

KARL MARX

Capital

A Critique of
Political Economy

Volume One

Introduced by
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Chapter 1: The Commodity

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I. THE TWO FACTORS OF THE COMMODITY: USE-VALUE AND VALUE (SUBSTANCE OF VALUE, MAGNITUDE OF VALUE)

The wealth of societies in which the capitalist mode of production prevails appears as an 'immense collection of commodities'¹; the individual commodity appears as its elementary form. Our investigation therefore begins with the analysis of the commodity.

The commodity is, first of all, an external object, a thing which through its qualities satisfies human needs of whatever kind. The nature of these needs, whether they arise, for example, from the stomach, or the imagination, makes no difference.² Nor does it matter here how the thing satisfies man's need, whether directly as a means of subsistence, i.e. an object of consumption, or indirectly as a means of production.

Every useful thing, for example, iron, paper, etc., may be looked at from the two points of view of quality and quantity. Every useful thing is a whole composed of many properties; it can therefore be useful in various ways. The discovery of these ways and hence of the manifold uses of things is the work of history.³ So also is the invention of socially recognized standards of measurement for the quantities of these useful objects. The diversity of the

1. Karl Marx, *Zur Kritik der Politischen Ökonomie*, Berlin, 1859, p. 3 [English translation, p. 27].

2. 'Desire implies want; it is the appetite of the mind, and as natural as hunger to the body . . . The greatest number (of things) have their value from supplying the wants of the mind' (Nicholas Barbon, *A Discourse on Coining the New Money Lighter. In Answer to Mr Locke's Considerations etc.*, London, 1696, pp. 2, 3).

3. 'Things have an intrinsick vertue' (this is Barbon's special term for use-value) 'which in all places have the same vertue; as the loadstone to attract iron' (op. cit., p. 6). The magnet's property of attracting iron only became useful once it had led to the discovery of magnetic polarity.

measures for commodities arises in part from the diverse nature of the objects to be measured, and in part from convention.

The usefulness of a thing makes it a use-value.⁴ But this usefulness does not dangle in mid-air. It is conditioned by the physical properties of the commodity, and has no existence apart from the latter: It is therefore the physical body of the commodity itself, for instance iron, corn, a diamond, which is the use-value or useful thing. This property of a commodity is independent of the amount of labour required to appropriate its useful qualities. When examining use-values, we always assume we are dealing with definite quantities, such as dozens of watches, yards of linen, or tons of iron. The use-values of commodities provide the material for a special branch of knowledge, namely the commercial knowledge of commodities.⁵ Use-values are only realized [*verwirklicht*] in use or in consumption. They constitute the material content of wealth, whatever its social form may be. In the form of society to be considered here they are also the material bearers [*Träger*] of . . . exchange-value.

Exchange-value appears first of all as the quantitative relation, the proportion, in which use-values of one kind exchange for use-values of another kind.⁶ This relation changes constantly with time and place. Hence exchange-value appears to be something accidental and purely relative, and consequently an intrinsic value, i.e. an exchange-value that is inseparably connected with the commodity, inherent in it, seems a contradiction in terms.⁷ Let us consider the matter more closely.

4. 'The natural worth of anything consists in its fitness to supply the necessities, or serve the conveniences of human life' (John Locke, 'Some Considerations on the Consequences of the Lowering of Interest' (1691), in *Works*, London, 1777, Vol. 2, p. 28). In English writers of the seventeenth century we still often find the word 'worth' used for use-value and 'value' for exchange-value. This is quite in accordance with the spirit of a language that likes to use a Teutonic word for the actual thing, and a Romance word for its reflection.

5. In bourgeois society the legal fiction prevails that each person, as a buyer, has an encyclopedic knowledge of commodities.

6. 'Value consists in the exchange relation between one thing and another, between a given amount of one product and a given amount of another' (Le Trosne, *De l'intérêt social*, in *Physiocrates*, ed. Daire, Paris, 1846, p. 889).

7. 'Nothing can have an intrinsic value' (N. Barbon, op. cit., p. 6); or as Butler says:

'The value of a thing
Is just as much as it will bring.'*

*Samuel Butler, *Hudibras*, Part 2, Canto 1, lines 465-6, 'For what is worth in any thing, but so much money as 'twill bring?'

A given commodity, a quarter of wheat for example, is exchanged for x boot-polish, y silk or z gold, etc. In short, it is exchanged for other commodities in the most diverse proportions. Therefore the wheat has many exchange-values instead of one. But x boot-polish, y silk or z gold, etc., each represent the exchange-value of one quarter of wheat. Therefore x boot-polish, y silk, z gold, etc., must, as exchange-values, be mutually replaceable or of identical magnitude. It follows from this that, firstly, the valid exchange-values of a particular commodity express something equal, and secondly, exchange-value cannot be anything other than the mode of expression, the 'form of appearance',* of a content distinguishable from it.

Let us now take two commodities, for example corn and iron. Whatever their exchange relation may be, it can always be represented by an equation in which a given quantity of corn is equated to some quantity of iron, for instance 1 quarter of corn = x cwt of iron. What does this equation signify? It signifies that a common element of identical magnitude exists in two different things, in 1 quarter of corn and similarly in x cwt of iron. Both are therefore equal to a third thing, which in itself is neither the one nor the other. Each of them, so far as it is exchange-value, must therefore be reducible to this third thing.

A simple geometrical example will illustrate this. In order to determine and compare the areas of all rectilinear figures we split them up into triangles. Then the triangle itself is reduced to an expression totally different from its visible shape: half the product of the base and the altitude. In the same way the exchange values of commodities must be reduced to a common element, of which they represent a greater or a lesser quantity.

This common element cannot be a geometrical, physical, chemical or other natural property of commodities. Such properties come into consideration only to the extent that they make the commodities useful, i.e. turn them into use-values. But clearly, the exchange relation of commodities is characterized precisely by its abstraction from their use-values. Within the exchange relation, one use-value is worth just as much as another, provided only that it is present in the appropriate quantity. Or, as old Barbon says: 'One sort of wares are as good as another, if the value be equal. There is no difference or distinction in things of equal value . . .

* *Erscheinungsform*. This word appears in inverted commas in the original.

One hundred pounds worth of lead or iron, is of as great a value as one hundred pounds worth of silver and gold.⁸

As use-values, commodities differ above all in quality, while as exchange-values they can only differ in quantity, and therefore do not contain an atom of use-value.

If then we disregard the use-value of commodities, only one property remains, that of being products of labour. But even the product of labour has already been transformed in our hands. If we make abstraction from its use-value, we abstract also from the material constituents and forms which make it a use-value. It is no longer a table, a house, a piece of yarn or any other useful thing. All its sensuous characteristics are extinguished. Nor is it any longer the product of the labour of the joiner, the mason or the spinner, or of any other particular kind of productive labour. With the disappearance of the useful character of the products of labour, the useful character of the kinds of labour embodied in them also disappears; this in turn entails the disappearance of the different concrete forms of labour. They can no longer be distinguished, but are all together reduced to the same kind of labour, human labour in the abstract.

Let us now look at the residue of the products of labour. There is nothing left of them in each case but the same phantom-like objectivity; they are merely congealed quantities of homogeneous human labour, i.e. of human labour-power expended without regard to the form of its expenditure. All these things now tell us is that human labour-power has been expended to produce them, human labour is accumulated in them. As crystals of this social substance, which is common to them all, they are values – commodity values [*Warenwerte*].

We have seen that when commodities are in the relation of exchange, their exchange-value manifests itself as something totally independent of their use-value. But if we abstract from their use-value, there remains their value, as it has just been defined. The common factor in the exchange relation, or in the exchange-value of the commodity, is therefore its value. The progress of the investigation will lead us back to exchange-value as the necessary mode of expression, or form of appearance, of value. For the present, however, we must consider the nature of value independently of its form of appearance [*Erscheinungsform*].

8. N. Barbon, op. cit., pp. 53 and 7.

A use-value, or useful article, therefore, has value only because abstract human labour is objectified [vergegenständlicht] or materialized in it. How, then, is the magnitude of this value to be measured? By means of the quantity of the 'value-forming substance', the labour, contained in the article. This quantity is measured by its duration, and the labour-time is itself measured on the particular scale of hours, days etc.

It might seem that if the value of a commodity is determined by the quantity of labour expended to produce it, it would be the more valuable the more unskilful and lazy the worker who produced it, because he would need more time to complete the article. However, the labour that forms the substance of value is equal human labour, the expenditure of identical human labour-power. The total labour-power of society, which is manifested in the values of the world of commodities, counts here as one homogeneous mass of human labour-power, although composed of innumerable individual units of labour-power. Each of these units is the same as any other, to the extent that it has the character of a socially average unit of labour-power and acts as such, i.e. only needs, in order to produce a commodity, the labour time which is necessary on an average, or in other words is socially necessary. Socially necessary labour-time is the labour-time required to produce any use-value under the conditions of production normal for a given society and with the average degree of skill and intensity of labour prevalent in that society. The introduction of power-looms into England, for example, probably reduced by one half the labour required to convert a given quantity of yarn into woven fabric. In order to do this, the English hand-loom weaver in fact needed the same amount of labour-time as before; but the product of his individual hour of labour now only represented half an hour of social labour, and consequently fell to one half its former value.

What exclusively determines the magnitude of the value of any article is therefore the amount of labour socially necessary, or the labour-time socially necessary for its production.⁹ The individual

9. 'The value of them' (the necessities of life) 'when they are exchanged the one for another, is regulated by the quantity of labour necessarily required, and commonly taken in producing them' (*Some Thoughts on the Interest of Money in General, and Particularly in the Publick Funds*, London, pp. 36, 37). This remarkable anonymous work of the eighteenth century bears no date. However, it is clear from its contents that it appeared in the reign of George II, about 1739 or 1740.

commodity counts here only as an average sample of its kind.¹⁰ Commodities which contain equal quantities of labour, or which can be produced in the same time, have therefore the same value. The value of a commodity is related to the value of any other commodity as the labour-time necessary for the production of the one is related to the labour-time necessary for the production of the other. 'As exchange-values, all commodities are merely definite quantities of *congealed labour-time*.'¹¹

The value of a commodity would therefore remain constant, if the labour-time required for its production also remained constant. But the latter changes with every variation in the productivity of labour. This is determined by a wide range of circumstances; it is determined amongst other things by the workers' average degree of skill, the level of development of science and its technological application, the social organization of the process of production, the extent and effectiveness of the means of production, and the conditions found in the natural environment. For example, the same quantity of labour is present in eight bushels of corn in favourable seasons and in only four bushels in unfavourable seasons. The same quantity of labour provides more metal in rich mines than in poor. Diamonds are of very rare occurrence on the earth's surface, and hence their discovery costs, on an average, a great deal of labour-time. Consequently much labour is represented in a small volume. Jacob questions whether gold has ever been paid for at its full value.* This applies still more to diamonds. According to Eschwege, the total produce of the Brazilian diamond mines for the eighty years ending in 1823 still did not amount to the price of $1\frac{1}{2}$ years' average produce of the sugar and coffee plantations of the same country,† although the diamonds represented much more labour, therefore more value. With richer mines, the same quantity of labour would be embodied in more diamonds, and their value would fall. If man succeeded, without much labour, in transforming carbon into diamonds,

10. 'Properly speaking, all products of the same kind form a single mass, and their price is determined in general and without regard to particular circumstances' (Le Trosne, op. cit., p. 893).

11. Karl Marx, op. cit., p. 6 [English translation, p. 30].

*William Jacob, *An Historical Enquiry into the Production and Consumption of the Precious Metals*, London, 1831, Vol. 2, p. 101.

† This information comes from H. A. M. Merivale, *Lectures on Colonization and Colonies*, London, 1841. Cf. *Grundrisse*, p. 833.

their value might fall below that of bricks. In general, the greater the productivity of labour, the less the labour-time required to produce an article, the less the mass of labour crystallized in that article, and the less its value. Inversely, the less the productivity of labour, the greater the labour-time necessary to produce an article, and the greater its value. The value of a commodity, therefore, varies directly as the quantity, and inversely as the productivity, of the labour which finds its realization within the commodity. (Now we know the *substance* of value. It is *labour*. We know the *measure* of its magnitude. It is *labour-time*. The *form*, which stamps *value* as *exchange-value*, remains to be analysed. But before this we need to develop the characteristics we have already found somewhat more fully.)*

A thing can be a use-value without being a value. This is the case whenever its utility to man is not mediated through labour. Air, virgin soil, natural meadows, unplanted forests, etc. fall into this category. A thing can be useful, and a product of human labour, without being a commodity. He who satisfies his own need with the product of his own labour admittedly creates use-values, but not commodities. In order to produce the latter, he must not only produce use-values, but use-values for others, social use-values. (And not merely for others. The medieval peasant produced a corn-rent for the feudal lord and a corn-tithe for the priest; but neither the corn-rent nor the corn-tithe became commodities simply by being produced for others. In order to become a commodity, the product must be transferred to the other person, for whom it serves as a use-value, through the medium of exchange.)† Finally, nothing can be a value without being an object of utility. If the thing is useless, so is the labour contained in it; the labour does not count as labour, and therefore creates no value.

