

**FROM THE CPGB's WEEKLY WORKER**

What is the Marxist method? Hillel Ticktin looks at the main features.  
This is the second of three articles

---

## **Potential for working class struggle**

**Hillel Ticktin identifies abstract labour as the key to collectivity in Marx's labour theory of value**

---

Let us begin with a very brief history of the labour theory of value.

Adam Smith used a particular labour theory of value – a command theory, in which the value of the product is determined by the labour-time the finished product could command. This confuses the labour-time required for the production of the item and wages paid to workers, and hence is tautological. It also obfuscates costs and profit, and so the question of exploitation.

Ricardo produced a more logical labour theory of value, based on labour-time expended on production, but he did not have a theory of labour-power or an explanation of profits. The next logical development was a relation between labour-time/value and wages/profits and so payment of labour-power and the origins of profit and exploitation.

A labour theory of value necessarily leads to a humanist and critical view of the economy and indeed various writers after Ricardo attempted to

argue the need for workers to receive a reward commensurate with their full labour input. Ricardo himself was in favour of a wide extension of the suffrage.

## Hegel and Marx

Marx, in the first edition of *Capital*, begins by talking of use-value and exchange-value: "The crucially important task, however, was to discover the inner necessary interrelationship between the form of value, the substance of value and the magnitude of value." (quoted by Il Rubin *Abstract labour and value in Marx's system* [www.marxists.org/archive/rubin/abstract-labour.htm](http://www.marxists.org/archive/rubin/abstract-labour.htm)). He uses the word 'form' in its philosophical sense, originally derived from Aristotle. But he is using Hegel's concept of contradiction – the antagonistic poles or forms interpenetrating one another. There is here a difference in interpretation, with some people arguing along Aristotle's lines rather than Hegel's. This is, of course, very different from Ricardo, who also saw the two different sides of the commodity, without seeing a contradiction between them.

There is a further difference between those who go along with Hegel's concept of contradiction and those who take Marx's derivation. Marx's most Hegelian-like work is the *Grundrisse*. It is also his most profound. Rosdolsky, in writing *The making of Marx's 'Capital'*, provided an important service to humanity, but his work is more Hegelian than is warranted. What do we mean by that? Hegel sees an evolution of ideas through the operation of contradiction over time – ultimately beginning and ending up with a god, Idea or prime mover. Marx begins with the contradiction between humanity and nature, and between humanity's social form and its needs,

and ends up with humanity mastering nature and so returning to it in a state where an adequate social form has been found.

This is not cyclical, unlike in Hegel. It does not begin and end in the same place although there is the same drive at the beginning and the end. Thus there is a real working out of the categories, resulting in unpredictable stages and forms.

For Hegel it is a logical movement of ideas. There is not the same logic for Marx. A does not lead to B and so to C and D, etc. For Hegel the German state was the ultimate end. Communism is not the end, but a crucial precondition for further development, and its exact forms, as opposed to many features, are unknown.

In other words, progress is not neat and logical, but involves a series of unpredictable mediations. Put another way, there is no simple 'capital logic'. There is an underlying system, contradictions and interacting, interpenetrating categories and laws in operation, but they do not follow an exact, inherently predictable path. Rosdolsky, like the capital logic school and others, tended to turn capital into a concept without materiality.

## Essentials

The essence of the labour theory of value can be put this way. The commodity form is the external appearance of capitalism. The essential basis of that form is that it is a product which is exchanged and hence has exchange-value. However, in order for it to be exchanged and hence demanded it must have use-value. So we have the two forms – the historical form of use-

value common to all human products, and exchange-value, which is specific to capitalism as the dominant form of human production.

Each form has its own content and each stands as polar opposite to the other in the commodity. Human need and wants drive production, but the specific form of production under capitalism is driven by exchange-value, which subordinates human need to its control. Exchange-value determines prices. So what determines exchange-value? The answer is value, and value is determined by labour-time or, more accurately, socially necessary labour-time.

