The Inner Life of Value:
Exploring Fundamental Premises in Marxist and Classical Political Economy

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ABSTRACT

This thesis will examine some of the basic principles of Classical and Marxian Political Economy. At the center of the project is an examination of two distinct but related subjects: 1) value and 2) internal critique. I begin with a broad overview of the methodological and theoretical principles integral to the study of Marxian political economy and highlight its link to the content of Marx's work. I demonstrate the riven-ness of the concept of value throughout the thesis and show that this riven-ness is integral to rather than accidental to the concept of value itself. In essence, I propose that in order to fully grasp how Marx is taken up by political economists, feminists, ecologists, and critical race scholars in order to understand exploitation and oppression, it is necessary to return to the basic premises of political economy as the foundation of many of these theories.

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GENERAL AUDIENCE ABSTRACT

Value is a concept which carries with it many different meanings and connotations. It is central to our everyday language and to various fields of study. This thesis aims to examine value and its role as a fundamental concept in the history of economics. To do this, I map out how value emerges as a crucial category in the work of economic theorists. By carefully following these theorists, I seek to uncover what they call attention to and what remains hidden within their work. Another crucial part of this thesis is how to investigate, how to read, and how to think. While the content of the thesis is focused around "value" and what constitutes value, a larger project consumes it. I propose that in order to get to the substance of value, *how* we think directly affects *what* we think.

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Cover Letter

Dear reader,

Thank you for taking the time to work through these chapters with me. The first chapter of this work is a response to my proposal defense in the Fall of 2021, and includes sections that I failed to write adequately in the proposal. Two things were specifically asked of me in the proposal: 1) to outline how I came to these texts and this line of inquiry, to root myself in an intellectual lineage and 2) to flesh out "what kind of immanent critique I was engaged in." Or rather, to explicitly state my reliance on Hegelian dialectics. I did not feel I could adequately do either of these, as I still feel uncertain about claiming both the political economy lineage and Hegel as my own. Nevertheless, these critiques have pushed me to do so, and this has helped me clarify some of the stakes of the project. I hope that in the concluding chapter I can more fully examine these slightly contradictory stakes, but I will briefly try to outline them for you here.

1) Communicating across difference remains central to me. It is the reason for my endorsement of internal critique, which you will read later on in this chapter. On the one hand, I do not wish to accept universals that would annihilate difference in our human world. If one of the results of capitalism is that it destroys cultures that are ambivalent to its logic, then this loss must be mourned. I feel pain at the fact that I know no Yiddish, despite my grandparents speaking it often in the house that my mother grew up in. These aspects of assimilation and of cultural memories fading, are not separate from capitalism.
2) And yet, I am committed to a notion of progress in the Marxist sense. As much as I mourn the loss of my family's cultural practices, languages, and traditions, I'm very happy to have access to a computer, central heating, and the ability to eat food from 50+ different countries or cultures in a mile radius. These advantages may seem trivial and

easy to caricature, but I don't believe I get anywhere in analyzing capitalism by short-citing its advantages. These are both real material advantages and also social advantages. Studying the relation between (un)freedom and the market should not be left up to the Milton Friedman's of the world, as this leaves us unable to anticipate and counter their moves. Dismissing the compelling aspects of capitalism leaves us unable to critically counter its forces and underestimates its seductive elements.

3) If I am looking for a theory that simultaneously retains particularity but still is able to grasp *totality* in order to perform a structural critique, I am left with few options. Perhaps this is a limit in my education and knowledge (in fact I'm sure it is). Nevertheless, neither the neo-classical economists like Friedman nor the post-structuralist theorists like Derrida or Barthes can deliver a structural critique as they reject *structure* as a foundational premise of their methodology.[1] At the same time, I also seek to avoid a totalizing or universalizing theory that eliminates difference. This means that I also reject imperialist logics which privilege European standards of life and ethics *as* universal ones. I turn to dialectics, as I believe that it is capable of *retaining the particular*, while still privileging *wholeness* in analysis.[2]

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[1] On the one hand, it might be an oversimplification to say that post-structuralist scholars do not center structure in their argument, or to lump together neoclassical economics and post-structuralism. On the other hand, to the degree that neoclassical economics or post-structuralism concerns itself with structure, it is still individual experience or preferences that make up this perceived structure rather than the other way around.

[2] I anticipate this being a problem for some readers who would point to Hegel's racism or eurocentrism as evidence that Hegelian dialectics does not avoid this trap. I think this is a fair critique.. Nevertheless, I believe that those who take up his method, including Levine, show for us the ways in which the method itself is not wholly beholden to racism or sexism. Additionally, scholars like Timothy Brennan and Susan Buck-Morss have written extensively on Hegel's relationship to the colonies. Brennan specifically highlights Hegel as laying the groundwork for decolonial scholarship. For more, see: Timothy Brennan, *Borrowed Light* (Stanford, California: Stanford University Press, 2014).

Introduction

Value has a ubiquitous quality as it is often used to both quantify and qualify the *worth* of something. This thesis aims to narrow in and concentrate more succinctly on what is meant by value in classical political economy. Value is a crucial concept in political economy and the entirety of economic theory rests on what is meant by the word "value." Additionally the term value as determined in economic theory has been appropriated and stretched by those working in connected disciplines such as Black Marxism, Feminist Marxism, and Marxist Ecology[3]. All of these theories depend heavily on the conceptions of value specifically theorized by Marx who is actively grappling with the conceptions of value handed down to him by Classical Political Economists such a Adam Smith and David Ricardo. While the theorists working in such fields may not be concerned primarily with how value is conceptualized, they still employ the term and its weight in their theories.

While I will not be exploring these subdisciplines in this thesis, it is important to acknowledge their relevancy to my own work on value. Scholars such as Nancy Fraser and Ellen Wood who theorize the relationship between patriarchy and capitalism are simultaneously actively engaged in questions of value. Fraser in particular in her article "Behind Marx's Hidden Abode: For an Expanded Conception of Capitalism" examines the limits of excluding reproductive labor from conceptions of value.[4] Fraser seeks to expand Marx's conception of labor-producing-value to the realm of social reproduction, thereby broadening our understanding

[3]These three subdisciplines are the ones I am most familiar with. At a later time after having the chance to read more extensively I might add Third World Marxism in this list as well.
[4] Nancy Fraser, "Behind Marx's Hidden Abode," n.d., 18. Ellen Wood departs from Fraser in that Wood centers class or capitalism as the fundamental category of analysis. These two scholars are vastly different in how they approach the relationship between Capitalism and Patriarchy (and other "extra categories"). Nevertheless, both theorists accept value as an unquestioned category in their analysis.

of value to also include gendered exploitation. While Fraser offers a critique of Marx as she points to what is *behind* the background conditions of value production, she does not question or examine the conceptual assumptions of value itself. This is common in much of Feminist Marxist, as it uses the already existing economic theoretical framework as a jumping off point for broader social critique.

Similarly, scholars like Michael Dawson have used conceptions of value to theorize race and its relationship to capitalism. In his reply to Nancy Fraser, "Hidden in Plain Sight: A Note on Legitimation Crises and the Racial Order," Dawson pushes Fraser to expand her analysis even further on the subject of race to fully theorize the relationship between capitalism, patriarchy, and white supremacy. Dawson walks a line between Marxism and Afro-pessimism as he details the advantages to each analysis in addressing the relationship between race and capitalism. In the end, he rejects Afro-pessimism as ahistorical and concludes that fore-fronting race in an analysis of capitalism is necessary for fully understanding exploitation. Dawson does not speak of value in particular in this article and yet, his deployment of the term "exploitation" in the Marxist sense implies a theory of value.[5]

Theories of value are also central to Marxist Ecology. Scholars like Neil Smith explicitly deploy "value" as a category to theorize the relationship between capitalism and nature. Distinctly, Smith does spend more time detailing and defining concepts like value, accumulation, and production in order to make an argument about the "production of nature."[6] Smith

[5] It is worth noting that Dawson uses the term exploitation sometimes loosely and sometimes precisely throughout the article as he differentiates between the exploitation of the black worker, gratuitous violence, and oppression. In other words, there are moments when he uses exploitation to refer specifically to the racialized violence of the history of capitalism, and other times when he references exploitation in the Marxist economic sense.

[6] Neil Smith, "Nature as Accumulation Strategy," *Socialist Register* 43 (2007). Page 16

specifically relies on Marx's conception of value, use-value, exchange-value, and surplus value to argue that "a new dimension of the capitalist production of nature has considerably transformed the social relationship with the natural world."[7] Smith's argument both relies on a reading of Marx's conception of value while simultaneously departing from and expanding it similarly to Fraser.

It is also worth mentioning that all three groups of theories often rely on both the labor theory of value and Marx's arguments about primitive accumulation to broaden Marx's writings beyond the narrow vision of the market and into the realms of gender, race, and nature. There is debate as to whether or not primitive accumulation is logically integral to capitalism or if its relation to capitalism is purely a historical necessity. This debate will not enter into this thesis in any serious way, not because I am ready to take a side on the issue, but because I need to stall the logic history debate to another time. It might appear that my silence on the issue is an endorsement of the position that primitive accumulation is *not* a logical necessity for capitalism. I hope that you, the reader, can be generous with me here and accept that its absence is more of a lack of knowledge than it is a political position. I simply need more time and space to work through these arguments before they can be fully integrated into the work you see here. If we are ask what makes things internal versus external when performing internal critique, I might respond that while Marx is critiquing a social system, Capitalism, in general, he is doing so *through* internal critiques of Smith, Ricardo, and Hegel. Because of this he *is* grounded in a set of texts and these texts have specific content for what is within them. As a result, another way to ask this question within the guidelines of internal critique might be: "Is primitive accumulation, internal to capitalist (re)production?" Marx's chapters on primitive accumulation at the end of

[7] Smith. Page 16

Capital, require that I take seriously primitive accumulation as *internal* to *Capital* the book. But as this thesis has yet to emerge from the first chapter of Capital, this project will have to wait.

My reason for excluding these rich schools of thought is not because I think they are unimportant. Rather I believe that before I can fully explore and critique them, I have to first grapple with the basic concepts and terms that are used as the backbone of these theories: value. Through this exploration, the full theoretical weight of these theories as well as their implications and stakes will become clearer and I hope that my reading of theorists like Nancy Frasier, Michael Dawson, and Neil Smith in the future will become more precise as a result. The ubiquity of the concept of value is evident throughout all of these theories and beyond, and yet how I am approaching the issue of value will be addressed more fully in Chapter 1. I will also briefly express the biographical element of my approach at the end of this introduction in a section on the lineage which precedes me and has prompted me to consider the problem of value and method in a particular way.

This thesis does not argue whether or not Marx's conception of value is right or wrong. Rather, it is an initial and incomplete look into the substance of value through a particular method. The first chapter is dedicated to illuminating this particular method and establishing its connection to political economy. I will explore immanent critique as method, its limits, and its broader theoretical framework, dialectics. Using Tony Smith's book *The Logic of Marx's Capital: Replies to Hegelian Criticisms*, I will connect dialectics to Marx's *Capital*, grounding my reading of Marx and Levine in this method. Chapter Two enters the realm of political economy directly. In this chapter I examine key concepts that underwrite the commodity and value as concepts. I begin with a section on reciprocity and a theory of history which will lead into the purpose of wealth. I begin here as I follow Marshall Sahlins and David Levine in

contextualizing *need, wealth,* and *society* before continuing on to the economic concepts themselves. I juxtapose Levine's discussion of wealth with Milton Friedman's and expose the ways in which neoclassical economics naturalizes economic concepts as individually rather than societally given. I then move on to the key concepts of economic theory themselves: use-value and exchange-value. In this section I move between Levine and Marx to get at the heart of exchange. I then follow Marx and Levine's transition from the simple form of commodity exchange, to the expanded form, then to the general form and finally to the money form.

I begin the content oriented section of the thesis with Marshall Sahlins rather than Levine for two reasons. The first is that in order to arrive at the market primarily as a social process with a social purpose, it is first necessary to *socialize the category, need.* Viewing need as a social category rather than a biological or fixed category is crucial for Levine and particularly necessary in understanding how he is breaking from both the classical and neoclassical frameworks. Sahlins helps us understand need as socially derived through his work on hunter and gatherer societies. By highlighting that hunter and gatherer communities were not plagued by scarcity, we allow ourselves to see capitalism as distinct in how it constructs scarcity as a natural condition. In other words, Sahlins is crucial in showing that scarcity is a socially constructed assumption *specific to capitalism.* NCE for instance assumes that 1) human need is infinite and 2) that resources are finite, creating a tragic account of the world, pushing us to accept suffering as inevitable. Sahlins then, provides an opening to chart a different theoretical principle which opposes these assumptions and makes possible a future beyond this tragic account.

The second use of Sahlins is to open up the question, "Wealth! What is it good for?" If we follow Levine in his answers: 1) security 2) individuation and 3) esteem, then we can see

wealth accumulation as directly related to these three aims. Of course, capitalism is not the only structure which brings with it wealth and the possibility for the development of these three things, and yet Levine and Marx highlight capitalism as unique as its primary logical imperative is the accumulation of wealth as an end in and of itself.