2. THE DUAL CHARACTER OF THE LABOUR EMBODIED IN COMMODITIES

Initially the commodity appeared to us as an object with a dual character, possessing both use-value and exchange-value. Later

* The passage in parentheses occurs only in the first edition.

† [Note by Engels to the fourth German edition:] I have inserted the passage in parentheses because, through its omission, the misconception has very frequently arisen that Marx regarded every product consumed by someone other than the producer as a commodity.

on it was seen that labour, too, has a dual character: in so far as it finds its expression in value, it no longer possesses the same characteristics as when it is the creator of use-values. I was the first to point out and examine critically this twofold nature of the labour contained in commodities.¹² As this point is crucial to an understanding of political economy, it requires further elucidation.

Let us take two commodities, such as a coat and 10 yards of linen, and let the value of the first be twice the value of the second, so that, if 10 yards of linen = W , the coat = $2W$.

The coat is a use-value that satisfies a particular need. A specific kind of productive activity is required to bring it into existence. This activity is determined by its aim, mode of operation, object, means and result. We use the abbreviated expression 'useful labour' for labour whose utility is represented by the use-value of its product, or by the fact that its product is a use-value. In this connection we consider only its useful effect.

As the coat and the linen are qualitatively different use-values, so also are the forms of labour through which their existence is mediated – tailoring and weaving. If the use-values were not qualitatively different, hence not the products of qualitatively different forms of useful labour, they would be absolutely incapable of confronting each other as commodities. Coats cannot be exchanged for coats, one use-value cannot be exchanged for another of the same kind.

The totality of heterogeneous use-values or physical commodities reflects a totality of similarly heterogeneous forms of useful labour, which differ in order, genus, species and variety: in short, a social division of labour. This division of labour is a necessary condition for commodity production, although the converse does not hold; commodity production is not a necessary condition for the social division of labour. Labour is socially divided in the primitive Indian community, although the products do not thereby become commodities. Or, to take an example nearer home, labour is systematically divided in every factory, but the workers do not bring about this division by exchanging their individual products. Only the products of mutually independent acts of labour, performed in isolation, can confront each other as commodities.

To sum up, then: the use-value of every commodity contains

12. Karl Marx, op. cit., pp. 12, 13, and passim [English translation, pp. 41, 42].

useful labour, i.e. productive activity of a definite kind, carried on with a definite aim. Use-values cannot confront each other as commodities unless the useful labour contained in them is qualitatively different in each case. In a society whose products generally assume the form of commodities, i.e. in a society of commodity producers, this qualitative difference between the useful forms of labour which are carried on independently and privately by individual producers develops into a complex system, a social division of labour.

It is moreover a matter of indifference whether the coat is worn by the tailor or by his customer. In both cases it acts as a use-value. So, too, the relation between the coat and the labour that produced it is not in itself altered when tailoring becomes a special trade, an independent branch of the social division of labour. Men made clothes for thousands of years, under the compulsion of the need for clothing, without a single man ever becoming a tailor. But the existence of coats, of linen, of every element of material wealth not provided in advance by nature, had always to be mediated through a specific productive activity appropriate to its purpose, a productive activity that assimilated particular natural materials to particular human requirements. Labour, then, as the creator of use-values, as useful labour, is a condition of human existence which is independent of all forms of society; it is an eternal natural necessity which mediates the metabolism between man and nature, and therefore human life itself.

Use-values like coats, linen, etc., in short, the physical bodies of commodities, are combinations of two elements, the material provided by nature, and labour. If we subtract the total amount of useful labour of different kinds which is contained in the coat, the linen, etc., a material substratum is always left. This substratum is furnished by nature without human intervention. When man engages in production, he can only proceed as nature does herself, i.e. he can only change the form of the materials.¹³ Furthermore,

13. 'All the phenomena of the universe, whether produced by the hand of man or indeed by the universal laws of physics, are not to be conceived of as acts of creation but solely as a reordering of matter. Composition and separation are the only elements found by the human mind whenever it analyses the notion of reproduction; and so it is with the reproduction of value' (use-value, although Verri himself, in this polemic against the Physiocrats, is not quite certain of the kind of value he is referring to) 'and wealth, whether earth, air and water are turned into corn in the fields, or the secretions of an insect are turned into silk by the hand of man, or some small pieces of metal are

even in this work of modification he is constantly helped by natural forces. Labour is therefore not the only source of material wealth, i.e. of the use-values it produces. As William Petty says, labour is the father of material wealth, the earth is its mother.*

Let us now pass from the commodity as an object of utility to the value of commodities.

We have assumed that the coat is worth twice as much as the linen. But this is merely a quantitative difference, and does not concern us at the moment. We shall therefore simply bear in mind that if the value of a coat is twice that of 10 yards of linen, 20 yards of linen will have the same value as a coat. As values, the coat and the linen have the same substance, they are the objective expressions of homogeneous labour. But tailoring and weaving are qualitatively different forms of labour. There are, however, states of society in which the same man alternately makes clothes and weaves. In this case, these two different modes of labour are only modifications of the labour of the same individual and not yet fixed functions peculiar to different individuals, just as the coat our tailor makes today, and the pair of trousers he makes tomorrow, require him only to vary his own individual labour. Moreover, we can see at a glance that in our capitalist society a given portion of labour is supplied alternately in the form of tailoring and in the form of weaving, in accordance with changes in the direction of the demand for labour. This change in the form of labour may well not take place without friction, but it must take place.

If we leave aside the determinate quality of productive activity, and therefore the useful character of the labour, what remains is its quality of being an expenditure of human labour-power. Tailoring and weaving, although they are qualitatively different productive activities, are both a productive expenditure of human brains, muscles, nerves, hands etc., and in this sense both human labour. They are merely two different forms of the expenditure of human labour-power. Of course, human labour-power must itself

arranged together to form a repeating watch' (Pietro Verri, *Meditazioni sulla economia politica* – first printed in 1771 – in Custodi's edition of the Italian economists, *Parte moderna*, Vol. 15, pp. 21, 22).

* *A Treatise of Taxes and Contributions*, published anonymously by William Petty, London, 1667, p. 47.

have attained a certain level of development before it can be expended in this or that form. But the value of a commodity represents human labour pure and simple, the expenditure of human labour in general. And just as, in civil society, a general or a banker plays a great part but man as such plays a very mean part,¹⁴ so, here too, the same is true of human labour. It is the expenditure of simple labour-power, i.e. of the labour-power possessed in his bodily organism by every ordinary man, on the average, without being developed in any special way. *Simple average labour*, it is true, varies in character in different countries and at different cultural epochs, but in a particular society it is given. More complex labour counts only as *intensified*, or rather *multiplied* simple labour, so that a smaller quantity of complex labour is considered equal to a larger quantity of simple labour. Experience shows that this reduction is constantly being made. A commodity may be the outcome of the most complicated labour, but through its *value* it is posited as equal to the product of simple labour, hence it represents only a specific quantity of simple labour.¹⁵ The various proportions in which different kinds of labour are reduced to simple labour as their unit of measurement are established by a social process that goes on behind the backs of the producers; these proportions therefore appear to the producers to have been handed down by tradition. In the interests of simplification, we shall henceforth view every form of labour-power directly as simple labour-power; by this we shall simply be saving ourselves the trouble of making the reduction.

Just as, in viewing the coat and the linen as values, we abstract from their different use-values, so, in the case of the labour represented by those values, do we disregard the difference between its useful forms, tailoring and weaving. The use-values coat and linen are combinations of, on the one hand, productive activity with a definite purpose, and, on the other, cloth and yarn; the values coat and linen, however, are merely congealed

14. Cf. Hegel, *Philosophie des Rechts*, Berlin, 1840, p. 250, para. 190.*

15. The reader should note that we are not speaking here of the wages or value the worker receives for (e.g.) a day's labour, but of the value of the commodity in which his day of labour is objectified. At this stage of our presentation, the category of wages does not exist at all.

*Hegel says here: 'In civil society as a whole, at the standpoint of needs, what we have before us is the composite idea which we call man. Thus this is the first time, and indeed the only time, to speak of man in this sense' (*Hegel's Philosophy of Right*, tr. T. M. Knox, Oxford, 1952, p. 127).

quantities of homogeneous labour. In the same way, the labour contained in these values does not count by virtue of its productive relation to cloth and yarn, but only as being an expenditure of human labour-power. Tailoring and weaving are the formative elements in the use-values coat and linen, precisely because these two kinds of labour are of different qualities; but only in so far as abstraction is made from their particular qualities, only in so far as both possess the same quality of being human labour, do tailoring and weaving form the substance of the values of the two articles mentioned.

Coats and linen, however, are not merely values in general, but values of definite magnitude, and, following our assumption, the coat is worth twice as much as the 10 yards of linen. Why is there this difference in value? Because the linen contains only half as much labour as the coat, so that labour-power had to be expended twice as long to produce the second as to produce the first.

While, therefore, with reference to use-value, the labour contained in a commodity counts only qualitatively, with reference to value it counts only quantitatively, once it has been reduced to human labour pure and simple. In the former case it was a matter of the 'how' and the 'what' of labour, in the latter of the 'how much', of the temporal duration of labour. Since the magnitude of the value of a commodity represents nothing but the quantity of labour embodied in it, it follows that all commodities, when taken in certain proportions, must be equal in value.

If the productivity of all the different sorts of useful labour required, let us say, for the production of a coat remains unchanged, the total value of the coats produced will increase along with their quantity. If one coat represents x days' labour, two coats will represent $2x$ days' labour, and so on. But now assume that the duration of the labour necessary for the production of a coat is doubled or halved. In the first case, one coat is worth as much as two coats were before; in the second case two coats are only worth as much as one was before, although in both cases one coat performs the same service, and the useful labour contained in it remains of the same quality. One change has taken place, however: a change in the quantity of labour expended to produce the article.

In itself, an increase in the quantity of use-values constitutes an increase in material wealth. Two coats will clothe two men, one coat will only clothe one man, etc. Nevertheless, an increase in the

amount of material wealth may correspond to a simultaneous fall in the magnitude of its value. This contradictory movement arises out of the twofold character of labour. By 'productivity' of course, we always mean the productivity of concrete useful labour; in reality this determines only the degree of effectiveness of productive activity directed towards a given purpose within a given period of time. Useful labour becomes, therefore, a more or less abundant source of products in direct proportion as its productivity rises or falls. As against this, however, variations in productivity have no impact whatever on the labour itself represented in value. As productivity is an attribute of labour in its concrete useful form, it naturally ceases to have any bearing on that labour as soon as we abstract from its concrete useful form. The same labour, therefore, performed for the same length of time, always yields the same amount of value, independently of any variations in productivity. But it provides different quantities of use-values during equal periods of time; more, if productivity rises; fewer, if it falls. For this reason, the same change in productivity which increases the fruitfulness of labour, and therefore the amount of use-values produced by it, also brings about a reduction in the value of this increased total amount, if it cuts down the total amount of labour-time necessary to produce the use-values. The converse also holds.

On the one hand, all labour is an expenditure of human labour-power, in the physiological sense, and it is in this quality of being equal, or abstract, human labour that it forms the value of commodities. On the other hand, all labour is an expenditure of human labour-power in a particular form and with a definite aim, and it is in this quality of being concrete useful labour that it produces use-values.¹⁶

16. In order to prove that 'labour alone is the ultimate and real standard by which the value of all commodities can at all times and places be estimated and compared', Adam Smith* says this: 'Equal quantities of labour, at all times and places, must have the same value for the labourer. In his ordinary state of health, strength and activity; in the ordinary degree of his skill and dexterity, he must always lay down the same portion of his ease, his liberty, and his happiness' (*Wealth of Nations*, Bk I, Ch. 5 [pp. 104-5]). On the one hand, Adam Smith here (but not everywhere) confuses his determination of value by the quantity of labour expended in the production of commodities with the determination of the values of commodities by the value of labour, and therefore endeavours to prove that equal quantities of labour always have the same

* Here, as elsewhere occasionally, Marx quotes an English author in German. This explains certain slight divergences from the original English text.

3. THE VALUE-FORM, OR EXCHANGE-VALUE

Commodities come into the world in the form of use-values or material goods, such as iron, linen, corn, etc. This is their plain, homely, natural form. However, they are only commodities because they have a dual nature, because they are at the same time objects of utility and bearers of value. Therefore they only appear as commodities, or have the form of commodities, in so far as they possess a double form, i.e. natural form and value form.