In explaining the labour theory of value, we start with humanity and not with nature. For human society – humanity working on nature – there is only one variable, and that is labour-time. All other variables are reducible to this.

Marx contends that value can be measured through socially necessary labour-time – by which he means labour-time that is at the typical level of technology of a given period. Labour-time itself is variable. It can be at different levels of intensity – people can work harder or less hard; there can be more skills or less skills. It is obvious that workers can be completely different.

In the Soviet Union, as I have pointed out, that was the case. You could not say that abstract labour existed there, because workers worked at their own rate in each factory, and each factory would work at a different rate.

Within capitalism, however, one has to assume, firstly, that there is an average level of technology. But the word ‘average’ here needs to be interpreted. This does not mean that you

simply add up the machines and then divide by the number of firms. There is a typical level of technology, towards which all firms are pulled. Secondly, skills may have to be reduced to some measure to which the whole population of workers could be assigned. In other words, skilled labour is counted as worth so much more than unskilled labour. Thirdly, a typical intensity of labour, where workers work at a particular rate, is assumed.

For the labour theory of value to work at all there must be competition among capitals. Competition must exist to enforce the law of value, otherwise there would be monopoly pricing. The fact is that competition today has been radically reduced, and that has had a series of important consequences as to what kind of capitalism exists. Competition is not in the essence. Contrary to what Bob Brenner asserts, competition enforces the laws and is essential for the laws to operate, but it is not itself the laws. Marx makes this very clear in the *Grundrisse*.

Fluidity of labour is also essential to the labour theory of value. Workers must be able to move from one firm to another. In other words, there must be an atomisation of the workforce. Along with that there must be a reserve army of labour, otherwise the workforce cannot be controlled. Thus there is a homogeneous human labour-time, without which the concepts of labour-time and abstract labour are meaningless.

Marx's theory of value is not about trying to work out what the capitalist's profit is, or what the price of any particular commodity is. Nor is it usable for planning (although the elite tried to use it in this way in the Soviet Union). Nor is it meant for running a firm. Hence it is unusable by

orthodox economists, directors of companies or planners.

*What it is intended for, and only intended for, is to understand modern capitalism – how it is developing and how it can be overthrown. That was Marx’s intention in developing his theory.*

[Emphasis added]

### **Abstract labour**

Abstract labour is the most fundamental concept in Marxist political economy. It represents the reduction of the individual worker into someone operating at a similar rate and under similar conditions to other workers over the whole economy. It is only in this way that labour-time can actually be measured. Critically, abstract labour is the particular social form of labour under capitalism, as opposed to the social form of labour that existed before capitalism or what would exist under socialism. What is crucial in this – something not inherent in the labour process itself – derives from the need of the capitalist to quantify costs in order to exchange products at a particular value. It is an imposition on the worker in a particular form.

Abstract labour stands in direct contradiction to concrete labour, so underlying the contradiction between exchange-value and use-value – and that, of course, is the fundamental contradiction of capitalism.

Capitalists need to make a particular rate of profit and thus must obtain the requisite quantity of surplus value. To obtain value they must employ workers and the one aspect of their labour which is quantifiable is time worked. Hence the need for a given quantity of profit

Hillel Ticktin, 'Potential for Working Class Struggle',  
*Weekly Worker* 697 Thursday November 15 2007,  
<http://www.cpgb.org.uk/worker/697/ticktin.htm>

leads to a need for particular quantities of labour-time, with set proportions divided between capital and labour.

However, such quantities of labour-time must be comparable one with another. One worker must work in a similar way to another and where there are differences they must be reducible to a common standard. Without this condition workers would work at their own rate and labour-time would not be comparable. In that case profit would be arbitrary between enterprises, since both space and time would alter the accounting capacity of labour-time.

Hence workers are compelled to work in a manner established by the capitalist system itself, rather than in a way they would prefer. It is not their concrete ability to work, but rather their undifferentiated capacity to work, that counts. The ideal worker works quickly and efficiently, but also has the ability to change jobs flexibly. The logic of abstract labour is precisely this reduction of the worker to the level of a machine, operating tirelessly and perfectly over a given period and, with suitable adjustments, changing tasks or form of work as and when required. Not surprisingly, if capitalists are able to do so, they will usually replace workers with machines.