I move from this discussion of the purpose of wealth, to the workings of the market. If in the first part of Chapter 2 I discuss capitalism as a distinct form of social relations through the work of Sahlins and Levine, the second half of the chapter serves to zoom in on the fundamental concepts of economic theory within capitalism. And yet these two aspects of Chapter 2 are implicitly linked. Socializing need must be constantly kept in the back of our minds when thinking about use-value and how it's constructed, otherwise we risk *naturalizing the commodity and its consumption.*

In some ways, the second half of Chapter 2 reads like a series of notes as I follow closely Levine's progression from category to category who is also closely following Marx's progression in Chapter 1 of *Capital.* And yet I hope that even this close reading does something in how it highlights the contradiction which emerges within the concept of value.

Chapter Three will shift from the discussion of wealth as a social, historical category to its theoretical character. Through the work done in Chapter Two I will then move to value and capital as more fully theorized categories to begin to arrive at the *substance of value.* This leads into a discussion on labor, as labor is theorized as integral to the constitution of value. I begin with Locke's labor theory of property to trace the origins of labor as the determining factor in distinguishing man's interaction with and ownership of nature. I then move to Adam Smith's treatment of labor and value and through Levine flesh out the immanent contradictions within Smith's formulation of a preliminary labor theory of value. From there, I turn briefly to David

Ricardo and then to Marx's treatment of labor and value and his critique of the classical political economists. This ends the thesis but only begins to open up the problem of value. Using Levine, I review how and if Marx transcends the contradictions within the concept of value as theorized by Smith and Ricardo. While this thesis does not fully articulate a critique of the Marx's theory of value or labor theory of value, it begins to expose the fundamental assumptions of both classical political economy and Marxian economics.

This tension within the concept of value that I begin to articulate in Chapter 2, has direct practical implications for Smith and Ricardo for *how value might be quantified and determined objectively.* As discussed in Chapter 3, Smith must get around the problem of labor and value by bifurcating labor into the division of labor, which highlights interdependence and necessitates exchange, and labor as the quantifiable individual labor embodied in the commodity. This bifurcation naturalizes the substance of labor as individual and determined prior to its social expression. Marx's socially necessary labor time, and revised labor theory of value is a *direct critique of Smith and Ricardo* as he understands that labor, like utility – is not individually or naturally determined. Marx then, simultaneously treats labor as a social category and as the primary substance of value. Levine's project, and maybe my own, is not to suggest that Marx's formulation of socially necessary labor is wrong but to instead follow his logic to its own ends to theorize an objective economic theory which forefronts *the social purpose of the market* and fully articulates how value emerges from the world of economic relations as a whole. If Marx aimed to conceptualize the realm of production as a *social process,* then Levine is working to do the same thing for circulation and consumption. Highlighting the social purpose of the market, then, brings together production and circulation as distinct parts of a totality of economic and social relations, requiring us to fully grapple with how categories like value emerge out of this

totality, rather than fixed within production. If this totality is implicit within Marx's labor theory of value and explicit in other aspects of Marx's work, Levine aims to make the full social determination of value *explicit.* My own contribution to this project, I believe, is a rearticulation of dialectics and immanent critique as necessary for arriving at this non-reductionist framework for political economy.

Lineage

The content of this work is of central importance to me, and yet how I come to this work is through a particular academic lineage. While studying at Ithaca College, I worked closely with Professor Naeem Inayatullah, who's own work on method and value heavily influences this thesis. My curiosity with this subject *value* came from taking Professor Inayatullah's seminar, "Theories of Exploitation." Throughout the class, we examined differing conceptions of exploitation, but fundamentally encircled a particular meaning of the word: that form of exploitation examined by Marx through his labor theory of value. Over the course of the semester, he exposed us to many different theorists who utilized the concept of exploitation, specifically tied to the concept of value, in feminist critiques, black Marxist critiques, and Afropessimist critiques. Through this class, it became apparent that whether or not it's intentionally fore fronted, many scholars rely on this thing called value for exposing injustices and inequality in the world.

And yet, showing us the ubiquity of these words, value and exploitation, would not be enough. It was also necessary to dig into what these words mean, where they come from, and whether or not they make sense. In other words, to not take our theoretical scaffolding for granted.

Professor Inayatullah did not invent these questions, and there has been debates over value in general and the labor theory of value more specifically for decades.[8] Nevertheless, Inayatullah's particular approach to these questions are informed by one of his own mentors, David Levine. Levine began his career teaching at Yale University as an economics professor after receiving his PhD. His work largely focuses on the labor theory of value, the theory of economic growth and capital accumulation, and the social purpose of the market (need).[9]

Additionally, what is most fundamental to Levine and coincidentally what brought me to his work initially, is his commitment to a particular method. It is his emphasis on internal critique or immanent critique that prompted Naeem to point me in Levine's direction far before I began thinking about political economy. During a summer research project under Professor Inayatullah's mentorship, I embarked on a project centered around how we read, critique, and communicate. As I spent the summer exploring the perimeters of this method, I found a theoretical language to work out problems that had rested inside of me my entire life. A short biography of Levine in the book *A Biographical Dictionary of Dissenting Economists* by Phillip Arestis, identifies Levine's method as immanent critique and further explains what this kind of method seeks to do in relation to economic theory specifically:

> The important analytical errors in economic theory are made for reasons. Uncovering these reasons is more important than correcting the mistakes. The reasons have to do with implicit and explicit conceptual arguments. Errors arise because theorists attempt to hold inconsistent arguments simultaneously within a single analytical-conceptual construct. Theorists attempt to say two or more things at once – in one theory, in one sentence, even in one word. Important examples include Ricardo's invariable measure of value; the so-called transformation of values into prices in Marxian theory; and the effort to measure capital as a scarce factor of production in the neoclassical theory. Levine's strategy in the

[8] For more on labor theory of value and the debates around it, see Diane Elson, ed., *Value: The Representation of Labour in Capitalism*, Radical Thinkers (London: Verso, 2015).
[9] Philip Arestis and Malcolm C. Sawyer, *A Biographical Dictionary of Dissenting Economists* (Aldershot, Hants, England : Brookfield, Vt., USA: E. Elgar Pub. Co. ; Distributed in the U.S. by Ashgate, 1992). Page 369

> critique of theory is to make explicit the tensions implicit in the theories and thus make the analytic errors intelligible, even inevitable given the contradictions of the intellectual project that spawned them. This should illuminate the basic structure of the theory, a structure of which the theorist may be unaware. For Levine, theory is about making known the often hidden structure of thought that underlies explicit arguments presented.[10]

This passage, for me, strikes at the heart of what is at stake between method and specific problems theorized in international relations and political economy. Problems of method are never secondary or peripheral technical problems, but rather *central* to the issues themselves. It is not enough to say that Ricardo or Smith or Locke or Marx failed at *x*. The purpose of immanent critique is not to show that any theorist fails but to explain *why* a failure within the theory is *necessary* for and constitutive of the theory itself. This *why* fundamentally shapes how we view the heart of the problem whether it be the problem of value, the problem of accumulation, or the problem of difference to name but a few. As a result, my purpose in this thesis is not to say that I can show how and why Marx's conception of value is wrong or right – I have not read enough Marx to make such claims and probably never will. Instead this project is a close reading of David Levine as I am first trying to understand *how* and *why* value is constructed as a fundamental concept in Classical Political Economy.

[10] Arestis and Sawyer. Page 369

Chapter 1: Immanent Critique and Dialectics in Marx

On Immanent Critique

In this chapter, I will explore the methodological underpinnings of my work. Through a fuller illumination of immanent critique and its process I will move from immanent critique as a methodological technique, to a larger discussion of dialectic process. Additionally, I will discuss some of the limits of immanent critique both through the work of Titus Stahl and through psychanalytic theory. This foundation in internal critique and dialectics is necessary as it illuminates Marx's method generally and David Levine's reading of Marx specifically. Only through the lens of immanent critique will I be able to show the concept of value as an immanent contradiction within classical political economy.

Immanent critique, or internal critique is the method predominately taken up by David Levine. It is the also the method of Marx and Hegel, although their use of the method is distinct. In his essay, "What is Immanent Critique?" Titus Stahl asserts that immanent critique originates with Hegel. He quotes directly from Hegel's *Phenomenology of Spirit* to frame the concrete beginnings of the method: "Consequently, we do not need to import criteria, or to make use of our own bright ideas and thoughts during the course of the inquiry; it is precisely when we leave these aside that we succeed in contemplating the matter in hand as it is in and for itself."[11] Hegel, Marx, Levine, and most theorists and philosophers in general are grappling with how to do science. Immanent critique, then, is a theory on how to do science which asserts that only the use of an objects internal standards or logic can be used to adequately evaluate and critique it.[12] Or,

[11] Georg Wilhelm Friedrich Hegel, Arnold V. Miller, and J. N. Findlay, *Phenomenology of Spirit* (Oxford: Clarendon Press, 1977). Page 54

[12] In order to perform internal critique, one must first assert the object as a *bounded* object. This practice of declaring boundaries for the object critiques necessitates the theoretical creation of an inside/outside dynamic. On the one hand this is a necessary part of internal critique. On the other

as Stahl summarizes for us: "an immanent critique of society is a critique which derives the standards it employs from the object criticized, that is, the society in question, rather than approaching that society with independently justified standards."[13] How then, do we determine what these standards are in order to evaluate them? How do we determine what is *inside* or immanent, and what is outside or external to the object? And what is the problem with external critique anyway?

In order to grasp the "problem" of external critique, it is necessary to illuminate why Hegel needed to reinvent what it meant to do science. Hegel's emphasis on immanent critique is meant to distinguish his method from dogmatism or " a critique that takes some standard of a historical practice given and that merely assures us that its own concepts (that is, the normative standards of justification internal to a form of knowledge) are real."[14] This form of critique is external, as it requires a fidelity to a specific kind of normative standard. In other words, external critique relies on a universalized conception of ethnics, norms, or even facts. As a result, external critique encounters justificatory problems, as it derives its basis for critique outside of the logic of the object critiqued. If I launch a critique of Nazism as being immoral, this does nothing to penetrate Nazi ideology, which doesn't share my views on morality. It is, then, a weak critique. Hegel believes that this form of critique is insufficient, as the assurance that certain standards are real or not is a political commitment rather than an empirical one. Hegel then commits himself to

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hand, this moment of boundness is never permanent, as the object or category or even the person performing the critique is never permanent or fixed. Rather, dialectics presumes an interconnected world in which all objects or categories are immanently related to one another. It is this immanence that allows us to access the object in the first place. To do immanent critique, the moment of bounding the object in order to critique it is exactly that – a moment.

[13] Titus Stahl, "What Is Immanent Critique?," *SSRN Electronic Journal*, 2013, https://doi.org/10.2139/ssrn.2357957. Page 2

[14] Stahl. Page 8

immanent critique, asserting that "we should investigate forms of knowledge using their own presuppositions, being conscious that – taken objectively (as an object) – each such form already contains standards for self-evaluation."[15]

External critique does not need to be presented as overtly moral. External critique might include assertions like "this is not historically accurate" or "you didn't include x in your work" or "this theorist you use has been discredited" or "this argument or theory has been discredited" etc. All of these claims require a particular adherence to truth versus untruth which implicitly has ties to particular ethical or normative frameworks. Internal critique attempts to avoid these pitfalls by bracketing outside information or ethics known by the person doing the critique in order to truly investigate the internal dynamics of the object. Stahl notes that while immanent critique avoids the problem of justification that external critique has, it has its own limits. The practitioner of internal critique has to define the parameters of what counts as internal to an object. They must demonstrate the existence of standards or logics within the object, and evaluate what standards are immanent to the necessary workings of the things. In other words, there are many descriptive aspects and standards that a thing might possess. A tree for instance can be described as green, leafy, growing roots, etc. We can see all of these descriptive aspects of the tree, and yet deducing what standards actually determine the tree as a tree is a process that goes beyond mere appearances and requires theoretical work. If and when we can actually uncover the necessary internal dynamics of the tree and justify them as such, we then come against another problem: why do the existences of these internal standards or dynamics matter?

[15] Stahl. Page 8

On "External Attachments", Symptomatic Fixation, and Emotional Response

In this section, I will briefly examine a limit to accessing the internal standards of an object. Before I continue on with internal critique itself, I will address the question asked above: "why do the existences of these internal standards or dynamics matter?" To get here, I will take a detour into the parallel world of Lacanian psychoanalysis. This detour may seem unconnected to the problems of external versus internal critique. However, the connection will become apparent as psychoanalysis and Hegelian dialectics share many of the same foundational premises. In Bruce Fink's book, *A Clinical Introduction to Lacanian Psychoanalysis: Theory and Technique,* he asserts that "Just as patients do not come to therapy with a "genuine desire to change," they also do not come with a "genuine desire for self-knowledge."[16] Implicit in his assertion which he comes to through psychanalytic theory, are at least three premises. The first premise is that we all have what I will call "external attachments." I'm using the word "external" here to encompass a variety of categories.[17] These may include familial relationships, ideological beliefs, past experiences, future hopes, or anything that frames the way we understand the world. While we absorb new things and are exposed to new ideas as we encounter the world, *how*, *if*, and *what* we learn through exposure to them is not so straightforward. *If* we learn, it is a product not of willpower or intelligence, but often accidental. These "external attachments," make up who we are and how we think and often contradict each other. This leads me to the second premise: within all of us, and within all objects critiqued, is a *central* fissure, the contents of which might

[16] Bruce Fink, *A Clinical Introduction to Lacanian Psychoanalysis: Theory and Technique*, 1. Harvard Univ. Press paperback ed (Cambridge, Mass.: Harvard Univ. Press, 1999).
[17] The bifurcation of internal versus external is a false one in reality. As I will get to by the end of the chapter, the division between inside and outside, or in this case body and mind is a theoretical division rather than an actual division. It is worth noting here that neither psychoanalysis nor dialectics view this separation as fixed, but rather accessible expressions of the Real.

be expressed through any of these "external attachments." It is this central fissure that drives us. When Fink writes that the patient does not come to therapy with a desire for self-knowledge or to change, it is precisely this desire Not-To-Know that brings the patient into the room. The patient may *think* that they want to change or believe and plead that they seek self-knowledge, however this belief is ultimately false for Fink. Rather than a pure quest for knowledge, truth, or a desire to learn, Fink expresses that what actually drives us is our desire Not-To-Know. Knowing, or discovering truth, would risk sacrificing our self-understanding, our relationships with others, and potentially our ability to grasp the world as we know it.