The objectivity of commodities as values differs from Dame Quickly in the sense that 'a man knows not where to have it'.* Not an atom of matter enters into the objectivity of commodities as values; in this it is the direct opposite of the coarsely sensuous objectivity of commodities as physical objects. We may twist and turn a single commodity as we wish; it remains impossible to grasp it as a thing possessing value. However, let us remember that commodities possess an objective character as values only in so far as they are all expressions of an identical social substance, human labour, that their objective character as values is therefore

value. On the other hand, he has a suspicion that, in so far as labour manifests itself in the value of commodities, it only counts as an expenditure of labour-power; but then again he views this expenditure merely as the sacrifice of rest, freedom and happiness, not as also man's normal life-activity. Of course, he has the modern wage-labourer in mind. Adam Smith's anonymous predecessor, cited in note 9, is much nearer the mark when he says: 'One man has employed himself a week in providing this necessary of life . . . and he that gives him some other in exchange; cannot make a better estimate of what is a proper equivalent, than by computing what cost him just as much labour and time: which in effect is no more than exchanging one man's labour in one thing for a time certain, for another man's labour in another thing for the same time' (*Some Thoughts on the Interest of Money in General etc.*, p. 39). [Note by Engels to the fourth German edition:] The English language has the advantage of possessing two separate words for these two different aspects of labour. Labour which creates use-values and is qualitatively determined is called 'work' as opposed to 'labour'; labour which creates value and is only measured quantitatively is called 'labour', as opposed to 'work'.†

† Unfortunately, English usage does not always correspond to Engels' distinction. We have tried to adopt it where possible.

*Falstaff: Why, she's neither fish nor flesh; a man knows not where to have her.

Dame Quickly: Thou art an unjust man in saying so: thou or any man knows where to have me, thou knave, thou!
(*Henry IV*, Part 1, Act 3, Scene 3.)

purely social. From this it follows self-evidently that it can only appear in the social relation between commodity and commodity. In fact we started from exchange-value, or the exchange relation of commodities, in order to track down the value that lay hidden within it. We must now return to this form of appearance of value.

Everyone knows, if nothing else, that commodities have a common value-form which contrasts in the most striking manner with the motley natural forms of their use-values. I refer to the money-form. Now, however, we have to perform a task never even attempted by bourgeois economics. That is, we have to show the origin of this money-form, we have to trace the development of the expression of value contained in the value-relation of commodities from its simplest, almost imperceptible outline to the dazzling money-form. When this has been done, the mystery of money will immediately disappear.

The simplest value-relation is evidently that of one commodity to another commodity of a different kind (it does not matter which one). Hence the relation between the values of two commodities supplies us with the simplest expression of the value of a single commodity.

(a) The Simple, Isolated, or Accidental Form of Value

x commodity A = y commodity B or: x commodity A is worth y commodity B.

(20 yards of linen = 1 coat, or: 20 yards of linen are worth 1 coat)

(1) *The two poles of the expression of value: the relative form of value and the equivalent form*

The whole mystery of the form of value lies hidden in this simple form. Our real difficulty, therefore, is to analyse it.

Here two different kinds of commodities (in our example the linen and the coat) evidently play two different parts. The linen expresses its value in the coat; the coat serves as the material in which that value is expressed. The first commodity plays an active role, the second a passive one. The value of the first commodity is represented as relative value, in other words the commodity is in the relative form of value. The second commodity fulfils the function of equivalent; in other words it is in the equivalent form.

The relative form of value and the equivalent form are two

inseparable moments, which belong to and mutually condition each other; but, at the same time, they are mutually exclusive or opposed extremes, i.e. poles of the expression of value. They are always divided up between the different commodities brought into relation with each other by that expression. I cannot, for example, express the value of linen in linen. 20 yards of linen = 20 yards of linen is not an expression of value. The equation states rather the contrary: 20 yards of linen are nothing but 20 yards of linen, a definite quantity of linen considered as an object of utility. The value of the linen can therefore only be expressed relatively, i.e. in another commodity. The relative form of the value of the linen therefore presupposes that some other commodity confronts it in the equivalent form. On the other hand, this other commodity, which figures as the equivalent, cannot simultaneously be in the relative form of value. It is not the latter commodity whose value is being expressed. It only provides the material in which the value of the first commodity is expressed.

Of course, the expression 20 yards of linen = 1 coat, or 20 yards of linen are worth 1 coat, also includes its converse: 1 coat = 20 yards of linen, or 1 coat is worth 20 yards of linen. But in this case I must reverse the equation, in order to express the value of the coat relatively; and, if I do that, the linen becomes the equivalent instead of the coat. The same commodity cannot, therefore, simultaneously appear in both forms in the same expression of value. These forms rather exclude each other as polar opposites.

Whether a commodity is in the relative form or in its opposite, the equivalent form, entirely depends on its actual position in the expression of value. That is, it depends on whether it is the commodity whose value is being expressed, or the commodity in which value is being expressed.

(2) *The relative form of value*

(i) *The content of the relative form of value* In order to find out how the simple expression of the value of a commodity lies hidden in the value-relation between two commodities, we must, first of all, consider the value-relation quite independently of its quantitative aspect. The usual mode of procedure is the precise opposite of this: nothing is seen in the value-relation but the proportion in which definite quantities of two sorts of commodity count as equal to each other. It is overlooked that the magnitudes of differ-

ent things only become comparable in quantitative terms when they have been reduced to the same unit. Only as expressions of the same unit do they have a common denominator, and are therefore commensurable magnitudes.¹⁷

Whether 20 yards of linen = 1.coat or = 20 coats or = x coats, i.e. whether a given quantity of linen is worth few or many coats, it is always implied, whatever the proportion, that the linen and the coat, as magnitudes of value, are expressions of the same unit, things of the same nature. Linen = coat is the basis of the equation.

But these two qualitatively equated commodities do not play the same part. It is only the value of the linen that is expressed. And how? By being related to the coat as its 'equivalent', or 'the thing exchangeable' with it. In this relation the coat counts as the form of existence of value, as the material embodiment of value, for only as such is it the same as the linen. On the other hand, the linen's own existence as value comes into view or receives an independent expression, for it is only as value that it can be related to the coat as being equal in value to it, or exchangeable with it. In the same way, butyric acid is a different substance from propyl formate. Yet both are made up of the same chemical substances, carbon (C), hydrogen (H) and oxygen (O). Moreover, these substances are combined together in the same proportions in each case, namely $C_4H_8O_2$. If now butyric acid were to be equated with propyl formate, then, in the first place, propyl formate would count in this relation only as a form of existence of $C_4H_8O_2$; and in the second place, it would thereby be asserted that butyric acid also consists of $C_4H_8O_2$. Thus by equating propyl formate with butyric acid one would be expressing their chemical composition as opposed to their physical formation.

If we say that, as values, commodities are simply congealed quantities of human labour, our analysis reduces them, it is true, to the level of abstract value, but does not give them a form of value distinct from their natural forms. It is otherwise in the value relation of one commodity to another. The first commodity's

17. The few economists, such as S. Bailey, who have concerned themselves with the analysis of the form of value have been unable to arrive at any result, firstly because they confuse the form of value with value itself, and secondly because, under the coarse influence of the practical bourgeois, they give their attention from the outset, and exclusively, to the quantitative aspect of the question. 'The command of quantity . . . constitutes value' (*Money and Its Vicissitudes*, London, 1837, p. 11). Written by S. Bailey.

value character emerges here through its own relation to the second commodity.

By equating, for example, the coat as a thing of value to the linen, we equate the labour embedded in the coat with the labour embedded in the linen. Now it is true that the tailoring which makes the coat is concrete labour of a different sort from the weaving which makes the linen. But the act of equating tailoring with weaving reduces the former in fact to what is really equal in the two kinds of labour, to the characteristic they have in common of being human labour. This is a roundabout way of saying that weaving too, in so far as it weaves value, has nothing to distinguish it from tailoring, and, consequently, is abstract human labour. It is only the expression of equivalence between different sorts of commodities which brings to view the specific character of value-creating labour, by actually reducing the different kinds of labour embedded in the different kinds of commodity to their common quality of being human labour in general.¹⁸

However, it is not enough to express the specific character of the labour which goes to make up the value of the linen. Human labour-power in its fluid state, or human labour, creates value, but is not itself value. It becomes value in its coagulated state, in objective form. The value of the linen as a congealed mass of human labour can be expressed only as an 'objectivity' [*Gegenständlichkeit*], a thing which is materially different from the linen itself and yet common to the linen and all other commodities. The problem is already solved.

When it is in the value-relation with the linen, the coat counts qualitatively as the equal of the linen, it counts as a thing of the same nature, because it is a value. Here it is therefore a thing in

18. One of the first economists, after William Petty,* to have seen through the nature of value, the famous Franklin, says this: 'Trade in general being nothing else but the exchange of labour for labour, the value of all things is . . . most justly measured by labour' (*The Works of B. Franklin etc.*, edited by Sparks, Boston, 1836, Vol. 2, p. 267). Franklin is not aware that in measuring the value of everything 'in labour' he makes abstraction from any difference in the kinds of labour exchanged – and thus reduces them all to equal human labour. Yet he states this without knowing it. He speaks first of 'the one labour', then of 'the other labour', and finally of 'labour', without further qualification, as the substance of the value of everything.

* Sir William Petty (1623–87), English economist and statistician, regarded by Marx as the founder of modern political economy (see below, p. 174, n. 34). 'Petty recognizes labour as the source of material wealth' but misapprehends the source of exchange-value (Karl Marx, op. cit., pp. 52–4).

which value is manifested, or which represents value in its tangible natural form. Yet the coat itself, the physical aspect of the coat-commodity, is purely a use-value. A coat as such no more expresses value than does the first piece of linen we come across. This proves only that, within its value-relation to the linen, the coat signifies more than it does outside it, just as some men count for more when inside a gold-braided uniform than they do otherwise.

In the production of the coat, human labour-power, in the shape of tailoring, has in actual fact been expended. Human labour has therefore been accumulated in the coat. From this point of view, the coat is a 'bearer of value', although this property never shows through, even when the coat is at its most threadbare. In its value-relation with the linen, the coat counts only under this aspect, counts therefore as embodied value, as the body of value. [*Wertkörper*]. Despite its buttoned-up appearance, the linen recognizes in it a splendid kindred soul, the soul of value. Nevertheless, the coat cannot represent value towards the linen unless value, for the latter, simultaneously assumes the form of a coat. An individual, A, for instance, cannot be 'your majesty' to another individual, B, unless majesty in B's eyes assumes the physical shape of A, and, moreover, changes facial features, hair and many other things, with every new 'father of his people'.

Hence, in the value-relation, in which the coat is the equivalent of the linen, the form of the coat counts as the form of value. The value of the commodity linen is therefore expressed by the physical body of the commodity coat, the value of one by the use-value of the other. As a use-value, the linen is something palpably different from the coat; as value, it is identical with the coat, and therefore looks like the coat. Thus the linen acquires a value-form different from its natural form. Its existence as value is manifested in its equality with the coat, just as the sheep-like nature of the Christian is shown in his resemblance to the Lamb of God.

We see, then, that everything our analysis of the value of commodities previously told us is repeated by the linen itself, as soon as it enters into association with another commodity, the coat. Only it reveals its thoughts in a language with which it alone is familiar, the language of commodities. In order to tell us that labour creates its own value in its abstract quality of being human labour, it says that the coat, in so far as it counts as its equal, i.e. as value, consists of the same labour as it does itself. In order to

inform us that its sublime objectivity as a value differs from its stiff and starchy existence as a body, it says that value has the appearance of a coat, and therefore that in so far as the linen itself is an object of value [*Wertding*], it and the coat are as like as two peas. Let us note, incidentally, that the language of commodities also has, apart from Hebrew, plenty of other more or less correct dialects. The German word '*Wertsein*' (to be worth), for instance, brings out less strikingly than the Romance verb '*valere*', '*valer*', '*valoir*' that the equating of commodity B with commodity A is the expression of value proper to commodity A. *Paris vaut bien une messe!**

By means of the value-relation, therefore, the natural form of commodity B becomes the value-form of commodity A, in other words the physical body of commodity B becomes a mirror for the value of commodity A.¹⁹ Commodity A, then, in entering into a relation with commodity B as an object of value [*Wertkörper*], as a materialization of human labour, makes the use-value B into the material through which its own value is expressed. The value of commodity A, thus expressed in the use-value of commodity B, has the form of relative value.

(ii) *The quantitative determinacy of the relative form of value*
Every commodity whose value is to be expressed is a useful object of a given quantity, for instance 15 bushels of corn, or 100 lb. of coffee. A given quantity of any commodity contains a definite quantity of human labour. Therefore the form of value must not only express value in general, but also quantitatively determined value, i.e. the magnitude of value. In the value-relation of commodity A to commodity B, of the linen to the coat, therefore, not only is the commodity-type coat equated with the linen in qualitative terms as an object of value as such, but also a definite quantity of the object of value or equivalent, 1 coat for example, is equated with a definite quantity of linen, such as 20 yards. The equation 20

19. In a certain sense, a man is in the same situation as a commodity. As he neither enters into the world in possession of a mirror, nor as a Fichtean philosopher who can say 'I am I', a man first-sees and recognizes himself in another man. Peter only relates to himself as a man through his relation to another man, Paul, in whom he recognizes his likeness. With this, however, Paul also becomes from head to toe, in his physical form as Paul, the form of appearance of the species man for Peter.