Concrete labour exists under all social formations. Abstract Labour is technically free labour, and by comparison the social form of labour in previous formations is unfree labour or directly dependent labour. Concrete labour maintains its form of individual concreteness throughout all social formations, although the exact form of that individual concreteness changes. Only under socialism can the individual

fully master the concreteness of social labour: ie, use their talents to master nature to the full.

The point is that what is occurring here is the quantification of labour-time. Labour-time is not inherently quantifiable, but it has to be made so in order to give the capitalist a particular quantity of profit. So, to repeat, workers have to work in a similar way, so that they can be comparable. This is far from straightforward and the innovation is very recent.

Capitalism in its early formation, in my view at least, comes into being around the 12th century in the process of transition away from feudalism. In the earlier period down to the 15th century, there were few machines, but there was the individual production of artisans. Under those conditions, workers would work at their own rate – that was the nature of such production – and it would be very hard for any capitalist to ensure that they worked at the same rate, even if grouped together in the same warehouse, as it were. These small enterprises would be comparable one to another only to a very limited degree.

In other words, abstract labour comes into being under developing capitalism. Capitalism does not begin with abstract labour. When Adam Smith talked about the division of labour, he was actually describing the emergence of abstract labour in the latter half of the 17th century, when machine production was just beginning on a considerable scale. It is clear that abstract labour in its full form comes into being with machine production – in other words, only in the mature form of capitalism in the 19th century do we see the emergence of the full form of abstract labour.

In this new situation, the machine controls the worker and the worker is subject to the machine. On the production line the machine determines the speed of work and everything else.

It might be argued that production lines are now less common and that most people are now white collar workers. But the increasing integration of production as a whole ('production' being used in a very wide sense) does force people such as teachers, doctors and lecturers to work in increasingly similar ways. It is not an accident that they too are being proletarianised. It is above all the integration of production, along with the employment of machinery and technology, which allows that control, and the subjection of the individual to the economy itself – workers are compelled to work in a way that satisfies the capitalist system, rather than in a way which they would prefer.

As Hegel himself indicated, logic, therefore, leads to the replacement of the abstract labourer by the machine and hence to the ultimate abolition of the abstract labourer. Under capitalism that ultimate point is unlikely to be reached, but the increasing replacement of men by machines is part of the process of the socialisation of labour, which Marx, of course, regards as the underlying contradiction of the system.

That, in its turn, implies that labour is both more abstract and less abstract. On the one hand, the increasing mechanisation of production enforces the process of abstract labour, while, on the other, the elimination of workers from production puts workers in control of production instead of being subject to it.

## Crucial aspects

As a category, abstract labour is crucial in four respects.

First, because workers are reduced to the level of an abstraction, they are alienated both from their product and from the labour process. In other words, the concept of alienation which Marx put forward in 1844 is subsumed under the concept of abstract labour. Abstract labour is a form of alienation. Workers are alienated from their species-being: ie, estranged from themselves and so from their existence as human beings, from humanity. They are also alienated from nature itself.

Secondly, every worker is placed in a similar position within the capitalist system and within the division of labour. Hence the potentiality of a collectivity – the working class – is established. In other words, abstract labour establishes the class and is essential to the class. Collectivity cannot be established by fiat, by the declaration of any political party. It has to be made possible and Marx argued that this collectivity is established by capitalism itself, thus creating its own gravedigger, and it is abstract labour which performs this task.

Thirdly, as already mentioned, abstract labour is the basis of value itself. Alienation, the working class and value are the three fundamental categories which flow from abstract labour, in my view.

There is a fourth consequence: that under socialism abstract labour will be abolished and hence value. As I have argued, there can be no such thing as 'market socialism'. The market, necessarily, must have abstract labour, otherwise

it is not a market. If abstract labour and hence value are abolished, then 'market socialism' simply cannot exist. As a concept, it can be compared to fried ice.