While Fink gives us this diagnosis in the realm of therapy, Marshall Alcorn translates this Desire-Not-To-Know into the classroom. My general category of "external attachments" includes what Alcorn calls "symptomatic fixation." He writes:

> True fixations of belief that deny evidence are not thought, but failures of thought. They are symptomatic fixations and should be understood as such. They are mental symptoms, patterns of mindless repetition unresponsive to the dialectical complexities of evidence and reason...We encounter these beliefs in the classroom, in the public sphere, and in interpersonal relations. They are instances of a desire not to know that cannot be addressed in terms of logical reasoning.[18]

Alcorn continues to write that the basis of our belief in public debate, for instance, also requires us to believe that genuine public debate is something that is possible and that evidence can prevail and lead democracy. This belief also governs most classrooms that I have been in. If public debate worked in this way, "evidence" could be our common ground. And yet even the category "evidence" relies on a common understanding of what evidence is and what it means. Evidence does not exist outside of an ideological framework. How we ask a question which leads us to evidence changes what evidence we collect and how we look at it. And yet, external

[18] Marshall Alcorn Jr, *Resistance to Learning: Overcoming the Desire-Not-To-Know in Classroom Teaching.* (Palgrave Macmillan, 2013), http://site.ebrary.com/id/10775546. Page 94

critique, and some pedagogies, undertheorize this element of their process. Alcorn continues: "Educators explore and distribute facts; educators teach principles of logic and reason. Educators assume that evidence, in and of itself, will be persuasive. But there are people who deny both facts and reason and cling tenaciously to unsupported belief."[19] I would broaden Alcorn's statement to suggest that all people have a tendency to deny or resist facts or reason that threaten them and it is precisely because educators *think* they can successfully distribute facts and evidence that makes the classroom so ineffective. The naïve teacher walks into a classroom, believing that their students are blank slates. The slightly less naïve teacher who believes still believes in teaching may recognize student's attachments but believes that *teaching the facts* can counter these attachments. Alcorn and Fink both suggest that the opposite is true.

Now we can see how this problem of our Desire-Not-To-Know directly connects with internal versus external critique. If internal or immanent critique uses an objects internal standards or logic to evaluate and critique, then external critique is the use of outside standards – for instance our own attachments to beliefs and particular narratives, histories, or facts – to evaluate the object. Through the lens of Alcorn and Fink, we might view external critique as *avoidance*. Specifically, avoidance of the text or the object in order to avoid The Real or our central fissure that we cannot directly confront. If we accept Alcorn and Fink's framework, can we even do internal critique? And if we can, what are the real benefits of making internal critique the *center* of our methodology?

To connect the psychoanalytic limits of critique to the foundational elements of internal critique, I will return to Titus Stahl's work. Stahl helps us understand the essential assumptions of internal critique and as a result outlines some of its limitations. Internal critique relies on the

[19] Alcorn Jr. Page 94

existence of the internal, or rather it relies on the assumption that all objects contain internal standards that hold contradiction or at the very least are not fully harmonious, as internal critique is only possible so long as these internal inconsistencies exist and are accessible. With this assumption, internal critique can work on every level of social life, from familial interactions to international relations theory and ideology. Internal critique asserts that whether reading a personal narrative, a novel, or a social/political theorist, there exists essential inconsistencies within the narrative that can be revealed through this method.

If all objects and therefore all writing contain essential inconsistencies, then a strong critique by a reader would work to uncover the text's internal inconsistencies or contradictions. Nevertheless, the process risks failing if the reader is unable to grapple with their own resistances or acceptances of the material. We might call this grappling, bracketing. In order to really enter the text I must bracket my beliefs and ideas about the world. However, this bracketing is not possible so long as I don't recognize my "external attachments." Failure to take seriously the psychoanalytic theory of Fink and Alcorn could lead to a failure of internal critique as the person practicing the critique might mistake their external critique for internal if they believe that their particular reading of a text *is* an objective reading. Without the Desire-Not-To-Know framework, we may never come to terms with how we enter the texts with our own needs and desires.

Nevertheless, even with an acceptance of psychoanalytic theory, bracketing the self in order to perform the critique can be tricky, and it is worth noting that a pure internal critique totally absent of the scholar's politics or needs might be impossible or even futile. This potential limit does not invalidate internal critique as the highest form: on the contrary, it positions it as the best possible option for Levine, for Marx, and for Hegel. Levine, Marx, and Hegel all see themselves as doing empirical work, and this work must have at its basis a methodology that

precludes moral or ethical justifications. While internal critique in a pure form may not be possible, it's practice remains the most effective way to expose the inner workings of a thing. Internal critique demands a reflectivity which requires that the practitioner justify how they determine what is necessary for the object. In his introduction to *Economic Theory,* David Levine writes: "Only where the ideas which present themselves as science are made to repudiate their own foundations and necessary presuppositions is the further development of the theory possible."[20] In other words, an internal critique finds the ways in which the object necessarily fails its own claim. As the primary purpose of Levine's work is to examine economic theory, his use of internal critique is immediately apparent for this thesis. However, his method may be adapted easily to fit the needs of theory more broadly: "The objective of theoretical work is neither to ignore nor to present evidence, but to transcend it, in order that the concrete history, represented by the "data" can be grasped as a living reality."[21] Levine's description of theoretical work is an endorsement of dialectics as he neither dismisses the importance of data nor collapses theory into simply a reiteration of "data".

For me, the advantages of internal critique as the ideal far outweigh the advantages of external critique, as anything less than internal critique feels unsatisfying to write or to read. It is also through internal critique that I have found the most rewarding engagements with others. While we may never be able to rid ourselves of our external reactions and attachments, through internal critique we can arrive the closest to really communicating with each other across difference. One final thing, there is a third premise within both psychoanalytic theory, Marxist political economy, and Hegelian dialectics: these methods presuppose *structural* critique as its

[20] Levine, David P. *Economic theory*. London: Routledge and Kegan Paul, 1978. Page 1
[21] Ibid, 19

foundation. Despite distinguishing between external, or the self, and internal, or the other, immanent critique and psychoanalysis are both invested in an understanding of the world in which all relations are immanent relations. It is for this reason that no matter what our positionality, we can access the internal principles of an object because they also live within us.

On the one hand, Levine, Fink, Alcorn, Stahl, and even Hegel would agree with my last statement – that all relations are immanent relations. However, this does not mean that all relations or all things are the *same.* Immanent critique commits itself to a particular kind of universal, but this universal is not fixed in a state of nature configuration. Rather, while internal critique and it's theoretical presuppositions require us to understand the world through fissure or immanence, how these dynamics are revealed to us has specificity depending on time, space, culture.

In this section, I have outlined internal critique as a method. Nevertheless, this method does not stand alone. Rather internal critique is cemented within dialectics as given by Hegel. To grasp dialectics is to study the *movement* of categories or the movement which drives immanent critique. In the next section I will turn more directly to Hegel through the work of Tony Smith in order to explore the ways in which this immanent logic unfolds in Hegel's method.

Dialectics in Hegel and Marx

In this section, I will be using Tony Smith's *The Logic of Marx's Capital*, to get into Hegel's dialectic as well as identify the significance of Hegel to Marx's economic theory. Tony Smith works through a preliminary understanding of the Dialectical method before turning more explicitly to Marx. His project parallels that of Levine's as he is invested in reading Capital

through Hegel's dialectical method.[22] While Smith notes that there is much work on the relationship between Hegel and Marx, he claims that little has been written on Marx's use of dialectic logic in Capital, and instead many scholars of Capital emphasize Marx's historical materialist perspective. Smith intervenes here in two ways: 1) he makes the claim that not only is Hegelian dialectics a part of Capital, but it is central to Marx's economic theory and 2) he attempts to repudiate the idea that materialism and the Hegelian method are strictly in opposition to one another. In order to accomplish this task, he first lays bare Hegel's general method of dialectics.

Smith begins by countering preconceived notions about Hegel and the particular. He claims that the empirical, for Hegel, is foundational in determining the category. In other words, Hegel needs the empirical to determine where to begin an inquiry or to determine "What is 'initially given'?"[23] Smith utilizes Hegel's *Lectures on the History of Philosophy III* to capture the relationship between the physical and the philosophical: "The knowledge of the particular is necessary. This particularity must be worked out on its own account; we must become acquainted with empirical nature, both with the physical and with the human...Without the working out of the empirical sciences on their own account, philosophy could not have reached further than with the ancients."[24] For Hegel, however, empirical experiences do not exist or stand alone. Rather they can only be grasped through the "appropriation of categories."[25] In other

[22] Tony Smith, *The Logic of Marx's Capital: Replies to Hegelian Criticisms*, SUNY Series in the Philosophy of the Social Sciences (Albany: State University of New York Press, 1990). Page IX
[23] Smith. Page 4
[24] G.W.F. Hegel, *Hegel's Lectures on the History of Philosophy*, trans. E.S. Haldane and F.H. Simson, Hegel's Lectures on the History of Philosophy, v. 3 (Routledge & K. Paul, 1955). Pages 175-176. Smith also notes for us that Hegel repeats this sentiment in Hegel's *The Science of Logic*, further cementing that the empirical is integral to dialectics.
[25] Smith, *The Logic of Marx's Capital*. Page 4

words, it is only through our ability to grasp our experiences through categories and/or abstractions that we can give meaning to them. Rather than simply practicing this use of categories, Smith asserts that Hegel's method internalizes the use of categories as a reflective process. As a result, dialectics must reflect on and justify each category as immanently determined and ordered. Smith intervenes in order to clarify the relationship between the real world and the abstracted world, as these categories "do not spring out of thin air. They are initially won in confrontation with the empirically given."[26] Hegel is not constructing a new world through categories but instead the goal is to "*reconstruct* the intelligibility of the world."[27] This relationship gets lost, however, as the category's purpose is to progress from the particularity of the empirical experience, to the universal category which makes explicit the particular's internal logic. As a result, the category "appears to be free to launch forth in its ether only, and to develop without resistance to this medium."[28]

Once the category is deduced, it may appear that how it has been deduced is random. Smith both shows us a critique of Hegelian dialectics as random in which the supposed immanence of the concept is imposed on the concept through Hegel, the practitioner, rather than actually deriving from the concept itself. Smith imposes in this critique by restating what constitutes the category in the first place. In order to grasp this constitution, we also grasp the method of dialectics. Smith asserts that for Hegel, a category is a "principal (a universal) for unifying a manifold of some sort or other (different individuals, or particulars). A category thus articulates a structure with two poles, a pole of unity and a pole of differences."[29] In order to

[26] Smith. Page 4
[27] Smith. Page 5
[28] Smith. Page 5
[29] Smith. Page 5

fully grasp dialectic movement and the determination of categories, each part of the pole must be given theoretical significance. In the first moment, the principle or the category is stressed. This is the moment of unity in which the differences are hidden or implicit. In the second moment, difference is highlighted and the unity of the category is implicit or hidden. In the third moment, which can only occur once each other pole has been given theoretical significance, "unity and differences are made explicit together."[30] This movement of unity to difference to unity-in-difference also exposes a movement of categories. As a result, through this method Hegel is able to claim that there is a systematic order not only within each moment, but connecting each moment immanently to one another. In other words we can deduce a "systematic order immanently connecting these three categorical structures."[31]

What is it that moves us from the moment of unity to the moment of difference? Smith notes that if a category highlights only the unity of the category and hides the moment of difference, "then there is a "contradiction" between what is inherently *qua* category (a unifier of a manifold) and what is explicitly (the moment of unity alone)."[32] In other words, in order for the unity of the category to be emphasized fully, it must to some degree repress the particularity which constitutes it. This tension within the category propels it through to moment number two: where the particularity of the category is made explicit through the *negation* of moment number one. And yet this move also expresses a contradiction, as highlighting particulars suppresses the category which unites them. This language of "negation" and "contradiction," is not a problem to be solved in dialectics. Rather, it is what drives the process forward. This will become more explicit in chapter two when I engage this explicitly in Marx's work on the commodity.