*'Paris is certainly worth a mass.' Henry IV's supposed words on his conversion to Roman Catholicism in 1593.

yards of linen = 1 coat, or 20 yards of linen are worth 1 coat, presupposes the presence in 1 coat of exactly as much of the substance of value as there is in 20 yards of linen, implies therefore that the quantities in which the two commodities are present have cost the same amount of labour or the same quantity of labour-time. But the labour-time necessary for the production of 20 yards of linen or 1 coat varies with every change in the productivity of the weaver or the tailor. The influence of such changes on the relative expression of the magnitude of value must now be investigated more closely.

I. Let the value of the linen change²⁰ while the value of the coat remains constant. If the labour-time necessary for the production of linen be doubled, as a result of the increasing infertility of flax-growing soil for instance, its value will also be doubled. Instead of the equation 20 yards of linen = 1 coat, we should have 20 yards of linen = 2 coats, since 1 coat would now contain only half as much labour-time as 20 yards of linen. If, on the other hand, the necessary labour-time be reduced by one half, as a result of improved looms for instance, the value of the linen will fall by one half. In accordance with this the equation will now read 20 yards of linen = $\frac{1}{2}$ coat. The relative value of commodity A, i.e. its value expressed in commodity B, rises and falls in direct relation to the value of A, if the value of B remains constant.

II. Let the value of the linen remain constant, while the value of the coat changes. If, under these circumstances, the labour-time necessary for the production of a coat is doubled, as a result, for instance, of a poor crop of wool, we should have, instead of 20 yards of linen = 1 coat, 20 yards of linen = $\frac{1}{2}$ coat. If, on the other hand, the value of the coat sinks by one half, then 20 yards of linen = 2 coats. Hence, if the value of commodity A remains constant, its relative value, as expressed in commodity B, rises and falls in inverse relation to the change in the value of B.

If we compare the different cases examined under headings I and II, it emerges that the same change in the magnitude of relative value may arise from entirely opposed causes. Thus the equation 20 yards of linen = 1 coat becomes 20 yards of linen = 2 coats, either because the value of the linen has doubled or because the value of the coat has fallen by one half, and it becomes 20

20. Here, as occasionally also on previous pages, we use the expression 'value' for quantitatively determined values, i.e. for the magnitude of value.

yards of linen = $\frac{1}{2}$ coat, either because the value of the linen has fallen by one half, or because the value of the coat has doubled.

III. Let the quantities of labour necessary for the production of the linen and the coat vary simultaneously in the same direction and the same proportion. In this case, 20 yards of linen = 1 coat, as before, whatever change may have taken place in their respective values. Their change of value is revealed only when they are compared with a third commodity, whose value has remained constant. If the values of all commodities rose or fell simultaneously, and in the same proportion, their relative values would remain unaltered. The change in their real values would be manifested by an increase or decrease in the quantity of commodities produced within the same labour-time.

IV. The labour-time necessary for the production respectively of the linen and the coat, and hence their values, may vary simultaneously in the same direction, but to an unequal degree, or in opposite directions, and so on. The influence of all possible combinations of this kind on the relative value of a commodity can be worked out simply by applying cases I, II and III.

Thus real changes in the magnitude of value are neither unequivocally nor exhaustively reflected in their relative expression, or, in other words, in the magnitude of the relative value. The relative value of a commodity may vary, although its value remains constant. Its relative value may remain constant, although its value varies; and finally, simultaneous variations in the magnitude of its value and in the relative expression of that magnitude do not by any means have to correspond at all points.²¹

21. The vulgar economists* have exploited this lack of congruence between the magnitude of value and its relative expression with their customary ingenuity. For example: 'Once admit that A falls, because B, with which it is exchanged, rises, while no less labour is bestowed in the meantime on A, and your general principle of value falls to the ground . . . If he [Ricardo] allowed that when A rises in value relatively to B, B falls in value relatively to A, he cut away the ground on which he rested his grand proposition, that the value of a commodity is ever determined by the labour embodied in it; for if a change in the cost of A alters not only its own value in relation to B, for which it is exchanged, but also the value of B relatively to that of A, though no change has taken place in the quantity of labour to produce B, then not only the doctrine falls to the ground which asserts that the quantity of labour bestowed on an article regulates its value, but also that which affirms the cost of an article to

*Marx explains his use of the term 'vulgar economists' in Section 4 of this chapter, pp. 174-5, n. 34.

(iii) *The equivalent form* We have seen that a commodity A (the linen), by expressing its value in the use-value of a commodity B of a different kind (the coat), impresses upon the latter a form of value peculiar to it, namely that of the equivalent. The commodity linen brings to view its own existence as a value through the fact that the coat can be equated with the linen although it has not assumed a form of value distinct from its own physical form. The coat is directly exchangeable with the linen; in this way the linen in fact expresses its own existence as a value [*Wertsein*]. The equivalent form of a commodity, accordingly, is the form in which it is directly exchangeable with other commodities.

If one kind of commodity, such as a coat, serves as the equivalent of another, such as linen, and coats therefore acquire the characteristic property of being in a form in which they can be directly exchanged with linen, this still by no means provides us with the proportion in which the two are exchangeable. Since the magnitude of the value of the linen is a given quantity, this proportion depends on the magnitude of the coat's value. Whether the coat is expressed as the equivalent and the linen as relative value, or, inversely, the linen is expressed as equivalent and the coat as relative value, the magnitude of the coat's value is determined, as ever, by the labour-time necessary for its production, independently of its value-form. But as soon as the coat takes up the position of the equivalent in the value expression, the magnitude of its value ceases to be expressed quantitatively. On the contrary, the coat now figures in the value equation merely as a definite quantity of some article.

For instance, 40 yards of linen are 'worth' – what? 2 coats. Because the commodity coat here plays the part of equivalent, because the use-value coat counts as the embodiment of value *vis-à-vis* the linen, a definite number of coats is sufficient to express a definite quantity of value in the linen. Two coats can therefore express the magnitude of value of 40 yards of linen, but they can

regulate its value' (J. Broadhurst, *Political Economy*, London, 1842, pp. 11 and 14).

Mr Broadhurst might just as well say: consider the fractions 10/20, 10/50, 10/100 etc. The number 10 remains unchanged, and yet its proportional magnitude, its magnitude in relation to the numbers 20, 50, 100 continually diminishes. Therefore, the great principle that the magnitude of a whole number, such as 10, is 'regulated' by the number of times the number 1 is contained in it falls to the ground.

never express the magnitude of their own value. Because they had a superficial conception of this fact, i.e. because they considered that in the equation of value the equivalent always has the form of a simple quantity of some article, of a use-value, Bailey and many of his predecessors and followers were misled into seeing the expression of value as merely a quantitative relation;* whereas in fact the equivalent form of a commodity contains no quantitative determinant of value.

The first peculiarity which strikes us when we reflect on the equivalent form is this, that use-value becomes the form of appearance of its opposite, value.

The natural form of the commodity becomes its value-form. But, note well, this substitution only occurs in the case of a commodity B (coat, or maize, or iron, etc.) when some other commodity A (linen etc.) enters into a value-relation with it, and then only within the limits of this relation. Since a commodity cannot be related to itself as equivalent, and therefore cannot make its own physical shape into the expression of its own value, it must be related to another commodity as equivalent, and therefore must make the physical shape of another commodity into its own value-form.

Let us make this clear with the example of a measure which is applied to commodities as material objects, i.e. as use-values. A sugar-loaf, because it is a body, is heavy and therefore possesses weight; but we can neither take a look at this weight nor touch it. We then take various pieces of iron, whose weight has been determined beforehand. The bodily form of the iron, considered for itself, is no more the form of appearance of weight than is the sugar-loaf. Nevertheless, in order to express the sugar-loaf as a weight, we put it into a relation of weight with the iron. In this relation, the iron counts as a body representing nothing but weight. Quantities of iron therefore serve to measure the weight of the sugar, and represent, in relation to the sugar-loaf, weight in its pure form, the form of manifestation of weight. This part is played by the iron only within this relation, i.e. within the relation into which the sugar, or any other body whose weight is to be found, enters with the iron. If both objects lacked weight, they

*"The most superficial form of exchange-value, that is the *quantitative relation* in which commodities exchange with one another, *constitutes*, according to Bailey, their value' (Karl Marx, *Theories of Surplus-Value*, Part III, London, 1972, p. 129).

could not enter into this relation, hence the one could not serve to express the weight of the other. When we throw both of them into the scales, we see in reality that considered as weight they are the same, and therefore that, taken in the appropriate proportions, they have the same weight. Just as the body of the iron, as a measure of weight, represents weight alone, in relation to the sugar-loaf, so, in our expression of value, the body of the coat represents value alone.

Here, however, the analogy ceases. In the expression of the weight of the sugar-loaf, the iron represents a natural property common to both bodies, their weight; but in the expression of value of the linen the coat represents a supra-natural property: their value, which is something purely social.

The relative value-form of a commodity, the linen for example, expresses its value-existence as something wholly different from its substance and properties, as the quality of being comparable with a coat for example; this expression itself therefore indicates that it conceals a social relation. With the equivalent form the reverse is true. The equivalent form consists precisely in this, that the material commodity itself, the coat for instance, expresses value just as it is in its everyday life, and is therefore endowed with the form of value by nature itself. Admittedly, this holds good only within the value-relation, in which the commodity linen is related to the commodity coat as its equivalent.²² However, the properties of a thing do not arise from its relations to other things, they are, on the contrary, merely activated by such relations. The coat, therefore, seems to be endowed with its equivalent form, its property of direct exchangeability, by nature, just as much as its property of being heavy or its ability to keep us warm. Hence the mysteriousness of the equivalent form, which only impinges on the crude bourgeois vision of the political economist when it confronts him in its fully developed shape, that of money. He then seeks to explain away the mystical character of gold and silver by substituting for them less dazzling commodities, and, with ever-renewed satisfaction, reeling off a catalogue of all the

22. Determinations of reflection [*Reflexionsbestimmungen*] of this kind are altogether very curious. For instance, one man is king only because other men stand in the relation of subjects to him. They, on the other hand, imagine that they are subjects because he is king.*

* Cf. Hegel, *Science of Logic*, tr. A. V. Miller, London, 1969, pp. 409–11, where the determinations of reflection are stated to be 'not of a qualitative kind . . . but determinatenesses which are themselves relations'.

inferior commodities which have played the role of the equivalent at one time or another. He does not suspect that even the simplest expression of value, such as 20 yards of linen = 1 coat, already presents the riddle of the equivalent form for us to solve.

The body of the commodity, which serves as the equivalent, always figures as the embodiment of abstract human labour, and is always the product of some specific useful and concrete labour. This concrete labour therefore becomes the expression of abstract human labour. If the coat is merely abstract human labour's realization, the tailoring actually realized in it is merely abstract human labour's form of realization. In the expression of value of the linen, the usefulness of tailoring consists, not in making clothes, and thus also people, but in making a physical object which we at once recognize as value, as a congealed quantity of labour, therefore, which is absolutely indistinguishable from the labour objectified in the value of the linen. In order to act as such a mirror of value, tailoring itself must reflect nothing apart from its own abstract quality of being human labour.

Human labour-power is expended in the form of tailoring as well as in the form of weaving. Both therefore possess the general property of being human labour, and they therefore have to be considered in certain cases, such as the production of value, solely from this point of view. There is nothing mysterious in this. But in the value expression of the commodity the question is stood on its head. In order to express the fact that, for instance, weaving creates the value of linen through its general property of being human labour rather than in its concrete form as weaving, we contrast it with the concrete labour which produces the equivalent of the linen, namely tailoring. Tailoring is now seen as the tangible form of realization of abstract human labour.

The equivalent form therefore possesses a second peculiarity: in it, concrete labour becomes the form of manifestation of its opposite, abstract human labour.

But because this concrete labour, tailoring, counts exclusively as the expression of undifferentiated human labour, it possesses the characteristic of being identical with other kinds of labour, such as the labour embodied in the linen. Consequently, although, like all other commodity-producing labour, it is the labour of private individuals, it is nevertheless labour in its directly social form. It is precisely for this reason that it presents itself to us in the shape of a product which is directly exchangeable with other commodities.

Thus the equivalent form has a third peculiarity: private labour takes the form of its opposite, namely labour in its directly social form.

The two peculiarities of the equivalent form we have just developed will become still clearer if we go back to the great investigator who was the first to analyse the value-form, like so many other forms of thought, society and nature. I mean Aristotle.

