cambridge, Massachusetts: Harvard University Press, 2000, *passim*. And Michael Hardt and Antonio Negri, *Multitude: War and Democracy in the Age of Empire*, London: Hamish Hamilton, 2005, *passim*.

³ See Antonio Negri, ‘Multitude or Working Class’ posted on Libcom.org at <http://libcom.org/library/multitude-or-working-class-antonio-negri>, accessed February 5, 2010.

the other side, are those who follow the more contemporary or mainstream anti-capitalist position, who want to emphasise the need to focus, at the level of the entire community of working people who produce the common goods and common values, which are then, in a variety of different ways, appropriated by the capitalists through the processes of commodification and privatisation. So, the more modern anti-capitalists think that exploitation takes place at the level of the community, known as the “multitude”, and attempt to work across the networks which compose the “metropolis” in order to subvert and undermine the capitalist system, while the traditional Marxists want to continue to talk in terms of class and of organizing working class resistance in order to overthrow capitalism.

We are still confronted by the problem of exploitation. Neither the traditional Marxist account, nor the more modern Hardt and Negri account of exploitation is satisfactory. We are still left with the problem of how to determine precisely who is it exactly that produces the growing wealth of capitalist society and who is it that appropriates it.

Clearly, if somebody comes along and simply takes something that you have made, in your own time, with your own resources, they are stealing from you, regardless of the legal explanations that might be deployed to justify the confiscation – it would be exploitation of a most direct kind. But this is not what happens in capitalist society, except when criminals steal from us.⁴ A capitalist is somebody who mobilizes sufficient funds in order to be able to employ people (to pay them wages) to make things in anticipation of realising a profit once what has been made is sold. A thief, on the other hand, is a person who steals something that doesn't belong to them. We may rhetorically call storeowners, bankers, and employers in general “robbers” and “thieves”, but in truth we all know the difference between a criminal and a capitalist.

Of course, it is axiomatic for all anti-capitalists that it is the workers or the multitude, which produce the wealth, and the

⁴ Some people like to refer to national or local taxes as “daylight robbery”, but in truth taxes are paid in return for the protection, the social and industrial infrastructure, and the other services that the state provides, and in wealthy democratic capitalist states these imposts are the subject of considerable public debate and scrutiny. They are compulsory, but they are not in any sense, other than the rhetorical, “exploitative”.

capitalists who appropriate it, but none of the available anti-capitalist accounts appear to be able to show beyond the level of generalities who is exploited, and by whom.

There is no doubt that many people simply believe that glaring social inequalities in relation to income and hours worked are sufficient evidence of exploitation; they do not need a complicated theory. The evidence of 'their own eyes' reveals the injustice at the heart of the capitalist system. However, these manifest inequalities exist throughout the entire population. We do not live in a society in which the plutocrats live at one end and everybody else lives at the other. Society is composed of a mass of different people living in a great spread of different circumstances and incomes. And, however you want to define the 'working class' or 'the multitude', there is no way that you can avoid the great variety of differing levels of wealth and power which exist *within* the working class, or *within* the multitude.

If we suggest that exploitation is simply revealed by inequality then we would be compelled to conclude that exploitative relations exist *between* poorer workers and better off ones; *between* supervisors and line-managers, and the people they manage; *between* workers living in rich countries and those living in poor countries; exploitation would indeed become so diffuse a concept that does not seem to me that it would be a very useful idea at all.

However, this is precisely, the point of view of many of my students and of many contemporary anti-capitalists who are transfixed by the horrifying levels of inequality in the world in which not much more than one and a half billion have acceptable standards of living while the remaining 4.8 billion live somewhere between perpetual want and actual starvation. This leads many contemporary anti-capitalists to conclude that we live so well *because* so many are starving; they believe that those of us in the rich countries are well off because we exploit the masses of people who live in the poor countries, through the benefits we derive from cheap imported clothing, food, and other materials.

This extremely widespread point of view suggests that exploitation arises from the *prices* paid for consumption goods rather than within the manufacturing process itself. Consequently, many people believe that if we simply paid more

for certain goods this could be translated into higher wages, and consequently, there would be less exploitation.

So, exploitation has been said to arise:

1. From the confiscation of surplus produce from the direct producer by feudal lords, slave owners, or by modern criminals;
2. From the extraction, by capitalists, of surplus value from waged workers;
3. From the extraction, by capitalists, of surplus value at the level of “capital in general” from “the working class in general”;
4. From the conversion of values produced by “the multitude” in “the common”, into the private property of the capitalists, by processes of commodification and privatisation;
5. From people who are simply better off or more powerful than others;

and finally,

6. From the people in richer countries who benefit from the cheap prices of goods produced in poorer countries.

From these options, taken together or individually, it will be seen how inadequate the various notions of exploitation available to anti-capitalists actually are. Evidently, anti-capitalists have not yet produced a robust or general theory of exploitation. Consequently, they cannot identify the exploiters and the exploitative relations with the degree of clarity that would be needed for the elaboration of a general solution to the problem, or persuasive enough to win the support of an overwhelming body of public opinion. This is why, I suspect, that it is “justice” and fighting “injustice” *not* “exploitation” that motivates most anti-capitalist campaigns and arguments. It is the tangle of relationships between ideas of justice and injustice, between

equality and inequality, which dominate the movement rather than Marxist ideas of class, multitude, or exploitation.