[30] Smith. Page 6
[31] Smith. Page 6
[32] Smith. Page 6

This movement from unity to difference to unity-in-difference is never a closed circuit. Rather at each stage there is a necessary negation and movement to the next category. Once the moment of difference is negated, it may appear that we have returned to yet another category of unity, and yet this unity is more complex as it has absorbed the moment of difference as essential to it. The cycle continues on as "a category of unity-in-difference on one level can itself prove to be a category of simple unity from a higher level perspective, thereby initiating another dialectical progression from unity through difference to unity-in-difference."[33] This continuation is an immanent part of dialectical logic, thereby making it an unending task. There is no final category within the logic of the method, which frees it from ascriptive or fixed cultural practices or ethics.

While I began this section with a brief examination of the role of "the empirical" in Hegel's method, this relationship between the logic of a thing and its material reality takes up space in Smith, as it helps to clarify the relationship between Hegel and Marx. Smith asserts that while many have cast Hegel as purely an idealist, unconcerned with the material or with history, there is already a materialism within his method. He writes that for Hegel, "there remains something "other" which separates the material realm from thought. In the real process there is an irreducible residue of contingency, a surd without an intelligibility to be grasped by thought, an element which cannot be reduced to logical categories."[34] In other words, the real world cannot be wholly reduced to categories as elements of the material linger outside the boundaries of the categories. Smith asserts that this aspect of Hegel keeps him from fully reducing the world to logical categories as he guarantees the independence of the real world from these categories.

[33] Smith. Page 7
[34] Smith. Page 9

Nevertheless, if we are to believe that Hegel does not reduce the world to categories, then what is the point of deducing the categories and the logic that structures them? Logic is necessary not because it can expose all of our material reality but because it can expose crucial aspects of human reality which order and give meaning to our life. Through Smith's lens, we can view Hegel not as a pure idealist but as a kind of materialist, who even understands philosophy's reliance on material reality. However, history on its own is not enough as he rejects the total reduction of history into logic. By maintaining history and logic as distinct, Hegel prevents dialectics from collapsing "the real material process...to a mere appearance of the logical process."[35] Without this correction, "it would seem to follow that from a grasp of the latter one could extrapolate to the course which future real events must follow with logical necessity."[36] Reducing logic to history presents issues for the theory, as history becomes logic and its unfolding becomes inevitably fixed. Rather than make this reduction, Hegel instead "acknowledges that the real process has its own pattern of future development" which cannot be reduced to the logical ordering of categories.[37]

The rest of Smith's book works through Marx's *Capital* as an immanent ordering of categories. He does so systematically in each chapter by introducing critiques launched by Hegelians of *Capital* as non-dialectic and then performs internal critiques to inevitably show that *Capital does* follow dialectics as its primary method. My purpose here is to not say whether I agree with Smith – as the book shows there are many scholars who reject the idea that *Capital* is written dialectically. While Smith highlights mostly Hegelian objections to *Capital*, Marxists too have written extensively on the break between Marx and Hegel leaving some to argue that Marx

[35] Smith. Page 9
[36] Smith. Page 9
[37] Smith. Page 9

fully rejects Hegelian logic in his theory of history.[38] I am not prepared to fully get into these debates here. Rather, I wish to simply note that they exist in a robust way. Smith laments that reading *Capital* as predominately dialectical is not the dominant reading as he claims: "No one has established in detail that *Capital* is a systematic theory of economic categories ordered according to a dialectical logic taken over from Hegel."[39] Whether or not this is the correct reading of *Capital*, part of the purpose of this thesis is to show that Levine is already engaged in Smith's project. However, while Smith approaches the task as a philosopher, Levine approaches the task as a political economist. Levine is performing a close reading of Capital in *Economic Theory Volume I*, which already takes dialectics as the primary method. As a result, Levine *is* reading Capital through dialectic logic but does not make fully explicit the broader philosophical context which allows him to do so. Instead, Levine roots his reading of Marx within Marx's work itself, making his reading of Marx more subtle than Smith's. Chapters Two and Three will jump into how Levine does this and yet it is important to remember the broader philosophical framework laid out by Smith. Understanding the movement of categories will become integral in understanding how Marx moves from the elementary form, to the expanded form, to the general form in Chapter Two.

[38] Analytical Marxism fosters much of this debate. For more on this see the work of John Roemer, G.A. Cohen, Jon Elster, and Adam Przeworski. While these four theorists have decisive differences in their reading of Marx's method, they are all engaged in different stages of refuting or saving materialism entirely.
[39] Smith, *The Logic of Marx's Capital*. Page ix

Chapter 2: Reciprocity, Use-Value, and Forms of Exchange

In this chapter, I will first zoom out to examine the stakes of studying capitalism as a distinct system. In doing so, I will make visible the advantages of *wealth* in the capitalist sense through David Levine and Milton Friedman, contrasting their understandings of the relationship between wealth, freedom, and individuation. In order to do so however, I first ground the discussion of wealth and its purpose in the work of Marshall Sahlins whose anthropological investigation into hunter and gatherer societies unsettle mainstream notions of what constitutes abundance or scarcity, wealth, and poverty. Beginning with Sahlins' work is crucial as it highlights the fallacy of scarcity as a natural condition of society. While With this foundation, I will then move to the inner workings of the market as theorized by Levine and Marx to comprehend the basic principles and categories used to theorize market society. This chapter lays the groundwork for Chapter Three by defining terms while also highlighting the telos implicit in economic theory toward wealth and freedom.

Reciprocity and A Theory of History

In this section, I will dive into Levine's work on reciprocity to give a broader background to how Capitalism distinguishes itself from previous societies.[40] This is in some ways a speculative

[40] This section uses Levine's history of reciprocity specifically, and yet it is necessary to note how scholars like Karl Polanyi replicate a similar history in order to grapple with key concepts. By providing a history of the transformation from feudal societies in Europe to market societies, Polanyi is able to 1) highlight this transition as a violent and not organic or inevitable and 2) highlight the assumptions of the "self-regulating market." Polanyi asserts that: "A self-regulating market demands nothing less than the institutional separation of society into an economic and political sphere. Such a dichotomy is, in effect, merely the restatement, from the point of view of society as a whole, of the existence of a self-regulating market." Karl Polanyi, *The Great Transformation: The Political and Economic Origins of Our Time*, 2nd Beacon Paperback ed (Boston, MA: Beacon Press, 2001). Page 71

history and is being employed for theoretical purposes rather than sociological ones. Levine looks to three social forms in relation to reciprocity to understand how exchange is constituted in each society.

To begin, Levine notes that prior to capitalism the purpose of the market has not been for individuation or personality development but to support the preexisting ascriptive social hierarchies. In this regard we might understand reciprocity as referring to the relationship between the individual and society. Different forms of reciprocity "reflect the degree to which hierarchy retains its hold over personality."[41] In order to flesh this out a bit further, I will now get into three different forms of hierarchy .

Levine designates generalized reciprocity as the most primitive form. This might also be called hospitality or the gift giving economy. In generalized reciprocity, participants in the exchange are unequal. Additionally, individual personality is entirely repressed in favor of the communal or the collective. As a result, *quid pro quo* plays no role in the logic of giving. Levine writes: "hospitality received on the part of one member may be returned by another. No accounting of proportions is implied in this form, which suggests a pooling of collective wealth, rather than a circulation of private wealth."[42] Generalized reciprocity then, shares almost no characteristics with the logic of market society. The logic for generalized reciprocity exists *outside* of the market and *inside* society. To the degree that exchange exists it functions as a reaffirmation of social relations rather than an equal negotiation. Another way to understand the logic of gift giving might be to explicitly juxtapose it with *quid pro quo.* If *quid pro quo* states "I give because I expect", the gift giving economy might answer "I give because I love." And yet,

[41] David P. Levine, *Economic Theory Volume II: The System of Economic Relations as a Whole*, Reprint, Economic Theory / David P. Levine, Bd. 2 (Abingdon: Routledge, 2006). Page 287
[42] Levine. Page 287

this love should not be understood as a positive or flowery feeling. Rather, familial love or hospitality has hierarchy as its basis: "Gift-exchange retains the element of receipt without reciprocation, characteristic of hospitality. There remains, therefore, an element of inequality between the participants: one is giver, one recipient. In this case, the giver acquires social status from the relationship, since his gift establishes his wealthiness, against that of the recipient."[43] The comparison to familial love is brought to light here. On the one hand, your mother takes care of you because she loves you. On the other hand, this love falls apart if her position as "Mother" is not maintained. Taking it one step further, because the exchange is fully determined by socially ascribed hierarchy, the value of the goods exchanged are entirely *socially* determined. As a result, the gift itself has no objective source of value.

The second form of reciprocity explored by Levine is bartering or bargaining which he calls negative reciprocity. Negative reciprocity is in some ways the inverse of the gift giving economy as it moves toward market society. *Quid pro quo* begins to come into view here in the sense that an equal return is expected. Nevertheless, inequality remains integral to the exchange. The value of the commodity is fully determined not by the objective value of the commodity itself but by the social dynamics in the act of exchange as each party attempts to arrive at the best deal possible for themselves. Because bartering is driven by self-seeking, it stands in opposition to the gift-giving economy, "since its object is not to give up wealth as the means of acquiring status of a wealthy person, but to acquire the increment to wealth, through exchange, in order to become a wealthy person."[44] Nevertheless, because the outcome of the bartering relationship is determined by an existing social hierarchy, it "denies the equality of the exchangers."[45] As a

[43] Levine, Page 288
[44] Levine. Page 289
[45] Levine. Page 289

result, the value of the commodity being exchanged holds no intrinsic or objective value as the exchange is determined entirely by "the higgling and bargaining of the market."[46]

The final form of reciprocity discussed here is market exchange or "balanced reciprocity." Within market society, the relative power or social standing of the participants does not determine the outcome of the exchange. Rather, market society presumes formal equality of exchangers. This equality also requires that the exchangers be *impersonal* in the sense that the exchange is not designated by the particularity of the personality of the exchangers or any intimate relationship between them. This dynamic will be discussed later on in the chapter as I explore the internal dynamics of exchange within market society as an *asocial sociality,* or as Milton Friedman calls it, "the impersonal market."[47] If we understand the different social forms explored by Levine as betraying a particular telos from generalized reciprocity to negative reciprocity and finally to balanced reciprocity, what is it that *moves* us from one to another? Before we arrive at the freedoms and limits that arise out of this impersonal market, I will turn to the work of Marshall Sahlins to get underneath the assumptions of neoclassical economics and how these assumptions relate to non-capitalist societies.

The Purpose of Wealth

In his book *Stone Age Economics,* anthropologist Marshall Sahlins laments the traditional economic scholarship on hunter and gatherer societies as "convey[ing] a sense of impending doom, leaving one to wonder not only how hunters managed to live, but whether, after all, this was living?"[48] Sahlins turns economics' view of hunter and gatherers as a "subsistence

[46] Levine. Page 289
[47] Milton Friedman and Rose D. Friedman, *Capitalism and Freedom*, 40th anniversary ed (Chicago: University of Chicago Press, 2002). Page 107
[48] Marshall David Sahlins, *Stone Age Economics* (Chicago: Aldine-Atherton, 1972). Page 1

economy" on its head and names it instead "the original affluent society."[49] Sahlins supports this claim by exposing the fundamental assumptions held by hunter and gatherer societies versus market societies. In particular, Sahlins highlights the role of scarcity within capitalism: "Modern capitalist societies, however richly endowed, dedicate themselves to the proposition of scarcity. Inadequacy of economic means is the first principle of the world's wealthiest peoples. The apparent material status of the economy seems to be no clue to its accomplishments; something has to be said for the mode of economic organization."[50] Sahlins posits that while naturally occurring scarcity of resources may exist momentarily for hunter and gatherer societies, their cosmology did not accept scarcity as a foundational assumption. Rather, Sahlins shows that contrary to the depiction given by economists, many hunter and gatherer societies lived in "a kind of material plenty"[51], where "the people's wants are generally easily satisfied."[52] Throughout the piece, Sahlins' exploration of different hunter and gatherer societies highlights 1) that material needs were easily met 2) that hunter and gatherer communities had an abundance of leisure time and 3) that rather than riddled with anxiety, the nomadism of hunters and gatherers cannot be deduced as only a response to natural scarcity. Sahlins concludes that, "Certainly, hunters quit camp because food resources have given out in the vicinity. But to see in this nomadism merely a flight from starvation only perceives the half of it; one ignores the possibility that the people's expectations of greener pastures elsewhere are not usually disappointed. Consequently their wanderings, rather than anxious, take on all the qualities of. Picnic outing on the Thames."[53] Sahlins' depiction of hunters and gatherers brings us to our question: if we can

[49] Sahlins. Page 1
[50] Sahlins. Pages 3-4
[51] Sahlins. Page 9
[52] Sahlins.
[53] Sahlins.

understand hunter and gatherer societies as affluent**,** relatively equal, and lacking the kind of existential anxiety often attributed to them, what do we need wealth (in the capitalist sense) for?