In the first place, he states quite clearly that the money-form of the commodity is only a more developed aspect of the simple form of value, i.e. of the expression of the value of a commodity in some other commodity chosen at random, for he says:

$$5 \text{ beds} = 1 \text{ house}$$

(Κλῖναι πέντε ἀντὶ οἰκίας)

is indistinguishable from

$$5 \text{ beds} = \text{a certain amount of money}$$

(Κλῖναι πέντε ἀντὶ . . . ὅσου αἱ πέντε κλῖναι)

He further sees that the value-relation which provides the framework for this expression of value itself requires that the house should be qualitatively equated with the bed, and that these things, being distinct to the senses, could not be compared with each other as commensurable magnitudes if they lacked this essential identity. 'There can be no exchange,' he says, 'without equality, and no equality without commensurability' ('οὐτ' ἰσοτης μὴ οὔσης συμμετρίας'). Here, however, he falters, and abandons the further analysis of the form of value. 'It is, however, in reality, impossible ("τῇ μὲν οὖν ἀληθείᾳ ἀδύνατον") that such unlike things can be commensurable,' i.e. qualitatively equal. This form of equation can only be something foreign to the true nature of the things, it is therefore only 'a makeshift for practical purposes'.*

Aristotle therefore himself tells us what prevented any further analysis: the lack of a concept of value. What is the homogeneous element, i.e. the common substance, which the house represents from the point of view of the bed, in the value expression for the bed? Such a thing, in truth, cannot exist, says Aristotle. But why not? Towards the bed, the house represents something equal, in so far as it represents what is really equal, both in the bed and the house. And that is – human labour.

However, Aristotle himself was unable to extract this fact, that,

*The quotations in this paragraph are from Aristotle, *Nicomachean Ethics*, Bk V, Ch. 5 (Loeb edition, London, 1926, pp. 287–9).

in the form of commodity-values, all labour is expressed as equal human labour and therefore as labour of equal quality, by inspection from the form of value, because Greek society was founded on the labour of slaves, hence had as its natural basis the inequality of men and of their labour-powers. The secret of the expression of value, namely the equality and equivalence of all kinds of labour because and in so far as they are human labour in general, could not be deciphered until the concept of human equality had already acquired the permanence of a fixed popular opinion. This however becomes possible only in a society where the commodity-form is the universal form of the product of labour, hence the dominant social relation is the relation between men as possessors of commodities. Aristotle's genius is displayed precisely by his discovery of a relation of equality in the value-expression of commodities. Only the historical limitation inherent in the society in which he lived prevented him from finding out what 'in reality' this relation of equality consisted of.

(iv) *The simple form of value considered as a whole* A commodity's simple form of value is contained in its value-relation with another commodity of a different kind, i.e. in its exchange relation with the latter. The value of commodity A is qualitatively expressed by the direct exchangeability of commodity B with commodity A. It is quantitatively expressed by the exchangeability of a specific quantity of commodity B with a given quantity of A. In other words, the value of a commodity is independently expressed through its presentation [*Darstellung*] as 'exchange-value'. When, at the beginning of this chapter, we said in the customary manner that a commodity is both a use-value and an exchange-value, this was, strictly speaking, wrong. A commodity is a use-value or object of utility, and a 'value'. It appears as the twofold thing it really is as soon as its value possesses its own particular form of manifestation, which is distinct from its natural form. This form of manifestation is exchange-value, and the commodity never has this form when looked at in isolation, but only when it is in a value-relation or an exchange relation with a second commodity of a different kind. Once we know this, our manner of speaking does no harm; it serves, rather, as an abbreviation.

Our analysis has shown that the form of value, that is, the expression of the value of a commodity, arises from the nature of commodity-value, as opposed to value and its magnitude arising from their mode of expression as exchange-value. This second

view is the delusion both of the Mercantilists (and people like Ferrier, Ganilh, etc.,²³ who have made a modern rehash of Mercantilism) and their antipodes, the modern bagmen of free trade, such as Bastiat and his associates. The Mercantilists place their main emphasis on the qualitative side of the expression of value, hence on the equivalent form of the commodity, which in its finished form is money. The modern pedlars of free trade, on the other hand, who must get rid of their commodities at any price, stress the quantitative side of the relative form of value. For them, accordingly, there exists neither value, nor magnitude of value, anywhere except in its expression by means of the exchange relation, that is, in the daily list of prices current on the Stock Exchange. The Scotsman Macleod,* whose function it is to trick out the confused ideas of Lombard Street in the most learned finery, is a successful cross between the superstitious Mercantilists and the enlightened pedlars of free trade.

A close scrutiny of the expression of the value of commodity A contained in the value-relation of A to B has shown that within that relation the natural form of commodity A figures only as the aspect of use-value, while the natural form of B figures only as the form of value, or aspect of value. The internal opposition between use-value and value, hidden within the commodity, is therefore represented on the surface by an external opposition, i.e. by a relation between two commodities such that the one commodity, *whose own* value is supposed to be expressed, counts directly only as a use-value, whereas the other commodity, *in which* that value is to be expressed, counts directly only as exchange-value. Hence the simple form of value of a commodity is the simple form of appearance of the opposition between use-value and value which is contained within the commodity.

The product of labour is an object of utility in all states of society; but it is only a historically specific epoch of development which presents the labour expended in the production of a useful

23. F. L. A. Ferrier (*sous-inspecteur des douanes*), *Dugouvernement considéré dans ses rapports avec le commerce*, Paris, 1805; and Charles Ganilh, *Des systèmes d'économie politique*, 2nd edn, Paris, 1821.

*H. D. Macleod (1821–1902), opponent of the classical economists, who, Marx says, 'misinterprets the most elementary economic relations to such an extent that he asserts that money in general arises from its most advanced form, that is means of payment' (Karl Marx, *A Contribution to the Critique of Political Economy*, p. 143).

article as an 'objective' property of that article, i.e. as its value. It is only then that the product of labour becomes transformed into a commodity. It therefore follows that the simple form of value of the commodity is at the same time the simple form of value of the product of labour, and also that the development of the commodity-form coincides with the development of the value-form.

We perceive straight away the insufficiency of the simple form of value: it is an embryonic form which must undergo a series of metamorphoses before it can ripen into the price-form.

The expression of the value of commodity A in terms of any other commodity B merely distinguishes the value of A from its use-value, and therefore merely places A in an exchange-relation with any particular single different kind of commodity, instead of representing A's qualitative equality with all other commodities and its quantitative proportionality to them. To the simple relative form of value of a commodity there corresponds the single equivalent form of another commodity. Thus, in the relative expression of value of the linen, the coat only possesses the form of equivalent, the form of direct exchangeability, in relation to this one individual commodity, the linen.

Nevertheless, the simple form of value automatically passes over into a more complete form. Admittedly, this simple form only expresses the value of a commodity A in one commodity of another kind. But what this second commodity is, whether it is a coat, iron, corn, etc., is a matter of complete indifference. Therefore different simple expressions of the value of one and the same commodity arise according to whether that commodity enters into a value-relation with this second commodity or another kind of commodity.²⁴ The number of such possible expressions is limited only by the number of the different kinds of commodities distinct from it. The isolated expression of A's value is thus transformed into the indefinitely expandable series of different simple expressions of that value.

(b) The Total or Expanded Form of Value

z commodity A = u commodity B or = v commodity C or = w commodity D or = x commodity E or = etc.

24. In Homer, for instance (*Iliad*, VII, 472-5), the value of a thing is expressed in a series of different things.

(20 yards of linen = 1 coat or = 10 lb. tea or = 40 lb. coffee or = 1 quarter of corn or = 2 ounces of gold or = $\frac{1}{2}$ ton of iron or = etc.)

(1) *The expanded relative form of value*

The value of a commodity, the linen for example, is now expressed in terms of innumerable other members of the world of commodities. Every other physical commodity now becomes a mirror of the linen's value.²⁵ It is thus that this value first shows itself as being, in reality, a congealed quantity of undifferentiated human labour. For the labour which creates it is now explicitly presented as labour which counts as the equal of every other sort of human labour, whatever natural form it may possess, hence whether it is objectified in a coat, in corn, in iron, or in gold. The linen, by virtue of the form of value, no longer stands in a social relation with merely one other kind of commodity, but with the whole world of commodities as well. As a commodity it is a citizen of that world. At the same time, the endless series of expressions of its value implies that, from the point of view of the value of the commodity, the particular form of use-value in which it appears is a matter of indifference.

In the first form, 20 yards of linen = 1 coat, it might well be a purely accidental occurrence that these two commodities are ex-

25. For this reason we can speak of the coat-value of the linen when its value is expressed in coats, or of its corn-value when expressed in corn, and so on. Every such expression tells us that it is the value of the linen which appears in the use-values coat, corn etc. 'The value of any commodity denoting its relation in exchange, we may speak of it as . . . corn-value, cloth-value, according to the commodity with which it is compared; and hence there are a thousand different kinds of value, as many kinds of value as there are commodities in existence, and all are equally real and equally nominal' (*A Critical Dissertation on the Nature, Measure, and Causes of Value: Chiefly in Reference to the Writings of Mr Ricardo and His Followers. By the Author of Essays on the Formation, etc., of Opinions*, London, 1825, p. 39). S. Bailey, the author of this anonymous work, which in its day created a considerable stir in England, was under the delusion that by pointing to the multiplicity of the relative expressions of the same commodity-value he had obliterated any possibility of a conceptual determination of value. Still, despite the narrowness of his own outlook he was able to put his finger on some serious defects in the Ricardian theory, as is demonstrated by the animosity with which he was attacked by Ricardo's followers, in the *Westminster Review* for example.*

*The *Westminster Review* was founded in 1824 by Bentham and Bowring, as a quarterly journal of orthodox Radicalism. It was Ricardian in economic theory.

changeable in a specific quantitative relation. In the second form, on the contrary, the background to this accidental appearance, essentially different from it, and determining it, immediately shines through. The value of the linen remains unaltered in magnitude, whether expressed in coats, coffee, or iron, or in innumerable different commodities, belonging to as many different owners. The accidental relation between two individual commodity-owners disappears. It becomes plain that it is not the exchange of commodities which regulates the magnitude of their values, but rather the reverse, the magnitude of the value of commodities which regulates the proportion in which they exchange.

(2) The particular equivalent form

Each commodity, such as coat, tea, iron, etc., figures in the expression of value of the linen as an equivalent, hence as a physical object possessing value. The specific natural form of each of these commodities is now a particular equivalent form alongside many others. In the same way, the many specific, concrete, and useful kinds of labour contained in the physical commodities now count as the same number of particular forms of realization or manifestation of human labour in general.

(3) Defects of the total or expanded form of value

Firstly, the relative expression of value of the commodity is incomplete, because the series of its representations never comes to an end. The chain, of which each equation of value is a link, is liable at any moment to be lengthened by a newly created commodity, which will provide the material for a fresh expression of value. Secondly, it is a motley mosaic of disparate and unconnected expressions of value. And lastly, if, as must be the case, the relative value of each commodity is expressed in this expanded form, it follows that the relative form of value of each commodity is an endless series of expressions of value which are all different from the relative form of value of every other commodity. The defects of the expanded relative form of value are reflected in the corresponding equivalent form. Since the natural form of each particular kind of commodity is one particular equivalent form amongst innumerable other equivalent forms, the only equivalent forms which exist are limited ones, and each of them excludes all

the others. Similarly, the specific, concrete, useful kind of labour contained in each particular commodity-equivalent is only a particular kind of labour and therefore not an exhaustive form of appearance of human labour in general. It is true that the completed or total form of appearance of human labour is constituted by the totality of its particular forms of appearance. But in that case it has no single, unified form of appearance.

The expanded relative form of value is, however, nothing but the sum of the simple relative expressions or equations of the first form, such as:

$$20 \text{ yards of linen} = 1 \text{ coat}$$

$$20 \text{ yards of linen} = 10 \text{ lb. of tea, etc.}$$

However, each of these equations implies the identical equation in reverse:

$$1 \text{ coat} = 20 \text{ yards of linen}$$

$$10 \text{ lb. of tea} = 20 \text{ yards of linen, etc.}$$

In fact, when a person exchanges his linen for many other commodities, and thus expresses its value in a series of other commodities, it necessarily follows that the other owners of commodities exchange them for the linen, and therefore express the values of their various commodities in one and the same third commodity, the linen. If, then, we reverse the series 20 yards of linen = 1 coat, or = 10 lb. of tea, etc., i.e. if we give expression to the converse relation already implied in the series, we get:

(c) The General Form of Value

$$\left. \begin{array}{l} 1 \text{ coat} \\ 10 \text{ lb. of tea} \\ 40 \text{ lb. of coffee} \\ 1 \text{ quarter of corn} \\ 2 \text{ ounces of gold} \\ \frac{1}{2} \text{ ton of iron} \\ x \text{ commodity A etc.} \end{array} \right\} = 20 \text{ yards of linen}$$

(1) *The changed character of the form of value*

The commodities now present their values to us, (1) in a simple form, because in a single commodity; (2) in a unified form, because in the same commodity each time. Their form of value is simple and common to all, hence general.

The two previous forms (let us call them A and B) only amounted to the expression of the value of a commodity as something distinct from its own use-value or its physical shape as a commodity.