### **Varying views**

Having outlined the concept of abstract labour, which is the core of the labour theory of value, I want to discuss briefly some of the other theories and say why I think they are wrong.

To summarise my own view: abstract labour is real and has a physical existence. Work is reduced to homogeneous human labour-time. Capital as a quantitative entity trying to expand itself is constantly driving the homogenisation of human labour-time in its attempt to squeeze ever more surplus labour-time and hence surplus value out of the worker. This view – the physical existence of abstract labour and the fact that it is the basis of class – is contested. However, if it is not accepted, then some other basis for the existence of class must be provided, it has to be said.

The point of view that is most well known is familiar from the work of Il Rubin – that abstract labour is not physical, that it only comes into being at the point of exchange. I cannot understand this argument. If it is not just in the mind, the material form by which abstract labour is formed in exchange has to be explained.

It has to be remembered that Rubin was writing during the period of the new economic policy in the USSR and that he was a former Menshevik. This meant, in this context, that he saw the USSR as capitalist. So for him the mass of small producers – peasants and artisans – were the basis of capitalism. Hence he defines capitalism

as atomised production (a very peculiar definition). Such a form of capitalism could not have measurable and interchangeable quantities of labour-time in the same way as mass producing manufacturing industry. To maintain his definition, he, therefore, talks of abstract labour being established only at the point of exchange.

This, in my view, is wrong. In reality, in the USSR at the time the law of value was operating very imperfectly and in conflict with attempts to plan or organise the economy. The contrast is with an industrial economy with large numbers of workers subjected to the machine and each firm tightly integrated into the division of labour. In the latter situation workers are increasingly forced to work at similar rates – that is the nature of an industrial economy. It is not simply physiological, but socio-physiological, in that work rates are socially determined by the pressure of the ruling class and the resistance of the working class.

Rubin's viewpoint has now been picked up quite extensively among Marxists. Logically, if it is argued that abstract labour only exists at the point of exchange itself, then it seems to me that it has to be argued that it is a concept imposing itself – and that is what people like Chris Arthur, for example, do argue. At that point, one might query his Marxism, but at least he has taken this view to its logical conclusion. Others do not go that far, but they insist that Marx is ambiguous and they too understand abstract labour as some sort of category that manifests itself at the point of exchange. They do not explain why this is so, but I mention it because their views have become quite influential.

The autonomists, on the other hand, try to marry class struggle with value. They effectively identify the category with the class, rather than associating or intertwining them. In this view, there is not, in fact, much room for abstract labour. For the autonomists, who contend that value is directly connected with class struggle, it is not a question of value coming into existence and workers then fighting for higher wages as against profits. This viewpoint is not really surprising, since the autonomist is really a type of anarchist.

Now, there is no question that class struggle is involved, but the question is how it is involved. I argue that abstract labour can exist without class struggle but its magnitude is determined through class struggle. Its form is not so determined and nor is its ontological status as the substance of value.

There is also a mechanical view of value, which identifies it with quantity of measurable, social necessary labour–time and then argues that short–term prices can be derived from that. This is a common viewpoint, one that is quite dominant among people attempting to understand Marxism, especially in the United States, because it is the kind of view associated with people like Paul Sweezy.

Finally, Moishe Postone has produced his own view which, in my opinion, is functionalist. Instead of labour being the subject as it evolves, he sees capital as the subject. The result is that abstract labour in fact dominates use–value and so concrete labour. For Marx there is a contradiction between concrete labour and abstract labour, but for Postone the latter dominates. So he is arguing that capital is the subject, not the working class. But if this is the

case there is no reason for capitalism to come to an end.

These are some of the views expressed about abstract labour and the labour theory of value. However, for Marx, it is the contradiction between use-value and exchange-value that reflects the real contradiction between concrete and abstract labour, which in turn is a reflection of a longer running evolutionary perspective, in which the form of labour stands in contradiction with the needs of humanity.

This is, in my view, the correct perspective: that the law of value is the movement of exchange-value and use-value in their conflict and interpenetration.