Levine begins to answer this question in Chapter 2 of his book, *Wealth and Freedom.* Levine dives into how needs and wants develop under capitalism. He offers three answers to the question: "Wealth! What is it good for?"[54] His answers: Esteem, Autonomy, and Security.[55] Security in this case means security from the whims and indifference of nature. As Sahlins outlines, hunters and gatherers lived in relative affluence with an abundance of leisure time. Nevertheless, they were directly reliant on natural abundance. Sahlins notes that the transition to agricultural communities allowed society to raise "above the distribution of natural food resource" freeing human existence from 'natural' or 'biological' need.[56] In this vein, we can ask ourselves, "well what good is security (from nature)?" since Sahlins shows us that hunter and gatherers lived in relative plenty despite their reliance on nature. Levine's answer to this directly brings us to the question of individuation or as he writes: "Autonomy thrives in an atmosphere of *safety*. We can only be autonomous when it is safe for us to be ourselves."[57] While we might quibble with what it means to 'be ourselves', Levine's purpose here is to sketch out the benefits

[54] I borrow this particular configuration of the question from Professor Naeem Inayatullah, who has often repeated this in his Understanding Capitalism class to the tune of "War! (What Is It Good for?)" by Edwin Starr.
[55] David P. Levine, *Wealth and Freedom: An Introduction to Political Economy* (Cambridge ; New York: Cambridge University Press, 1995). Pages 20-30
[56] On the one hand, a primary purpose of this thesis is to critique the bifurcation of biological versus social needs. On the other hand, even with this critique it is still possible to address what is highlighted and what is hidden in the depictions of hunter and gatherer versus agricultural or industrial societies. It is not the case that hunter and gatherers function only based on some kind of natural or biological need. To assume this would be to mistakenly place them in a State of Nature configuration that I wish to reject. Rather, I am making the claim that the social needs of hunter and gatherer societies remain much more explicitly tied to the natural world than that of industrial capitalist societies for instance. This claim comes from within Sahlins and Levine.
[57] Levine, *Wealth and Freedom*. Page 29

of the market as understood by economics. Before a critique can be levied, Levine works to fully give the economists their due. Wealth, he argues, has the potential to secure us from times of uncertainty. The ability to save or store wealth against the possibility of "hard times" follows a logic that the more wealth we have stored the more secure we are.[58] However, security does not need to be understood only in quantitative terms. Rather, it is the relationship between wealth and security that gives way to the possibility of the cultivation of needs. As Sahlins' notes in *Stone Age Economics,* hunters and gatherers "want not, lack not."[59] Sahlins shows us that the absence of wealth in hunter and gatherer societies does not equal a presence of poverty. Rather, a case is made that the opposite is true as he shows us that hunters and gatherers lived in abundance. Instead, the absence of wealth equals a poverty of *needs*. Levine notes that while security is typically seen as a solution to material scarcity, wealth and security's more fundamental role is to support the development of social need through "specialization [which allows] us to devote a part of the population to developing science and technology, which foster life-sustaining and life-supporting knowledge."[60] In this way, we can see both a limit for hunter and gatherer societies as unable to cultivate personality development, and understand security from nature as inextricably tied to individuation.

So far I have addressed the question "Wealth, what is it good for?" with Levine's answer: security. I will now turn to the next answer: individuation, or as Levine writes, "autonomy". Capitalism offers us the ability to individuate ourselves through the market by purchasing particular commodities. For Levine as well as for Marx, individuation is a positive thing because

[58] Levine. Page 29
[59] Sahlins, *Stone Age Economics*. Page 11
[60] Levine, *Wealth and Freedom*. Page 29

it leads to personality development and the possibility for human beings to become artists.[61] If I walk into a record store and purchase a Led Zeppelin album, this seemingly mundane act of individual preference has a particular social determination and function. It is the market that allows me to *choose* a store, *choose* an artist, and *choose* an album. Levine writes: "Choosing means deciding which of the accessible options will best realize our ideal, and thus suit us. Choosing is matching things in the world with our subjective sense of our place in that world. Choosing requires us to think about ourselves, to imagine ourselves in different places, and to know enough about ourselves to judge who we are and therefore what we want."[62] For Levine, capitalism brings us *capital* or wealth which allows *some* individuals to embark on this process of self-determination. However, the individuating capacity of capitalism goes awry in two distinct ways.

The first limitation to self-determination is for the worker. Levine works through Marx's theory of alienation to explain this. Levine writes; "The greater the independence of the laboring activity from the personality of the laborer, the less does labor contribute to the self-determination of that personality. This is, in part, a matter concerning the extent of laboring time. Since this time is spent abstracted from personality, it makes no positive contribution to personality development."[63] In other words, the more distanced the laborer is from their laboring

[61] Again, it is worth inserting Sahlins here. On the one hand, Sahlins shows us that hunter and gatherers do produce art, on the other hand, 'autonomous personality development' is limited as the social structure requires that the individual be considered secondary to the collective. We might call this 'primitive communism' as the immediate needs of the group are privileged over individual needs. Sahlins shows us the advantages of this configuration and an ability to recognize scarcity as a socially constructed concept rather than a naturally determined given. Nevertheless, neither Levine nor Marx would be happy with this primitive communism as they are invested in a world where the individual is free to create.
[62] Levine, *Wealth and Freedom*. Page 28
[63] Levine, *Economic Theory Volume II: The System of Economic Relations as a Whole*. Page 298

activity, the more they must suppress their individual personality to do their job. Rather than personality development, their work is driven by discipline. Not only are they distanced from the work they are performing, they must simultaneously distance themselves from their own personality. While this alienation does not need to be strictly negative, Levine demonstrates that continued repression of personality required by the laborer can "stunt the process of personality development" which leads to a limit in what kinds of needs can be developed.[64] Not only does the alienation of the laborer have the potential to stunt personality development, the wage also materially restricts the neediness of the laborer as it determines a physical limitation on the kinds of choices the laborer can make. Choices, the acting principle of economic freedom, are always defined within limits.

The second limit for self-determination is best expressed in the consciousness of the capitalist. Self-determination requires wealth. This is why the question: Wealth! What is it good for? answers in two parts: individuation and esteem. Esteem is when the desire for wealth becomes a substitute for meaning or social position within a hierarchy. The line between individuation and esteem is thin, as they are both intertwined with social recognition. Esteem requires "invidious comparison" which "undermines equality."[65] In other words, if I were to walk into that same record store and buy the Led Zeppelin album in order to show it off to my friends for the purpose of envy creation, this would be self-aggrandizement. On the one hand, I seek to use the market to individuate myself, on the other hand, under capitalism this individuation is also a desire to derive meaning from my position within the social hierarchy. Both individuation and self-aggrandizement are based on individual acts or choices and

[64] Levine. Page 298
[65] Levine, *Wealth and Freedom*. Page 23

simultaneous social recognition. My purchase of the Zeppelin album means nothing if the people in my life don't affirm its importance. Levine writes that "Under certain conditions, self-aggrandizement can constitute the primary, even exclusive, content of self-seeking. In particular, it is the mark of the pure or true 'capitalist' that he embodies the idea of accumulation as the substance of his being."[66] When Levine references people who privilege self-aggrandizement as the main or exclusive content of self-seeking, he is referring primarily to the capitalist class. Self-aggrandizement is both a form and a limit to self-seeking. Self-aggrandizement mistakes accumulation of wealth as an end in itself rather than a means to individuation. In this process, the capitalist "loses himself into his wealth, whose magnitude becomes both measure and substance of his personality."[67] Adam Smith laments self-aggrandizement in his *Theory of Moral Sentiments,* when he describes the poor man's son. He writes: "The poor man's son, whom heaven in its anger has visited with ambition, when he begins to look around him, admires the condition of the rich. He finds the cottage of his father too small for his accommodation, and fancies he should be lodged more at his ease in a palace."[68] Ambition here directly relates to self-aggrandizement as Smith notes that the poor man's son comes to this ambition through invidious comparison. Admiration for the rich directly causes resentment as Smith writes:

> He is displeased with being obliged to walk a-foot, or to endure the fatigue of riding on horseback. He sees his superiors carried about in machines, and imagines that in one of these he could travel with less inconveniency. He feels himself naturally indolent, and willing to serve himself with his own hands as little as possible; and judges, that a numerous retinue of servants would save him from a great deal of trouble. He thinks if he had attained all these, he would sit still contentedly, and be quiet, enjoying himself in the thought of the happiness and tranquillity of his situation.[69]

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[66] Levine, *Economic Theory Volume II: The System of Economic Relations as a Whole*. Page 299
[67] Levine. 299
[68] Adam Smith, *Adam Smith: The Theory of Moral Sentiments*, ed. Knud Haakonssen, 1st ed. (Cambridge University Press, 2002), https://doi.org/10.1017/CBO9780511800153. Page 211
[69] Smith. Page 211

And yet, for Smith the poor man's ambition betrays him as the riches and power which he dedicates his life to pursuing ultimately fail to fulfill him or protect him from the conditions he seeks to escape. Smith concludes that the pursuit of wealth and power, "keep off the summer shower, not the winter storm, but leave him always as much, and sometimes more exposed than before, to anxiety, to fear, and to sorrow; to disease, to danger, and to death."[70] Smith laments the condition of the poor man's son and ultimately depicts him as sick and diseased. Nevertheless, for Smith the disposition of the poor man's son and the ambition that propels him to industry is a *necessary deception,* "which rouses and keeps in continual motion the industry of mankind."[71] For Smith, self-aggrandizement is a regrettable but necessary impulse for the expansion of human capacity and societal wealth. Because of this, exposing this deception would be detrimental to society as a whole, as it is the ambition of the poor man's son which propels innovation and economic growth. Smith's depiction of the poor man's son also shows for us how his ambition is motivated by blurring the lines between individuation and self-aggrandizement as his sense of self is directly caught up in invidious comparison. It is primarily an attempt to establish himself above others in an already existing hierarchy.

Self-aggrandizement, or the pursuit of continual wealth for the purpose of establishing oneself within a social hierarchy, is characterized by a particular ideology. Smith names this ambition, and Levine names this "enterprise", but we might call it meritocracy instead. Meritocracy or enterprise assumes that "relative social position comes to the individual as a result of his own efforts; it is a personal achievement rather than one ascribed by his social origin within a fixed hierarchy."[72] The assumption of individual merit begetting individual reward

[70] Smith. Page 214
[71] Smith. Page 214
[72] Levine, *Economic Theory Volume II: The System of Economic Relations as a Whole*. 300

negates the social determination of the individual and short-circuits the necessary process of recognition that is required for the individual to be constituted as such. As a result, meritocracy requires the individual to situate themselves in relation to others while simultaneously denying their position as social. Meritocracy, "unites two opposed principles: self-determination, and determination within a hierarchy of social recognition, while making social position a component of the constitution of the self."[73] In other words, the problem lies in the internal logic of meritocracy. The concept of hierarchy requires those involved to accept that their position is determined outside of their own control. The invidious comparison required for meritocracy exposes the real determination of the individual's position: a world of social relations and recognition. However, because meritocracy is predicated on the idea that our position in society is due to our own efforts, it hides the totality of social relations in which our positions are inherently tied to others. Meritocracy is invested in hierarchy as it provides a justificatory framework for non-ascriptive hierarchy. Social dependence then, is the necessary precondition for individuation. This does not negate the centrality of individuation, but rather complicates individuation and exposes it as inside of rather than in isolation to society. Position within a hierarchy cannot be thought of as purely an act of individual effort but instead the measure of "the *dependence* of the self on its external determination in a struggle against other selves."[74] Nevertheless, because meritocracy is founded on principles of self-determination, the individual may feel that "the dissipation of hierarchy" is "a loss of social moorings precisely because his substance can only be within society."[75] Capitalism is constituted of mutually dependent social beings and yet it necessarily denies these social origins in favor of highlighting self-

[73] Levine. Page 300
[74] Levine. Page 303
[75] Levine. Page 304

determination as its guiding principle. As a result, Levine uncovers an unresolvable and integral tension within capitalism: "The social contingency places a burden on personality structure which it cannot support."[76] For Smith, the deception of the poor man's son is a necessary deception that is required the good of market society. And yet Levine shows us how this deception is part of a larger ideological paradox created out of the necessary dynamics of the market.

The Workings of the Market[77]

Up to this point I have answered the question, "Wealth? What is it good for?" using Levine's analysis from *Wealth and Freedom.* Now, it is imperative to zoom in on the inner workings of the market that supposedly give us *security, individuation, and esteem.* Under Capitalism, in order to individuate myself I must engage in exchange to purchase particular commodities. These commodity exchanges differentiate me from others through my personal tastes, needs, and desires. For neoclassical economics, the motor of the market ends its theorization here. In their book *Free to Choose,* Milton and Rose Friedman note that society's culture is entirely determined through individual market choices:

> A society's values, its culture, its social conventions – all these develop in the same way, through voluntary exchange, spontaneous cooperation, the evolution of a complex structure through trial and error, acceptance and rejection. No monarch ever decreed that the kind of music that is enjoyed by residents of Calcutta, for example, should differ radically from the kind enjoyed by residents in Vienna. These widely different musical cultures developed without anyone's "planning" them that way, through a social evolution paralleling biological evolution – though, of course, individual sovereigns or even elected governments may have affected the direction of social evolution by

[76] Levine. Page 304
[77] The initial drafts of this section were worked on in collaboration with Caleb Gore.