The first form, A, produced equations like this: 1 coat = 20 yards of linen, 10 lb. of tea = $\frac{1}{2}$ ton of iron. The value of the coat is expressed as comparable with linen,* that of the tea as comparable with iron. But to be comparable with linen and with iron, these expressions of the value of coat and tea, is to be as different as linen is from iron. This form, it is plain, appears in practice only in the early stages, when the products of labour are converted into commodities by accidental occasional exchanges.

The second form, B, distinguishes the value of a commodity from its own use-value more adequately than the first, for the value of the coat now stands in contrast with its natural form in all possible shapes, in the sense that it is equated with linen, iron, tea, in short with everything but itself. On the other hand any expression of value common to all commodities is directly excluded; for, in the expression of value of each commodity, all other commodities now appear only in the form of equivalents. The expanded form of value comes into actual existence for the first time when a particular product of labour, such as cattle, is no longer exceptionally, but habitually, exchanged for various other commodities.

The new form we have just obtained expresses the values of the world of commodities through one single kind of commodity set apart from the rest, through the linen for example, and thus represents the values of all commodities by means of their equality with linen. Through its equation with linen, the value of every commodity is now not only differentiated from its own use-value, but from all use-values, and is, by that very fact, expressed as that which is common to all commodities. By this form, commodities are, for the first time, really brought into relation with each other as values, or permitted to appear to each other as exchange-values.

The two earlier forms express the value of each commodity either in terms of a single commodity of a different kind, or in a series of many commodities which differ from the first one. In both cases it is the private task, so to speak, of the individual

*'Comparable with linen' is the expression we have chosen to render *Leinwandgleiches*, 'comparable with iron' renders *Eisengleiches*, and so on. These circumlocutions are unavoidable here.

commodity to give itself a form of value, and it accomplishes this task without the aid of the others, which play towards it the merely passive role of equivalent. The general form of value, on the other hand, can only arise as the joint contribution of the whole world of commodities. A commodity only acquires a general expression of its value if, at the same time, all other commodities express their values in the same equivalent; and every newly emergent commodity must follow suit. It thus becomes evident that because the objectivity of commodities as values is the purely 'social existence' of these things, it can only be expressed through the whole range of their social relations; consequently the form of their value must possess social validity.

In this form, when they are all counted as comparable with the linen, all commodities appear not only as qualitatively equal, as values in general, but also as values of quantitatively comparable magnitude. Because the magnitudes of their values are expressed in one and the same material, the linen, these magnitudes are now reflected in each other. For instance, 10 lb. of tea = 20 yards of linen, and 40 lb. of coffee = 20 yards of linen. Therefore 10 lb. of tea = 40 lb. of coffee. In other words, 1 lb. of coffee contains only a quarter as much of the substance of value, that is, labour, as 1 lb. of tea.

The general relative form of value imposes the character of universal equivalent on the linen, which is the commodity excluded, as equivalent, from the whole world of commodities. Its own natural form is the form assumed in common by the values of all commodities; it is therefore directly exchangeable with all other commodities. The physical form of the linen counts as the visible incarnation, the social chrysalis state, of all human labour. Weaving, the private labour which produces linen, acquires as a result a general social form, the form of equality with all other kinds of labour. The innumerable equations of which the general form of value is composed equate the labour realized in the linen with the labour contained in every other commodity in turn, and they thus convert weaving into the general form of appearance of undifferentiated human labour. In this manner the labour objectified in the values of commodities is not just presented negatively, as labour in which abstraction is made from all the concrete forms and useful properties of actual work. Its own positive nature is explicitly brought out, namely the fact that it is the reduction of all kinds of actual labour to their common character

of being human labour in general, of being the expenditure of human labour-power.

The general value-form, in which all the products of labour are presented as mere congealed quantities of undifferentiated human labour, shows by its very structure that it is the social expression of the world of commodities. In this way it is made plain that within this world the general human character of labour forms its specific social character.

(2) *The development of the relative and equivalent forms of value: their interdependence*

The degree of development of the relative form of value, and that of the equivalent form, correspond. But we must bear in mind that the development of the equivalent form is only the expression and the result of the development of the relative form.

The simple or isolated relative form of value of one commodity converts some other commodity into an isolated equivalent. The expanded form of relative value, that expression of the value of one commodity in terms of all other commodities, imprints those other commodities with the form of particular equivalents of different kinds. Finally, a particular kind of commodity acquires the form of universal equivalent, because all other commodities make it the material embodiment of their uniform and universal form of value.

But the antagonism between the relative form of value and the equivalent form, the two poles of the value-form, also develops concomitantly with the development of the value-form itself.

The first form, 20 yards of linen = 1 coat, already contains this antagonism, without as yet fixing it. According to whether we read the same equation forwards or backwards, each of the two commodity poles, such as the linen and the coat, is to be found in the relative form on one occasion, and in the equivalent form on the other occasion. Here it is still difficult to keep hold of the polar antagonism.

In form B, only one commodity at a time can completely expand its relative value, and it only possesses this expanded relative form of value because, and in so far as, all other commodities are, with respect to it, equivalents. Here we can no longer reverse the equation 20 yards of linen = 1 coat without altering its whole character, and converting it from the expanded form into the general form of value.

Finally, the last form, C, gives to the world of commodities a general social relative form of value, because, and in so far as, all commodities except one are thereby excluded from the equivalent form. A single commodity, the linen, therefore has the form of direct exchangeability with all other commodities, in other words it has a directly social form because, and in so far as, no other commodity is in this situation.²⁶

The commodity that figures as universal equivalent is on the other hand excluded from the uniform and therefore universal relative form of value. If the linen, or any other commodity serving as universal equivalent, were, at the same time, to share in the relative form of value, it would have to serve as its own equivalent. We should then have: 20 yards of linen = 20 yards of linen, a tautology in which neither the value nor its magnitude is expressed. In order to express the relative value of the universal equivalent, we must rather reverse the form C. This equivalent has no relative form of value in common with other commodities; its value is, rather, expressed relatively in the infinite series of all other physical commodities. Thus the expanded relative form of value, or form B, now appears as the specific relative form of value of the equivalent commodity.

26. It is by no means self-evident that the form of direct and universal exchangeability is an antagonistic form, as inseparable from its opposite, the form of non-direct exchangeability, as the positivity of one pole of a magnet is from the negativity of the other pole. This has allowed the illusion to arise that all commodities can simultaneously be imprinted with the stamp of direct exchangeability, in the same way that it might be imagined that all Catholics can be popes. It is, of course, highly desirable in the eyes of the petty bourgeois, who views the production of commodities as the absolute summit of human freedom and individual independence, that the inconveniences resulting from the impossibility of exchanging commodities directly, which are inherent in this form, should be removed. This philistine utopia is depicted in the socialism of Proudhon, which, as I have shown elsewhere,* does not even possess the merit of originality, but was in fact developed far more successfully long before Proudhon by Gray, Bray and others. Even so, wisdom of this kind is still rife in certain circles under the name of 'science'. No school of thought has thrown around the word 'science' more haphazardly than that of Proudhon, for 'wo Begriffe fehlen, da stellt zur rechten Zeit ein Wort sich ein'.†

* In Chapter 1 of Marx's 1847 polemic against Proudhon, *The Poverty of Philosophy*.

† 'Where thoughts are absent, words are brought in as convenient replacements.' A slightly altered quotation from Goethe, *Faust*, Part I, Scene 4, Faust's Study, lines 1995-6.

(3) *The transition from the general form of value to the money form*

The universal equivalent form is a form of value in general. It can therefore be assumed by any commodity. On the other hand, a commodity is only to be found in the universal equivalent form (form C) if, and in so far as, it is excluded from the ranks of all other commodities, as being their equivalent. Only when this exclusion becomes finally restricted to a specific kind of commodity does the uniform relative form of value of the world of commodities attain objective fixedness and general social validity.

The specific kind of commodity with whose natural form the equivalent form is socially interwoven now becomes the money commodity, or serves as money. It becomes its specific social function, and consequently its social monopoly, to play the part of universal equivalent within the world of commodities. Among the commodities which in form B figure as particular equivalents of the linen, and in form C express in common their relative values in linen, there is one in particular which has historically conquered this advantageous position: gold. If, then, in form C, we replace the linen by gold, we get:

(d) *The Money Form*

$$\left. \begin{array}{l} 20 \text{ yards of linen} \\ 1 \text{ coat} \\ 10 \text{ lb. of tea} \\ 40 \text{ lb. of coffee} \\ 1 \text{ quarter of corn} \\ \frac{1}{2} \text{ ton of iron} \\ x \text{ commodity A} \end{array} \right\} = 2 \text{ ounces of gold}$$

Fundamental changes have taken place in the course of the transition from form A to form B, and from form B to form C. As against this, form D differs not at all from form C, except that now instead of linen gold has assumed the universal equivalent form. Gold is in form D what linen was in form C: the universal equivalent. The advance consists only in that the form of direct and universal exchangeability, in other words the universal equivalent form, has now by social custom finally become entwined with the specific natural form of the commodity gold.

Gold confronts the other commodities as money only because it previously confronted them as a commodity. Like all other

commodities it also functioned as an equivalent, either as a single equivalent in isolated exchanges or as a particular equivalent alongside other commodity-equivalents. Gradually it began to serve as universal equivalent in narrower or wider fields. As soon as it had won a monopoly of this position in the expression of value for the world of commodities, it became the money commodity, and only then, when it had already become the money commodity, did form D become distinct from form C, and the general form of value come to be transformed into the money form.

The simple expression of the relative value of a single commodity, such as linen, in a commodity which is already functioning as the money commodity, such as gold, is the price form. The 'price form' of the linen is therefore: 20 yards of linen = 2 ounces of gold, or, if 2 ounces of gold when coined are £2, 20 yards of linen = £2.

The only difficulty in the concept of the money form is that of grasping the universal equivalent form, and hence the general form of value as such, form C. Form C can be reduced by working backwards to form B, the expanded form of value, and its constitutive element is form A: 20 yards of linen = 1 coat or x commodity A = y commodity B. The simple commodity form is therefore the germ of the money-form.

4. THE FETISHISM OF THE COMMODITY AND ITS SECRET

A commodity appears at first sight an extremely obvious, trivial thing. But its analysis brings out that it is a very strange thing, abounding in metaphysical subtleties and theological niceties. So far as it is a use-value, there is nothing mysterious about it, whether we consider it from the point of view that by its properties it satisfies human needs, or that it first takes on these properties as the product of human labour. It is absolutely clear that, by his activity, man changes the forms of the materials of nature in such a way as to make them useful to him. The form of wood, for instance, is altered if a table is made out of it. Nevertheless the table continues to be wood, an ordinary, sensuous thing. But as soon as it emerges as a commodity, it changes into a thing which transcends sensuousness. It not only stands with its feet on the ground, but, in relation to all other commodities, it stands on its head, and evolves out of its wooden brain grotesque ideas,

far more wonderful than if it were to begin dancing of its own free will.²⁷

The mystical character of the commodity does not therefore arise from its use-value. Just as little does it proceed from the nature of the determinants of value. For in the first place, however varied the useful kinds of labour, or productive activities, it is a physiological fact that they are functions of the human organism, and that each such function, whatever may be its nature or its form, is essentially the expenditure of human brain, nerves, muscles and sense organs. Secondly, with regard to the foundation of the quantitative determination of value, namely the duration of that expenditure or the quantity of labour, this is quite palpably different from its quality. In all situations, the labour-time it costs to produce the means of subsistence must necessarily concern mankind, although not to the same degree at different stages of development.²⁸ And finally, as soon as men start to work for each other in any way, their labour also assumes a social form.

Whence, then, arises the enigmatic character of the product of labour, as soon as it assumes the form of a commodity? Clearly, it arises from this form itself. The equality of the kinds of human labour takes on a physical form in the equal objectivity of the products of labour as values; the measure of the expenditure of human labour-power by its duration takes on the form of the magnitude of the value of the products of labour; and finally the relationships between the producers, within which the social characteristics of their labours are manifested, take on the form of a social relation between the products of labour.

The mysterious character of the commodity-form consists therefore simply in the fact that the commodity reflects the social characteristics of men's own labour as objective characteristics of

27. One may recall that China and the tables began to dance when the rest of the world appeared to be standing still – *pour encourager les autres*.*

28. Among the ancient Germans the size of a piece of land was measured according to the labour of a day; hence the acre was called *Tagwerk*, *Tagwanne* (jurnale, or *terrajurnalis*, or *diornalis*), *Mannwerk*, *Mannskraft*, *Mannsmad*, *Mannshauet*, etc. See Georg Ludwig von Maurer, *Einleitung zur Geschichte der Mark-, Hof-, usw. Verfassung*, Munich, 1854, p. 129 ff.

* 'To encourage the others'. A reference to the simultaneous emergence in the 1850s of the Taiping revolt in China and the craze for spiritualism which swept over upper-class German society. The rest of the world was 'standing still' in the period of reaction immediately after the defeat of the 1848 Revolutions.

the products of labour themselves, as the socio-natural properties of these things. Hence it also reflects the social relation of the producers to the sum total of labour as a social relation between objects, a relation which exists apart from and outside the producers. Through this substitution, the products of labour become commodities, sensuous things which are at the same time supra-sensible or social. In the same way, the impression made by a thing on the optic nerve is perceived not as a subjective excitation of that nerve but as the objective form of a thing outside the eye. In the act of seeing, of course, light is really transmitted from one thing, the external object, to another thing, the eye. It is a physical relation between physical things. As against this, the commodity-form, and the value-relation of the products of labour within which it appears, have absolutely no connection with the physical nature of the commodity and the material [*dinglich*] relations arising out of this. It is nothing but the definite social relation between men themselves which assumes here, for them, the fantastic form of a relation between things. In order, therefore, to find an analogy we must take flight into the misty realm of religion. There the products of the human brain appear as autonomous figures endowed with a life of their own, which enter into relations both with each other and with the human race. So it is in the world of commodities with the products of men's hands. I call this the fetishism which attaches itself to the products of labour as soon as they are produced as commodities, and is therefore inseparable from the production of commodities.

As the foregoing analysis has already demonstrated, this fetishism of the world of commodities arises from the peculiar social character of the labour which produces them.

Objects of utility become commodities only because they are the products of the labour of private individuals who work independently of each other. The sum total of the labour of all these private individuals forms the aggregate labour of society. Since the producers do not come into social contact until they exchange the products of their labour, the specific social characteristics of their private labours appear only within this exchange. In other words, the labour of the private individual manifests itself as an element of the total labour of society only through the relations which the act of exchange establishes between the products, and, through their mediation, between the producers. To

the producers, therefore, the social relations between their private labours appear as what they are, i.e. they do not appear as direct social relations between persons in their work, but rather as material [*dinglich*] relations between persons and social relations between things.

It is only by being exchanged that the products of labour acquire a socially uniform objectivity as values, which is distinct from their sensuously varied objectivity as articles of utility. This division of the product of labour into a useful thing and a thing possessing value appears in practice only when exchange has already acquired a sufficient extension and importance to allow useful things to be produced for the purpose of being exchanged, so that their character as values has already to be taken into consideration during production. From this moment on, the labour of the individual producer acquires a twofold social character. On the one hand, it must, as a definite useful kind of labour, satisfy a definite social need, and thus maintain its position as an element of the total labour, as a branch of the social division of labour, which originally sprang up spontaneously. On the other hand, it can satisfy the manifold needs of the individual producer himself only in so far as every particular kind of useful private labour can be exchanged with, i.e. counts as the equal of, every other kind of useful private labour. Equality in the full sense between different kinds of labour can be arrived at only if we abstract from their real inequality, if we reduce them to the characteristic they have in common, that of being the expenditure of human labour-power, of human labour in the abstract. The private producer's brain reflects this twofold social character of his labour only in the forms which appear in practical intercourse, in the exchange of products. Hence the socially useful character of his private labour is reflected in the form that the product of labour has to be useful to others, and the social character of the equality of the various kinds of labour is reflected in the form of the common character, as values, possessed by these materially different things, the products of labour.

Men do not therefore bring the products of their labour into relation with each other as values because they see these objects merely as the material integuments of homogeneous human labour. The reverse is true: by equating their different products to each other in exchange as values, they equate their different kinds of labour as human labour. They do this without being

aware of it.²⁹ Value, therefore, does not have its description branded on its forehead; it rather transforms every product of labour into a social hieroglyphic. Later on, men try to decipher the hieroglyphic, to get behind the secret of their own social product: for the characteristic which objects of utility have of being values is as much men's social product as is their language. The belated scientific discovery that the products of labour, in so far as they are values, are merely the material expressions of the human labour expended to produce them, marks an epoch in the history of mankind's development, but by no means banishes the semblance of objectivity possessed by the social characteristics of labour. Something which is only valid for this particular form of production, the production of commodities, namely the fact that the specific social character of private labours carried on independently of each other consists in their equality as human labour, and, in the product, assumes the form of the existence of value, appears to those caught up in the relations of commodity production (and this is true both before and after the above-mentioned scientific discovery) to be just as ultimately valid as the fact that the scientific dissection of the air into its component parts left the atmosphere itself unaltered in its physical configuration.

What initially concerns producers in practice when they make an exchange is how much of some other product they get for their own; in what proportions can the products be exchanged? As soon as these proportions have attained a certain customary stability, they appear to result from the nature of the products, so that, for instance, one ton of iron and two ounces of gold appear to be equal in value, in the same way as a pound of gold and a pound of iron are equal in weight, despite their different physical and chemical properties. The value character of the products of labour becomes firmly established only when they act as magnitudes of value. These magnitudes vary continually, independently of the will, foreknowledge and actions of the exchangers. Their own movement within society has for them the form of a movement made by things, and these things, far from being under

29. Therefore, when Galiani said: Value is a relation between persons (*'La Ricchezza è una ragione tra due persone'*) he ought to have added: a relation concealed beneath a material shell. (Galiani, *Della Moneta*, p. 221, Vol. 3 of Custodi's collection entitled *Scrittori classici italiani di economia politica, Parte moderna*, Milan, 1803.)

their control, in fact control them. The production of commodities must be fully developed before the scientific conviction emerges, from experience itself, that all the different kinds of private labour (which are carried on independently of each other, and yet, as spontaneously developed branches of the social division of labour, are in a situation of all-round dependence on each other) are continually being reduced to the quantitative proportions in which society requires them. The reason for this reduction is that in the midst of the accidental and ever-fluctuating exchange relations between the products, the labour-time socially necessary to produce them asserts itself as a regulative law of nature. In the same way, the law of gravity asserts itself when a person's house collapses on top of him.³⁰ The determination of the magnitude of value by labour-time is therefore a secret hidden under the apparent movements in the relative values of commodities. Its discovery destroys the semblance of the merely accidental determination of the magnitude of the value of the products of labour, but by no means abolishes that determination's material form.

Reflection on the forms of human life, hence also scientific analysis of those forms, takes a course directly opposite to their real development. Reflection begins *post festum*,* and therefore with the results of the process of development ready to hand. The forms which stamp products as commodities and which are therefore the preliminary requirements for the circulation of commodities, already possess the fixed quality of natural forms of social life before man seeks to give an account, not of their historical character, for in his eyes they are immutable, but of their content and meaning. Consequently, it was solely the analysis of the prices of commodities which led to the determination of the magnitude of value, and solely the common expression of all commodities in money which led to the establishment of their character as values. It is however precisely this finished form of the world of commodities – the money form – which conceals the social character of private labour and the social relations between the individual

30. 'What are we to think of a law which can only assert itself through periodic crises? It is just a natural law which depends on the lack of awareness of the people who undergo it' (Friedrich Engels, *Umriss zu einer Kritik der Nationalökonomie*, in the *Deutsch-Französische Jahrbücher*, edited by Arnold Ruge and Karl Marx, Paris, 1844) [English translation in Marx/Engels' *Collected Works*, Vol. 3, London, 1975, p. 433].

* 'After the feast', i.e. after the events reflected on have taken place.

workers, by making those relations appear as relations between material objects, instead of revealing them plainly. If I state that coats or boots stand in a relation to linen because the latter is the universal incarnation of abstract human labour, the absurdity of the statement is self-evident. Nevertheless, when the producers of coats and boots bring these commodities into a relation with linen, or with gold or silver (and this makes no difference here), as the universal equivalent, the relation between their own private labour and the collective labour of society appears to them in exactly this absurd form.

The categories of bourgeois economics consist precisely of forms of this kind. They are forms of thought which are socially valid, and therefore objective, for the relations of production belonging to this historically determined mode of social production, i.e. commodity production. The whole mystery of commodities, all the magic and necromancy that surrounds the products of labour on the basis of commodity production, vanishes therefore as soon as we come to other forms of production.

As political economists are fond of Robinson Crusoe stories,³¹ let us first look at Robinson on his island. Undemanding though he is by nature, he still has needs to satisfy, and must therefore perform useful labours of various kinds: he must make tools, knock together furniture, tame llamas, fish, hunt and so on. Of his prayers and the like, we take no account here, since our friend takes pleasure in them and sees them as recreation. Despite the diversity of his productive functions, he knows that they are only different forms of activity of one and the same Robinson, hence only different modes of human labour. Necessity itself compels him to divide his time with precision between his different func-

31. Even Ricardo has his Robinson Crusoe stories. 'Ricardo makes his primitive fisherman and primitive hunter into owners of commodities who immediately exchange their fish and game in proportion to the labour-time which is materialized in these exchange-values. On this occasion he slips into the anachronism of allowing the primitive fisherman and hunter to calculate the value of their implements in accordance with the annuity tables used on the London Stock Exchange in 1817. Apart from bourgeois society, the "parallelograms of Mr Owen" seem to have been the only form of society Ricardo was acquainted with' * (Karl Marx, *Zur Kritik etc.*, pp. 38-9) [English translation, p. 60].

*The 'parallelograms' were the utopian socialist Robert Owen's suggestion for the most appropriate layout for a workers' settlement, made in *A New View of Society* (1813) and immediately seized on by his critics. Ricardo's reference to them is from his *On Protection of Agriculture*, London, 1822, p. 21.

tions. Whether one function occupies a greater space in his total activity than another depends on the magnitude of the difficulties to be overcome in attaining the useful effect aimed at. Our friend Robinson Crusoe learns this by experience, and having saved a watch, ledger, ink and pen from the shipwreck, he soon begins, like a good Englishman, to keep a set of books. His stock-book contains a catalogue of the useful objects he possesses, of the various operations necessary for their production, and finally of the labour-time that specific quantities of these products have on average cost him. All the relations between Robinson and these objects that form his self-created wealth are here so simple and transparent that even Mr Sedley Taylor* could understand them. And yet those relations contain all the essential determinants of value.

Let us now transport ourselves from Robinson's island, bathed in light, to medieval Europe, shrouded in darkness. Here, instead of the independent man, we find everyone dependent – serfs and lords, vassals and suzerains, laymen and clerics. Personal dependence characterizes the social relations of material production as much as it does the other spheres of life based on that production. But precisely because relations of personal dependence form the given social foundation, there is no need for labour and its products to assume a fantastic form different from their reality. They take the shape, in the transactions of society, of services in kind and payments in kind. The natural form of labour, its particularity – and not, as in a society based on commodity production, its universality – is here its immediate social form. The *corvée* can be measured by time just as well as the labour which produces commodities, but every serf knows that what he expends in the service of his lord is a specific quantity of his own personal labour-power. The tithe owed to the priest is more clearly apparent than his blessing. Whatever we may think, then, of the different roles in which men confront each other in such a society, the social relations between individuals in the performance of their labour appear at all events as their own personal relations, and are not disguised as social relations between things, between the products of labour.

*The original German has here 'Herr M. Wirth', chosen by Marx as a run-of-the-mill vulgar economist and propagandist familiar to German readers. Engels introduced 'Mr Sedley Taylor', a Cambridge don against whom he polemicized in his preface to the fourth German edition (see above, p. 117).

For an example of labour in common, i.e. directly associated labour, we do not need to go back to the spontaneously developed form which we find at the threshold of the history of all civilized peoples.³² We have one nearer to hand in the patriarchal rural industry of a peasant family which produces corn, cattle, yarn, linen and clothing for its own use. These things confront the family as so many products of its collective labour, but they do not confront each other as commodities. The different kinds of labour which create these products – such as tilling the fields, tending the cattle, spinning, weaving and making clothes – are already in their natural form social functions; for they are functions of the family, which, just as much as a society based on commodity production, possesses its own spontaneously developed division of labour. The distribution of labour within the family and the labour-time expended by the individual members of the family, are regulated by differences of sex and age as well as by seasonal variations in the natural conditions of labour. The fact that the expenditure of the individual labour-powers is measured by duration appears here, by its very nature, as a social characteristic of labour itself, because the individual labour-powers, by their very nature, act only as instruments of the joint labour-power of the family.

Let us finally imagine, for a change, an association of free men, working with the means of production held in common, and expending their many different forms of labour-power in full self-awareness as one single social labour force. All the characteristics of Robinson's labour are repeated here, but with the difference that they are social instead of individual. All Robinson's products were exclusively the result of his own personal labour and they were therefore directly objects of utility for him personally. The total product of our imagined association is a social product. One part of this product serves as fresh means of production and re-

32. 'A ridiculous notion has spread abroad recently that communal property in its natural, spontaneous form is specifically Slav, indeed exclusively Russian. In fact, it is the primitive form that we can prove to have existed among Romans, Teutons and Celts, and which indeed still exists to this day in India, in a whole range of diverse patterns, albeit sometimes only as remnants. A more exact study of the Asiatic, and specifically of the Indian form of communal property would indicate the way in which different forms of spontaneous, primitive communal property give rise to different forms of its dissolution. Thus the different original types of Roman and Germanic private property can be deduced from the different forms of Indian communal property' (Karl Marx, *Zur Kritik, etc.*, p. 10) [English translation, p. 33].

mains social. But another part is consumed by the members of the association as means of subsistence. This part must therefore be divided amongst them. The way this division is made will vary with the particular kind of social organization of production and the corresponding level of social development attained by the producers. We shall assume, but only for the sake of a parallel with the production of commodities, that the share of each individual producer in the means of subsistence is determined by his labour-time. Labour-time would in that case play a double part. Its apportionment in accordance with a definite social plan maintains the correct proportion between the different functions of labour and the various needs of the associations. On the other hand, labour-time also serves as a measure of the part taken by each individual in the common labour, and of his share in the part of the total product destined for individual consumption. The social relations of the individual producers, both towards their labour and the products of their labour, are here transparent in their simplicity, in production as well as in distribution.