> sponsoring one or another musician or type of music, just as wealthy private individuals did.[78]

The Friedman's foundational point here is that it is predominately a cascade of individual choice which accidentally determine the market. This understanding of the market does two things 1) it chooses the individual as the starting point for the makeup of the market and therefore society and 2) it naturalizes difference thereby making difference in culture or change in time and space indecipherable and structurally incoherent. For neoclassical economics like the Friedmans, there is no use in determining the whole of economic relations as a structural force as individual decisions are not structured.

Levine intervenes in his analysis. Throughout the rest of the chapter I will be working through the first half of Levine's book *Economic Theory Volume 1* in which Levine interprets Chapter 1 of Marx's, *Capital.* Levine's commitment to Marxian economics casts him as opposing scholars like Milton and Rose Friedman. However, Levine pays close attention to the parts of Marx which might *agree with* the Friedmans – namely how capitalism gives way to enormous wealth creation and gives us the security to become individuals and the material potential to become fully realized artists. Levine does not dismiss individual choice but rather theorizes its significance within a structural critique of classical political economy. The rest of this chapter will be dedicated to going through the commodity as the primary category of exchange.

Measuring Use-Value

[78] Milton Friedman and Rose D. Friedman, *Free to Choose: A Personal Statement*, 1st ed (New York: Harcourt Brace Jovanovich, 1980). Pages 26-27

In order to begin with what constitutes value, I will start with what constitutes *the commodity*. In order for a thing to be a commodity, it must be produced for the purpose of exchange. The commodity itself is a use-value (although a use-value is not necessarily a commodity). This means that the commodity has a particular utility making it a desired thing. Commodity exchange is predicated on the assumption that the commodity has a use-value although this use-value is suppressed in the act of exchange. Levine examines how use-value is measured or determined. On the one hand, the commodity must have utility in order for it to be exchanged, on the other hand the individual owner of the commodity is not the determiner of use-value. Rather, Levine writes that: "The substance which fulfills the need of the individual is not determined in its relation to that individual taken in isolation, but only within his individuation within a system of needy persons."[79] In the same way that the individual cannot be fully theorized outside of society, neither can commodities. All commodities within capitalism are produced within a system of commodities. Even use-values cannot be objectively or naturally determined, as the particular expression of use-values and the needs that drive their production are socially determined: "Within social life the substance which satisfies needs is not connected to any given biological function and material. Food and clothing, so far as they constitute the individual not as a biological organism but as a social being, are not connected to any given natural substance but may be formed out of a wide range of substances."[80] Levine begins here in order to place the discussion of use-values in their context. Use-value is the particularized and concrete utility of a thing and is simultaneously determined subjectively through a social process. Even human need for food, water, or shelter cannot be understood as fixed or natural since how we satisfy these

[79] David P. Levine, *Economic Theory Volume I: The Elementary Relations of Economic Life*, Reprint, Economic Theory / David P. Levine, Bd. 1 (Abingdon: Routledge, 2006). Page 63
[80] Levine. Page 63

needs is always socially contingent. Need and use-value are inexplicably tied: "In this respect the determinacy of the need and of the means to its satisfaction, the use-value, is not connected to a natural substance but to a social constitution of need."[81] In other words, Levine highlights the social determination of need to free it from a natural determinism, and in doing so renders use-value as also socially determined. It is easy to imagine this in the context of technological advance. At one point in history, the type-writer possessed a particular use-value. Over time this use-value has changed based on increasing advancements in personal computers. It now may take on a different use-value as an antique or retro piece of decoration. This change in use-value however, should not be confused with a change in price. We are currently illustrating the way in which utility of commodities are never fixed or naturally determined as how, why, when, and what we use them for depends on time, space, and cultural specificity. The use-value of a commodity is expressed when it is consumed or used**.** Levine is directly interpreting Chapter 1 of *Capital*. In the first Chapter of Capital, Marx writes:

> Every useful thing, as iron, paper, &c., 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 the manifold uses of things is the work of history... Use values are only realized in use or in consumption. They constitute the material content of wealth, whatever its social form may be.[82]

While Marx here does not spend a ton of time illuminating for us what "the social form of that wealth" is, Levine fills in the gaps. Use-value has within it a multiplicity *and* a particularity that allows each use-value to distinguish itself from other use-values. At the same time these differences of qualities are given to it not through individual decisions but through a collective process. Levine takes pains to distinguish his usage of use-value from the neoclassical

[81] Levine. Page 63
[82] Karl Marx, *Capital: A Critique of Political Economy*, trans. Ben Fowkes (New York: Vintage Books, 1977). Pages 125-126

'preferences.': "The measurement of use-value is, then, in accordance with its social constitution and in units relevant to its original social determination. In this respect, the measurement of utility has a subjective dimension. It by no means follows from this, however, that the measurement of use-value proceeds upon the basis of the purely subjective and personal desires of that individual who happens, by chance, to possess and consume it."[83] The measurement of utility or use-value may be subjective in the sense that it is not temporally or physically fixed. Nevertheless, no individual gets to decide the use-value of a commodity.

How then, is use-value constituted? If use-value is only realized in the consumption of the commodity we might assume that use-value is determined in an isolated, individualized act of consumption. Levine argues that this would be a mistake as commodities can only *realize* their value in relation to other commodities in a continual system of exchange between needy individuals. Levine writes: "Value reveals itself only in the relation of the commodity to commodity, therefore of use-value to use-value and of value to value. This relation is the exchange-value of the commodity."[84] While I will address exchange value in the next section, the important thing to note here is that a use-value cannot be realized in isolation from a world of other use-values. The individual consumption of a use-value happens within a larger context of social consumption. Because of this, Levine writes: "That the quantum of shirts is the single shirt, and not the unit intensity of desire on the part of its owner, makes the use-value independent of the particular individual and his personal whims precisely by making that use-value dependent upon the system of needs and of needy individuals."[85] As a result, even if the particular consumption of a commodity by an individual confirms the commodity as a use-value,

[83] Levine, *Economic Theory Volume I: The Elementary Relations of Economic Life*. Page 64
[84] Levine. Page 68
[85] Levine. Pages 64-65

this individual act is not what determines the commodity as use-value. The individual act, like the individual commodity, is dependent upon a larger system. Unlike the Friedmans who leave their analysis with the individual act, Levine and Marx theorize the act of consumption as occurring within a particular structure. Additionally, the purpose of political economy for Levine and for Marx is to theorize this structure in order to understand the dynamics of the market and society.

Exchange-Value

In this section, I will examine exchange-value as I move from the commodity as a thing of utility more concretely to the realm of exchange. A commodity enters the realm of exchange when it cannot meet the needs of its owner. What drives the owner of the commodity to the exchange is the particular use-values of the commodities being exchanged. And yet, if use-value expresses the particularized, differentiated character of a commodity, what then is the equalizing basis for exchange? Because capitalism appears to have separated the economy from social bonds or ascriptive hierarchies, exchange then relies on objective laws that find equivalency between commodities.[86] As a result, in the act of exchange, the use-value of the commodity is suppressed so that exchange-value can be highlighted. Levine summarizes exchange-value as "the external form of expression of the intrinsic commodity character of the object, or its value."[87] Here we have three different categories of value: use-value, exchange-value, and value.

[86] Of course, it is contestable whether or not capitalism is free from unequal relations. Nevertheless, as both Marx and Levine are invested in internal critique, they also must take seriously the claims that the logic of capitalism is predicated on equal and fair exchange. Later on in the thesis there is room for this problem to be fleshed out more.

[87] Levine, *Economic Theory Volume I: The Elementary Relations of Economic Life*. Page 69

For simplicity reasons, I will continue to use Levine's examples rather than Marx's as Levine has already done the work of condensing the pages of examples Marx uses in Chapter 1 of Capital. Levine uses the example "1 shirt = 2 books" to demonstrate the indifference of the commodity's exchange-value to its particular use-value. Exchange allows the particular use-values of the shirt and the books to become abstracted in order to find a way to "[equate] different commodities as equally valuable."[88] Nevertheless, it would be a mistake to assume that use-value and exchange-value are entirely separate things. Rather, they are both the expression of something intrinsic to the commodity. Both exchange-value and use-value highlight and hide different parts of the commodity, which are both intrinsic to the commodity and to the world of commodities. Marx summarizes the difference between the two concisely: "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."[89] This distinction is useful in that it reminds us both of their different appearances and of their sameness. Levine expresses this in a different way, by highlighting the significance of exchange-value for affirming a commodity's socially recognized use-value: "It is the interchangeability of commodities which constitutes both their value and their utility as explicitly social conditions."[90] As a result, in a capitalist economy exchange has an integral rather than peripheral role in realizing value. It is only when commodities come into relation with one another that the category of *value* itself can be revealed. The expression of this relationship between commodity to commodity, or as Levine writes "of use value to use value and of value to value...taken in its most primitive form, is the exchange value of the

[88] Levine. Page 71
[89] Marx, *Capital*. Page 126
[90] Levine, *Economic Theory Volume I: The Elementary Relations of Economic Life*. Page 68

commodity."[91] Again, exchange itself is necessitated when the commodity can find no expression in use-value for its particular owner. Levine continues: "Since he sees in it no use-value, its use-value being temporarily suppressed in the exchange, it becomes pure exchange-value. In its use the commodity finds that expression of its commodity through the interchange of commodities the useful character of the commodity disappears"[92]

Exchange-value is not determined in isolation. I have shown how Levine demonstrates that while the consumption of a use-value is expressed individually, its use-value transcends the individual act of consumption because its utility as a commodity is determined through a social process. Similarly, the exchange-value of a commodity is determined inside a world of commodity relations rather than just to the commodity it is directly being exchanged for. The example 1 shirt = 2 books becomes insufficient as it is unable to capture 1) the full abstraction necessary for exchange and 2) the world of commodity relations that allows for 1 shirt = 2 books to be determined. The commodity possesses *command* over all other commodities, transcending the immediate needs fulfilled by the commodities being exchanged. A commodity is not an exchange-value, "but is, rather, capable of entering into a series of exchange relations and thereby taking on a sequence of exchange-values corresponding to the series of commodities with which it is capable of being equated."[93] In other words, exchange-value is the expression of a commodity's value, or its intrinsic character. This intrinsic character is expressed through the commodities relation with other commodities in exchange which necessarily transcends the commodities particular utility, revealing instead a substance that establishes a commonality between all commodities: "Underlying the entire series of exchange relations is a substance

[91] Levine. Page 68
[92] Levine. Page 68
[93] Levine. Page 69

which relates the commodity not to another particular commodity but simultaneously to all particular commodities."[94] However, determining what this substance *is* and how it can be qualified and quantified is of primary concern. This is the problem that Marx sets out to explore in *Capital* and that Levine is attempting to retrace for us in *Economic Theory Volumes I and II.* Levine's project in the first volume of *Economic Theory* is, in many ways an attempt to slow down the first Chapter of *Capital* to internally investigate the problem that Marx is also engaged in. If exchange-value is indifferent to use-value, what is its primary substance that allows for the equation in the first place? Levine writes: "The problem is to discover in what respect the two objects are to be equated and therefore what substance they possess in common whose existence is revealed in their equivalence."[95] Rather than take this question for granted, this thesis is attempting to get inside of it through Levine's careful interpretation of Marx. In the next section I will explore further the relationship between value, use-value, and exchange-value before turning to the different forms that allow us to interpret their relationships.

Relationship between Value, Use-Value, and Exchange-Value

In this section I will lay out the relationship between the concept of value, and its expressions – use-value and exchange-value. In order to grasp this section of Levine, I will return to the first line of *Capital* in order to grasp what is meant by *appearance* or *expression.* Marx writes: "The wealth of societies in which the capitalist mode of production prevails appears as an 'immense collection of commodities', the individual commodity appears as its elementary form. Our investigation therefore begins with the analysis of the commodity"[96] The significance of the

[94] Levine. Page 69
[95] Levine. Page 70
[96] Marx, *Capital*. Page 125

word *appear* is crucial in understanding what kind of investigation will take place here. At once Marx is defending his starting point and alluding to workings not immediately apparent in the appearance of the commodity. Just as *Capital* is Marx peering behind the appearance of the market through internal critique, Levine is doing the same with the categories used by Marx to give more precision to what is meant by use-value, exchange-value, and value. This requires both a fidelity to Marx and dedication to the method of immanent critique. As a result, Levine too uses the language of appearance throughout *Economic Theory Volume I*, especially when explaining the relationship between value, use-value, and exchange-value. Levine writes: "In the first instance exchange-value *appears* as a relation of two particular commodities which, taken as individual and independent commodities, *appear* only as use-values. Since exchange-value relates these individual commodities, it *appears* not as a relation of value to value but of use-value to use-value. It is the equation of use-values which reveals the equality of values within the inequality of use-values"[97] Levine, here, is beginning to lay out for us the contradiction inherent to the commodity. On the one hand, exchange-value is necessarily abstracted from and indifferent to particular need or use-value. On the other hand, it appears as and is reliant on this particular use-value to exist as a commodity at all. Value cannot be expressed without the relation of use-value to use-value as it is bound to the commodity form, or "the embodiment within a particular useful form."[98] And yet, the useful form hides the equivalizing value substance to the same degree that exchange-value hides the commodity's particular use-value. In other words, we can determine that value can only be realized through two opposing expressions: it's particularized use-value and it's generalized, abstracted exchange-value. The substance of

[97] Levine, *Economic Theory Volume I: The Elementary Relations of Economic Life*. Page 75. Emphasis Added
[98] Levine. Page 75

value cannot tolerate being tied down to a particular useful form, and yet the commodity which contains value cannot exist entirely outside of its utility. As a result, Levine follows Marx in concluding that this contradiction is the necessarily constitutive fissure within the commodity and therefore within the concept of value itself.