For a society of commodity producers, whose general social relation of production consists in the fact that they treat their products as commodities, hence as values, and in this material [*sachlich*] form bring their individual, private labours into relation with each other as homogeneous human labour, Christianity with its religious cult of man in the abstract, more particularly in its bourgeois development, i.e. in Protestantism, Deism, etc., is the most fitting form of religion. In the ancient Asiatic, Classical-antique, and other such modes of production, the transformation of the product into a commodity, and therefore men's existence as producers of commodities, plays a subordinate role, which however increases in importance as these communities approach nearer and nearer to the stage of their dissolution. Trading nations, properly so called, exist only in the interstices of the ancient world, like the gods of Epicurus in the *intermundia*,* or Jews in the pores of Polish society. Those ancient social organisms of production are much more simple and transparent than those of bourgeois society.

* According to the Greek philosopher Epicurus (c. 341–c. 270 B.C.), the gods existed only in the *intermundia*, or spaces between different worlds, and had no influence on the course of human affairs. Very few of the writings of Epicurus have been preserved in the original Greek, and this particular idea survived only by being included in Cicero, *De natura deorum*, Book I, Section 18.

But they are founded either on the immaturity of man as an individual, when he has not yet torn himself loose from the umbilical cord of his natural species-connection with other men, or on direct relations of dominance and servitude. They are conditioned by a low stage of development of the productive powers of labour and correspondingly limited relations between men within the process of creating and reproducing their material life, hence also limited relations between man and nature. These real limitations are reflected in the ancient worship of nature, and in other elements of tribal religions. The religious reflections of the real world can, in any case, vanish only when the practical relations of everyday life between man and man, and man and nature, generally present themselves to him in a transparent and rational form. The veil is not removed from the countenance of the social life-process, i.e. the process of material production, until it becomes production by freely associated men, and stands under their conscious and planned control. This, however, requires that society possess a material foundation, or a series of material conditions of existence, which in their turn are the natural and spontaneous product of a long and tormented historical development.

Political economy has indeed analysed value and its magnitude, however incompletely,³³ and has uncovered the content concealed

33. The insufficiency of Ricardo's analysis of the magnitude of value – and his analysis is by far the best – will appear from the third and fourth books of this work.* As regards value in general, classical political economy in fact nowhere distinguishes explicitly and with a clear awareness between labour as it appears in the value of a product, and the same labour as it appears in the product's use-value. Of course the distinction is made in practice, since labour is treated sometimes from its quantitative aspect, and at other times qualitatively. But it does not occur to the economists that a purely quantitative distinction between the kinds of labour presupposes their qualitative unity or equality, and therefore their reduction to abstract human labour. For instance, Ricardo declares that he agrees with Destutt de Tracy when the latter says: 'As it is certain that our physical and moral faculties are alone our original riches, the employment of those faculties, labour of some kind, is our original treasure, and it is always from this employment that all those things are created which we call riches . . . It is certain too, that all those things only represent the labour which has created them, and if they have a value, or even two distinct values, they can only derive them from that' (the value) 'of the labour from which they emanate' (Ricardo, *The Principles of Political Economy*, 3rd edn, London, 1821, p. 334).† We would here only point out that

* These are the books that appeared, respectively, as Volume 3 of *Capital*, and *Theories of Surplus-Value* (3 volumes).

† Destutt de Tracy, *Éléments d'idéologie*, Parts 4 and 5, Paris, 1826, pp. 35–6.

within these forms. But it has never once asked the question why this content has assumed that particular form, that is to say, why labour is expressed in value, and why the measurement of labour by its duration is expressed in the magnitude of the value of the product.³⁴ These formulas, which bear the unmistakable stamp of

Ricardo imposes his own more profound interpretation on the words of Destutt. Admittedly Destutt does say that all things which constitute wealth 'represent the labour which has created them', but, on the other hand, he also says that they acquire their 'two different values' (use-value and exchange-value) from 'the value of labour'. He thus falls into the commonplace error of the vulgar economists, who assume the value of one commodity (here labour) in order in turn to use it to determine the values of other commodities. But Ricardo reads him as if he had said that labour (not the value of labour) is represented both in use-value and in exchange-value. Nevertheless, Ricardo himself makes so little of the dual character of the labour represented in this twofold way that he is forced to spend the whole of his chapter 'Value and Riches, their Distinctive Properties' on a laborious examination of the trivialities of a J. B. Say. And at the end he is therefore quite astonished to find that while Destutt agrees with him that labour is the source of value, he nevertheless also agrees with Say about the concept of value.*

34. It is one of the chief failings of classical political economy that it has never succeeded, by means of its analysis of commodities, and in particular of their value, in discovering the form of value which in fact turns value into exchange-value. Even its best representatives, Adam Smith and Ricardo, treat the form of value as something of indifference, something external to the nature of the commodity itself. The explanation for this is not simply that their attention is entirely absorbed by the analysis of the magnitude of value. It lies deeper. The value-form of the product of labour is the most abstract, but also the most universal form of the bourgeois mode of production; by that fact it stamps the bourgeois mode of production as a particular kind of social production of a historical and transitory character. If then we make the mistake of treating it as the eternal natural form of social production, we necessarily overlook the specificity of the value-form, and consequently of the commodity-form together with its further developments, the money form, the capital form, etc. We therefore find that economists who are entirely agreed that labour-time is the measure of the magnitude of value, have the strangest and most contradictory ideas about money, that is, about the universal equivalent in its finished form. This emerges sharply when they deal with banking; where the commonplace definitions of money will no longer hold water. Hence there has arisen in opposition to the classical economists a restored Mercantilist System (Ganilh etc.), which sees in value only the social form, or rather its insubstantial semblance. Let me point out once and for all that by classical political economy I mean all the economists who, since the time of W. Petty, have investigated the real internal framework [*Zusammenhang*] of bourgeois

* 'I am sorry to be obliged to add that M. de Tracy supports, by his authority, the definitions which M. Say has given of the words "value", "riches", and "utility"' (Ricardo, op. cit., p. 334).

belonging to a social formation in which the process of production has mastery over man, instead of the opposite, appear to the political economists' bourgeois consciousness to be as much a self-evident and nature-imposed necessity as productive labour itself. Hence the pre-bourgeois forms of the social organization of production are treated by political economy in much the same way as the Fathers of the Church treated pre-Christian religions.³⁵

relations of production, as opposed to the vulgar economists who only flounder around within the apparent framework of those relations, ceaselessly ruminate on the materials long since provided by scientific political economy, and seek there plausible explanations of the crudest phenomena for the domestic purposes of the bourgeoisie. Apart from this, the vulgar economists confine themselves to systematizing in a pedantic way, and proclaiming for everlasting truths, the banal and complacent notions held by the bourgeois agents of production about their own world, which is to them the best possible one.

35. 'The economists have a singular way of proceeding. For them, there are only two kinds of institutions, artificial and natural. The institutions of feudalism are artificial institutions, those of the bourgeoisie are natural institutions. In this they resemble the theologians, who likewise establish two kinds of religion. Every religion which is not theirs is an invention of men, while their own is an emanation of God . . . Thus there has been history, but there is no longer any' (Karl Marx, *Misère de la philosophie. Réponse à la philosophie de la misère de M. Proudhon*, 1847, p. 113).^{*} Truly comical is M. Bastiat, who imagines that the ancient Greeks and Romans lived by plunder alone. For if people live by plunder for centuries there must, after all, always be something there to plunder; in other words, the objects of plunder must be continually reproduced. It seems, therefore, that even the Greeks and the Romans had a process of production, hence an economy, which constituted the material basis of their world as much as the bourgeois economy constitutes that of the present-day world. Or perhaps Bastiat means that a mode of production based on the labour of slaves is based on a system of plunder? In that case he is on dangerous ground. If a giant thinker like Aristotle could err in his evaluation of slave-labour, why should a dwarf economist like Bastiat be right in his evaluation of wage-labour? I seize this opportunity of briefly refuting an objection made by a German-American publication to my work *Zur Kritik der Politischen Ökonomie*, 1859. My view is that each particular mode of production, and the relations of production corresponding to it at each given moment, in short 'the economic structure of society', is 'the real foundation, on which arises a legal and political superstructure and to which correspond definite forms of social consciousness', and that 'the mode of production of material life conditions the general process of social, political and intellectual life'.†

^{*} English translation: Karl Marx, *The Poverty of Philosophy*, London, 1966, p. 105.

† These passages are taken from the Preface to *A Contribution to the Critique of Political Economy*, written in January 1859 (English translation, pp. 20–21).

The degree to which some economists are misled by the fetishism attached to the world of commodities, or by the objective appearance of the social characteristics of labour, is shown, among other things, by the dull and tedious dispute over the part played by nature in the formation of exchange-value. Since exchange-value is a definite social manner of expressing the labour bestowed on a thing, it can have no more natural content than has, for example, the rate of exchange.

As the commodity-form is the most general and the most undeveloped form of bourgeois production, it makes its appearance at an early date, though not in the same predominant and therefore characteristic manner as nowadays. Hence its fetish character is still relatively easy to penetrate. But when we come to more concrete forms, even this appearance of simplicity vanishes. Where did the illusions of the Monetary System come from? The adherents of the Monetary System did not see gold and silver as representing money as a social relation of production, but in the form of natural objects with peculiar social properties. And what of modern political economy, which looks down so disdainfully on the Monetary System? Does not its fetishism become quite palpable when it deals with capital? How long is it since the disappearance of the Physiocratic illusion that ground rent grows out of the soil, not out of society?

But, to avoid anticipating, we will content ourselves here with one more example relating to the commodity-form itself. If commodities could speak, they would say this: our use-value may interest men, but it does not belong to us as objects. What does belong to us as objects, however, is our value. Our own inter-

In the opinion of the German-American publication this is all very true for our own times, in which material interests are preponderant, but not for the Middle Ages, dominated by Catholicism, nor for Athens and Rome, dominated by politics. In the first place, it strikes us as odd that anyone should suppose that these well-worn phrases about the Middle Ages and the ancient world were unknown to anyone else. One thing is clear: the Middle Ages could not live on Catholicism, nor could the ancient world on politics. On the contrary, it is the manner in which they gained their livelihood which explains why in one case politics, in the other case Catholicism, played the chief part. For the rest, one needs no more than a slight acquaintance with, for example, the history of the Roman Republic, to be aware that its secret history is the history of landed property. And then there is Don Quixote, who long ago paid the penalty for wrongly imagining that knight errantry was compatible with all economic forms of society.

course as commodities proves it. We relate to each other merely as exchange-values. Now listen how those commodities speak through the mouth of the economist:

'Value (i.e. exchange-value) is a property of things, riches (i.e. use-value) of man. Value, in this sense, necessarily implies exchanges, riches do not.'³⁶

'Riches (use-value) are the attribute of man, value is the attribute of commodities. A man or a community is rich, a pearl or a diamond is valuable . . . A pearl or a diamond is valuable as a pearl or diamond.'³⁷

So far no chemist has ever discovered exchange-value either in a pearl or a diamond. The economists who have discovered this chemical substance, and who lay special claim to critical acumen, nevertheless find that the use-value of material objects belongs to them independently of their material properties, while their value, on the other hand, forms a part of them as objects. What confirms them in this view is the peculiar circumstance that the use-value of a thing is realized without exchange, i.e. in the direct relation between the thing and man, while, inversely, its value is realized only in exchange, i.e. in a social process. Who would not call to mind at this point the advice given by the good Dogberry to the night-watchman Seacoal?*

'To be a well-favoured man is the gift of fortune; but reading and writing comes by nature.'³⁸

36. *Observations on Some Verbal Disputes in Pol. Econ., Particularly Relating to Value, and to Supply and Demand*, London, 1821, p. 16.

37. S. Bailey, op. cit., p. 165.

38. Both the author of *Observations etc.*, and S. Bailey accuse Ricardo of converting exchange-value from something relative into something absolute. The reverse is true. He has reduced the apparent relativity which these things (diamonds, pearls, etc.) possess to the true relation hidden behind the appearance, namely their relativity as mere expressions of human labour. If the followers of Ricardo answer Bailey somewhat rudely, but by no means convincingly, this is because they are unable to find in Ricardo's own works any elucidation of the inner connection between value and the form of value, or exchange-value.

* In Shakespeare's comedy *Much Ado About Nothing*, Act 3, Scene 3.