What makes a contradiction necessary or integral, is the contradictions relevance to the makeup of the thing itself. As a result, Levine and Marx conclude that this contradiction within the commodity is foundational to the rest of economic theory. Specifically, the contradiction imbedded in the commodity is also what drives the commodity to continual exchange:

> In this unity of opposites a relation of the universe of commodities (value) is only expressible as a limited relation to particular commodities. The disaffection of value with its limited mode of expression drives the value relation to adopt more and more concrete forms in an effort to effect its emancipation from the contradictions intrinsic to it. The opposition of value and use value is the driving force which underlies the development of the entire system of economic relations. Such an opposition cannot, therefore, be grasped as a simple inconsistency of the differing poles of the commodity relation. The latter cannot be understood to move apart into a dead opposition – on one side value, on the other use-value – since that opposition does not exist except as a contradiction within the commodity which unites the poles as determining aspects of a single relation. Since this is a contradiction not to the value substance, but within the concept of value, the relation of value to use-value is as much a necessity as is the independence of value from use-value intrinsic to the notion of value. The constitution of social needs can no more be grasped independently of the system of needs. It is in the relation of exchange-value that this unity forcibly asserts itself as an interrelation of commodities to commodity owners.[99]

Before I directly turn to this behemoth of a paragraph, I will first approach the problem indirectly through the metaphor of romantic relationships.[100] Assume two people engaged in a sexual, romantic relationship (also assume monogamy for the sake of simplicity). On the one hand, each person must see the other person as a human being. Specifically, they must see one another as specific people with specific tendencies, passions, tastes, and ways of expressing themselves.

[99] Levine. Pages 75-76

[100] I am aware that this might cause intense objection but I ask that you bear with me.

This particularized, human to human relationship will be related to use-value. Within the relationship, it would be a violation to treat the other as a general means to an end, or as an abstracted being. On the other hand, sexual attraction requires some form of objectification. This objectification, the othering of a body for the purposes of sexual gratification, might be paralleled to exchange value.[101] We could say that the whole of the relationship is driven on the fault line between these two seemingly opposing facts: that I simultaneously see my partner as a particular human being who I love and as a generalized and objectified body. To bring the analogy a little closer to that of the commodity, it could also be said that the general objectification in a relationship, and the particularized human connection, carries with it the world of other bodies and relationships. Within the romantic relationship is the knowledge that other bodies exist within a totality of human relationships. My particular relationship is determined not in isolation to, but is constituted by a world of human relationships. The reason this analogy is significant for me in understanding the contradiction in the commodity, is that this example of romantic relationships is often felt in day to day life as an impossibility[102]. Relationships are often driven by which element is hidden or highlighted. One might hear complaints like "they use sex to solve problems" or "the spark is just gone" or "we feel like roommates instead of lovers" or "they only want me for my body" or "they use sex as a

[101] I am not making the argument that the act of sex is *only* generalized objectification. Of course sex can and often does include particularized and human to human communication. Said differently, the act of sex is not an example of pure objectification abstracted entirely from the particularities of the individuals. Nevertheless, sexual attraction and sex itself do contain even if it is believed to be a small degree, generalized objectification of the other (and of the self).
[102] Impossibility in this sense does not mean that they make the relationship literally impossible therefore terminating it. Rather, I am using impossibility as the engine of the encounter. Think of an exasperated mother yelling at a child "You're impossible!" Within this phrase we might interpret the impossibility as "I can't live with you, I can't live without you," to borrow another cliché.

weapon." These complaints are not expressions of absoluteness within the relationship. Rather, they are complaints about the balance of what is hidden versus what is highlighted. It would be a false move to claim that a relationship in this form exists entirely without the particularized human element or entirely without the possibility of objectification. These two elements both contradict one another and necessarily constitute the relationship, defining it and moving it. What gets highlighted and what gets hidden is a function of the particular dynamics of the relationship, and yet this particular relationship does not exist in isolation. It is simultaneously defined through its relation to and recognition by a world of human relationships.

Bringing it back to the commodity, I can now follow Levine in his conviction that the contradiction within the concept of value, specified in the commodity form, is a similarly necessary contradiction that drives the market. What is left unexamined so far, however, is what is meant by the 'substance' of value. Regardless, we still have a grasp of it conceptually, as the substance present in all commodities is expressed in exchange-value. Even before arriving at what this substance *is* and how it might be measured, Levine has complicated its substance by exposing the link between value's independence from the specified system of needs and its dependence on the system of need. The commodity is simultaneously indifferent to the system of need (society's determination of use-value) and constituted by it.

Elementary Form

Not only does this complex relationship between value, use-value, and exchange-value drive market relations, it also required Marx to continue to develop his theory in *Capital* in an attempt to grasp this complexity. If we follow Tony Smith's defense of Marx that the method in *Capital* is Hegelian dialectics, we can see his start with the Elementary Form of exchange as a necessary

part of this, since Marx begins with the simplest and least concrete category and immanently works his way to increasingly complex and more concrete categories. I will also briefly follow this progression through Levine to move from the Elementary Form to the General Form.

The elementary form relates two commodities directly to each other. This form highlights the independence of the exchange relation from particular need or use-value of the commodities. And yet, the independence of exchange-value from use-value expressed in the elementary form is fulfilled only through an arbitrary relationship between two specified and particular commodities, hiding the full world of commodities. As a result, the elementary form is inadequate for determining value as it, "is restricted to a single commodity, a relation to particular use-value."[103] In other words, the elementary form is unable to show equivalence of exchange-value, outside of a commodities direct relation with another commodity.

If the exchange-value of the commodity is only grasped in relation to another commodity, this both hides the system of needs and potentially equates the exchange-value – the command over other commodities – with value, making irrelevant the concept of value as an intrinsic substance. Levine briefly works through how value is grasped by Adam Smith in *The Wealth of Nations.* Levine writes:

> Smith considers the subject of the analysis of the value concept to be the relation of the commodity – its value or worth – to the person who possesses it but does not wish himself to use or consume it...This relation of the commodity to its owner who has no use for it, according to Smith, its value. And this relation of property, which is the value of the commodity, is the useful object which it purchases in the market. For Smith value is the labor which the commodity is able to command.[104]

This depiction of exchange-value sets up a complex problem in determining value. If exchange is only theorized in the elementary form, only the particularity of commodity A in relation to

[103] Levine, *Economic Theory Volume I: The Elementary Relations of Economic Life*. Page 76
[104] Levine. Page 77

commodity B is highlighted. This direct relation of commodities cannot adequately express any intrinsic substance within the commodities independent of the owners of property. The commodity has no use-value for the owner of the commodity and they see it as pure exchange-value or command over another particular commodity. The value of the commodities within exchange depend on the vantage point of each owner rather than something intrinsic within the commodity. If the exchange-value of the commodity is only its command over another particular commodity, this hides the necessity of an intrinsic metric of value. As a result, Levine argues that in the elementary form, as exemplified in this aspect of Adam Smith, "value exists only as exchange value, and this fact not only indicates the mode of expression of value, but leads to a substantive reduction of value to exchange-value, so that the value of the commodity is its command over another particular commodity and therefore no intrinsic property of the commodity itself."[105] The elementary form then, limits both our ability to understand an intrinsic substance of value and our ability to locate this commodity and its value within a larger system of need. The commodity remains theorized outside of its social need and the world of use-values. In sum, the elementary form is useful in showing us the independence of the commodities use-value from its position in exchange. Nevertheless, because the elementary form relates particular commodity to particular commodity or use-value to use-value, it cannot conceptualize the full independence of value from use-value: "When the elementary form establishes the independence of commodity-value it thereby also establishes the necessity that the expression of value pass beyond the limitations implied by the abstraction of the elementary form...Where this abstraction nis not overcome, the exchange-value ceases to be an expression of value, and becomes instead a

[105] Levine. Page 80

direct relation of need."[106] The elementary form's limitation in determining value pushes Marx to move beyond this aspect of Smith and to deduce the expanded form, to free the particular commodity from its relationship with another particular commodity.

The Expanded Form

The expanded form transcends the limits of the elementary form by bringing in the multiplicity of commodity relations. It therefore encapsulates "the simultaneous interaction of the system of commodities as a whole...so that the equivalence of use-values, which reveals their equivalence as values, is now the equivalence of all commodities as equally embodiments of the value substance"[107] Through this simultaneous interaction, the value of the commodity is highlighted as fully universalized. The equation used here, and later on in a different configuration in the general form, is expressed by Levine as:

10 Bushels of wheat = 1 ton of iron = 30 yards of cloth = 4 chairs = ect.

The expanded form then, "reveals that the accidental equation of commodities is, in reality, only a determinate element in a series of equations."[108] In other words, it zooms out to demonstrate a fuller picture. The expanded form exposes the commodity as a container of value, fully independent of the commodity's utility, and in an "implicit relationship with a world of commodities."[109] If the commodities themselves possess an implicit relationship, this also suggests that the commodities have an *implicit substance* or value that is fully independent on their utility, and therefore independent of particular need. Levine makes a point to note that this implicit relationship is not entirely absent in the elementary form, but remains implicit. In

[106] Levine. Page 81
[107] Levine. Page 82
[108] Levine. Page 82
[109] Levine. Page 82

contrast, the elementary form makes explicit the individual commodities value as universal. This means that in the expanded form value is untethered to a a particular commodity. Levine writes that in the expanded form "the value of wheat appears indifferently as so much iron, so much cloth, so many chairs, etc."[110]The expanded form then is incapable of identifying a particular use-value.

The limitation of the expanded form arises in its total universality. In its universality, value cannot be conceptualized as a having a real expression. The elementary form gives a tangibility that the expanded form lacks. In the elementary form, two particular commodities are put into relation with one another, giving us some semblance as to the content and specificity of the relation. Levine writes that "In the elementary form the value of the wheat is expressed as so much iron. Value *is* iron. Value is given a determinate expression as the commodity iron."[111] However, in the expanded form the value of a commodity is not describable "except as an unending series of relations."[112] While the expanded form gives value more of a determination than the elementary form as it universalizes value as the substance of the commodity fully indifferent to use value, it is also unable to express value as it simultaneously loses the content of value, the commodity. Again, Marx needs to deduce another form which overcomes the limitations of the elementary an expanded form and unites them. The next section will cover this next category, the general form.

The General Form

[110] Levine. Page 83
[111] Levine. Page 84
[112] Levine. Page 84

At first glance, the general form appears as a simple reverse of the expanded form. Rather than the expanded form which posits:

	10 bushels of wheat
	1 ton of iron
30 yards of cloth =	4 chairs
	1 ounce of gold

The general form reverses this as:

10 bushels of wheat	
1 ton of iron	
4 chairs	= 30 yards of cloth
1 ounce of gold[113]	

At first glance, this reversion might seem insufficient in traversing the problems arising from the expanded form extrapolated in the previous section. Nevertheless, this reversion is not just an adjustment to the form of the equation, but significantly alters what is highlighted. By reversing the equation, it allows us to visualize the actual totality of relations with a specified use-value which is the repository of value. In other words, the general form allows for the expression of value to be realized: "Now the equivalent has immediately impressed upon it a universal character as simultaneously the equivalent of all commodities, the universal mode of the expression of value."[114] In other words, the general form begins with the universal substance of value and moves toward the specified commodity in its concrete form, allowing for this universality to be properly *expressed* in a single commodity. The commodity then, transcends the elementary form, by making the value of the commodity not its command over another particular commodity, but "its command over all commodities since the equivalent is the expression of value of all commodities."[115] And yet, the general form is still insufficient in its ability to make

[113] Levine. Page 85
[114] Levine. Page 86
[115] Levine. Page 85

concrete how the equation of commodities function. The expression of universal value is tedious if it always requires this infinite relating of commodities. As a result, Marx turns to the money form to deduce how this universal equation of value is actually expressed. The money form is then, yet another category that is increasingly complex and concrete.

Money

The general form allows us to visualize value as both abstracted and indifferent to the commodity's useful form, yet residing within the commodity itself. However, how this universality is represented, outside of the equation in the general form, still provides a limit. Namely, the general form without money requires a commodity to sit in for the universal. In Levine's example, cloth is the expression of the universal equivalent for all other commodities. The use of a commodity is insufficient as it is unable to be fully or permanently abstracted away from its use-value. As a result, the money form is deduced. Money then, is both the means for exchange in the market system and the universal expression of value as it possesses command over all commodities. In some ways, the money form is just another version of the general form, and yet it is also increasingly complex and concrete as money is not a use-value. Nevertheless, like the general form, the money form is able to express the value of commodities as differentiated unities. We then have a new equation:

1 ton of iron
10 bushels of wheat
4 chairs = $80
30 yards of cloth

Money is unique in comparison to commodities as its only use-value is its ability to express the value of the commodities. As a result, it is the ideal medium of exchange. Money, then, has no intrinsic value. As money's sole value is in its ability to express the value of commodity, money

needs to remain within the circulation process to continue to realize its value. Money is an expression of value, but *is* not value.[116] Money's only use-value is its ability to universally equate commodities. In other words, money allows commodities to be compared and exchanged through an appearance of objective equivalency while simultaneously retaining their particular use-values.

Because money becomes the universal form of exchange fully realizing an objective rule of value, exchange relations appear to no longer rely on hierarchies or particular social relations. The money form gives way to the 'asocial sociality' discussed in the beginning of the chapter. For example, if we go to the store and buy a notebook, the structure of the market and the price mediate the relationship between consumer and producer. While in non-capitalist society, exchange may be overtly integrally rooted in a particular social dynamic, capitalism *hides* this sociality. As a consumer, I do not need to think about who made the notebook, or the plethora of people who made it, who packaged it, who shipped it. These names and dynamics are hidden behind the price. For Milton and Rose Friedman, it is precisely this asocial sociality that frees us both economically and politically. While the market increases our ability as consumers to choose, this choice cannot be based on prejudices or social hierarchies as we cannot see the identities of the producers. In their chapter, "The Relation Between Economic Freedom ad Political Freedom", the Friedmans go so far as to say that the market can disproportionately free the worker from racial and political discrimination. They writes:

> No one who buys bread knows whether the wheat from which it is made was grown by a Communist or a Republican, by a constitutionalist or a Fascist, or, for that matter, by a

[116] Polanyi might intervene here to note that while money itself has no use-value, it is necessarily treated as a commodity. Polanyi's exposition of land, labor, and money as fictitious commodities adds a layer of complication to the money form, and yet, it does not necessarily conflict Marx and Levine's work on money as an expression of value. For more on this see Polanyi, *The Great Transformation*. Pages 68-76

> Nero or a white. This illustrates how the impersonal market separates economic activities from political views and protects men from being discriminated against in their economic activities for reasons that are irrelevant to their productivity – whether these reasons are associated with their views or their color.[117]

Rather than fully dismiss Friedmans' argument entirely, it is worth breaking down their assumptions. For Marx and Levine, this asocial sociality, or as the Friedmans calls is the "impersonal market" is not random and (in)voluntary but built in to the money form. It is *structured*. Whereas the Friedmans are content to praise the impersonal nature of the market, they believe the market arises from voluntary exchange predicated on free choices and preferences of the consumer, entirely accidental from and uninterest in any form of intrinsic value. The Friedmans do well to point out how price conceals the social relations of the market, but they do not theorize the significance of these relations and how they may or may not determine price.

So far I have worked through the basic categories which express the value of a commodity. I have also begun to detail how these expressions of value emerge out of exchange by walking through the elementary form, the expanded form, the general form, and the money form. And yet, these explorations do not fully expose for us the impulse and drive of the market, nor do they allow us to comprehend wealth, capital, and value as fully theorized categories. What is left unanswered in this chapter is 1) how does the purpose of wealth as exposed in the first section of this chapter connects with its inner workings? and 2) what comprises the substance of value which gives way to its expression in use and exchange-value? I will address these questions more thoroughly in the next chapter.

[117] Friedman and Friedman, *Capitalism and Freedom*. Page 21

Chapter 3: Wealth, Value, and Labor

Wealth

In the last chapter, I ended with the money form, as money is able to universally express value as money is abstracted entirely from any particular use-value. Nevertheless, it would be a mistake to understand money *as* wealth. Money can express wealth and yet wealth is better understood as, "command over all use-values."[118] While money momentarily expresses a commodities relation to all use-values in exchange, wealth is "in direct proportion not to the command over a particular commodity, ...but in direct proportion to the command over commodities in general, over money."[119] Wealth then, encompasses a fuller picture of economic relations. Wealth can be expressed in terms of money in a moment; yet while money shows us a picture of wealth within a particular moment, wealth encapsulates a wider picture of the movement and flow of value and commodities. In Chapter 2, I asked "Wealth? What is it good for?" The answers that came from this question were not quantified in terms of money. Rather, they designated a particular social system or form that went beyond specific command over use-values. Wealth, then, gives way to both an economic structure and a social order. In this chapter, I will look briefly into capital as a system, labour, and the relationship between value and its social determination.

Capital

In Chapter 2 I examined the contradiction within the commodity, or as Levine noted, within the concept of value itself. This examination allowed me to sketch a vague understanding of this

[118] Levine, *Economic Theory Volume I: The Elementary Relations of Economic Life*. Page 97
[119] Levine. Page 97

contradiction as at the heart of the movement of capital. However, I have so far only captured exchange in a linear manner and have not fully captured the market as *movement, as process.* As discussed in Chapter 2, for the Friedmans the movement and propulsion of exchange is done through an "invisible hand" or self-ordering market determined entirely by individual choices and preferences. Levine, following Marx, accepts the role of individual exchange but refutes the idea that this self-ordering market is determined wholly by individual choice. Rather, Levine and Marx seek to make explicit the inner force of this self-organization. Levine writes that if we examine the circulation of commodities by itself, it "*appears* to move without object or direction, to constitute as a whole nothing more than a chaos of commodity exchanges the effect of which is altogether indeterminate."[120] Because of this, the project of economic theory for Levine is to examine the system of economic relations in its totality – in which the process of production and circulation are examined as distinct but not separate from one another. Levine performs a critique of neoclassical economists like the Friedmans who view the market as a purely an allocative mechanism and, through emphasizing circulation, can only imagine exchange driven by individual need or preference. Rather than take the side of the neoclassical economists, Levine instead follows Marx and examines exchange as mediated through a common substance – value. As a result, Levine is able to shift focus to deduce an inner force or movement of the market. And yet, because value cannot be realized or expressed except through the continual circulation of commodities (it's particular) and money (it's universal), it is value itself which immanently drives the market. Capital then, is a more adequate measure of wealth than either money or commodities. Levine directly quotes the *Grunrisse* in order to grasp capital as a category: "Capital is 'exchange-value which preserves and perpetuates itself in and through

[120] Levine. Page 115

circulation.'"[121] Capital as a category captures what money cannot as capital implies the self-sustaining movement of money and commodities in exchange. Capital may be expressed by a quantifiable amount of currency and yet it is not fully reducible to a particular amount of money.

Value

In Chapter 2 I fleshed out the limits of the elementary form and the expanded form before arriving at the general form and the money form. These limits also implied particular treatment of value in exchange. As discussed in the section on the elementary form, the direct relating of commodity A to commodity B hides from view a common substance within each commodity that allows for the exchange to occur. Instead value is a "quality" attached to particular commodities in the elementary form and cannot fully be emancipated from the commodity's use value. In exchange, the freedom of value from use-value is implied but cannot be fully articulated. Money, as a universal equivalent, remedies this problem by allowing the value of the commodity to take on "independent expression" for the first time.[122] The money form also implies and necessitates constant movement. This circuit of movement is what fully realizes value. This short section will clarify this movement as immanent to the determination of value. Because value can only be expressed through exchange-value, or price, in order for value to be realized it must remain in the circulatory process of exchange.[123] Value then only exists within the market as process: value cannot be fixed in price as it implies a constant relating of commodities to the world of commodities. However, value is simultaneously tied to use-value, as

[121] Levine. Page 118
[122] Levine. Page 122
[123] Exchange-value and price are be used interchangeably here as the outward expression of value. And yet, there might be something distinct about using price versus exchange-value as expressing value.

value relies on the particular commodity for its expression and relation to other commodities. At the same time, "the process as a whole constitutes value as independent of any fixed form."[124] As a result, value can only exist within particular social need – the system which determines use-values – yet value simultaneously "is able to establish its distinctive character as the moving force which asserts the intrinsic order and logic of the system of commodity relations." [125] We can then see that the "self-ordering market" *is* ordered not by whim or by accident or individual choices but by the propulsion of value itself to find expression**.** Levine asserts that when value "sustains and perpetuates itself within its own circuit" it is Capital. Rather than individual preferences guiding all exchange, exchange is determined through an immanent process:

> The circulation of commodities and money is subject to a self-organization according to the principle of its own preservation and continuation...The law which orders the movement of commodities and money in the continuing sequence of exchanges is nothing more or less than the law of the continuation of into money and of money into commodities. The sole objective of this movement is its own continuation so that the transformation of money into commodities is the means to the transformation of commodities into money and vice versa. As capital, the circulation of commodities composes a never-ending cycle the totality of which is the sole objective of its particular elements.[126]

This self-organization is addressed by Marx in Chapters Three and Four of *Capital,* when he moves from the direct transformation of Commodity to Money to Commodity (C-M-C) in Chapter Three, to the formula for capital in which exchange moves Money to Commodity to Money prime (M-C-M'). He notes that in simple circulation or C-M-C, the "value of commodities attained at the most a form independent of their use-forms" meaning money. However, in M-C-M, value suddenly presents itself as a self-moving substance which passes through a process of its own, and for which commodities and money are both mere forms."[127]

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[124] Levine. Page 123
[125] Levine. Page 123
[126] Levine. Page 123
[127] Marx, *Capital*. Page 256

While each version of the equation (C-M-C and M-C-M) highlight and hide different aspects of exchange, they are actually just different snapshots of a larger picture detailed by both Marx and Levine:

$$... M - C - M' - C - M'' - C ...$$

This revised equation expresses two things that the former does not: 1) the infinite movement of capital and 2) the expansion of capital. Money simultaneously mediates exchange and expresses value, but only with the constant movement of commodities and money through exchange. Marx notes that value necessarily changes "from one form into the other, without becoming lost in this movement; it thus becomes transformed into an automatic subject."[128] Through Levine's interpretation of Marx, we might assert that it is precisely the constant movement which determines and continually realizes value.

Labor

So far my examination of value has left the category labor hidden and implicit within the category. This section will work to make explicit what labor is and what its relationship to value is according to Locke, Smith, Ricardo, and eventually Marx and Levine. To begin, Marx defines labor as a distinctly human, and as the mediating "process between man and nature."[129] The labor process is not an automatic component of the systems of capital.[130] Rather, for Marx,

[128] Marx. Page 255
[129] Marx. Page 283
[130]For more on labor and its appropriation as a component of Capital, see Chapter 6 of Polanyi, *The Great Transformation*. In this chapter Polanyi explores the categories land, labor, and money and theorizes Capitalism must treat these three as commodities in order to function. By highlighting the commodification of labor, money, and land, , Polanyi also shows for us a contradiction within each category, as labor under capitalism is both a commodity which is quantified, bought, and sold and *human activity.* While I am not explicitly using Polanyi in this

human capacity to labor both distinguishes humans from other animals and constitutes human consciousness, as it is through labor that we come to know and eventually change the world. He writes that "Through his movement [the laborer] acts upon external objects and changes it, and in this way he simultaneously changes his own nature. He develops the potentialities slumbering within nature, and subjects the play of its forces to his own sovereign power."[131] Levine summarizes Marx's initial treatment of labor by asserting that labor-power, unlike commodities but like money, has no particularized use-value. Rather, labor "stands *outside* of capital, where the latter considers are particular use-values as so many components of its own live-process."[132] And yet, labor is fundamental for the creation of the commodity and as a result the creation of value (although we do not yet know quite how). As we examined in the previous section, capital is composed of the wealth of societies and because this wealth is determined through the system of commodities, capital "must seek out the labor-power necessary to bring it to life outside of the wealth which composes the existing circuit."[133] In other words, labor is both responsible for the existing circuit of capital and crucial for the expansion of capital. Capital then, has no choice but to "confront the labor-power," since without labor-power capital can neither be preserved or expanded.

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section, his analysis of fictitious commodities enters heavily in to how I read Marx in his sections on labor.

[131] Marx, *Capital*. Page 283

On the one hand Marx's use of "nature" here might be problematic for some, as it risks naturalizing labor in a way that commits him to a State of Nature configuration. It is important, however, to remember that this is just the beginning of his theorizing of labor, and that by the time we arrive at labor as socially necessary, we can view "nature" in a different light. Labor need not be engaged with a pure conception of natural resources or materials. Labor is on the one hand "natural" in the sense that it is our mediation with nature – on the other hand, labor is simultaneously always social, and the expression of labor is never fixed in *a natural designation.*

[132] Levine, *Economic Theory Volume I: The Elementary Relations of Economic Life*. Page 140

[133] Levine. Page 140

Locke and Labor

While not explicitly a political economist, John Locke's theory of property has at its center a theory of labor. We might call this a labor theory of property. In his *Second Treatise of Government,* Locke uses labor in a similar way to Marx, as the vivifying element which mediates man's relation to nature. Nevertheless, Locke and Marx do not share their conclusions as Locke uses his theory of labor to justify the establishment as private property as a natural law. Locke begins by asserting that the earth is given to all men in common, however this principle appears antagonistic to the existence of private property. As a result, Locke must deduce a complimentary principle that allows him to justify private property. Locke writes, "Though the earth, and all inferior creatures, be common to all men, yet every man has a property in his own person: this no body has any right to but himself. The labor of his body, and the work of his hands, we may say, are properly his."[134] Immediately two assumptions are made apparent. The first is that labor is theorized as *property.* The second is that in order for labor to be theorized as property, it must be *individual property*. The assertion of individual labor as individual property is precisely what allows Locke to make the jump from land given to men in common, to land ethically able to be appropriated for private ownership. Locke continues: "The labour of his body, and the work of his hands, we may say, are properly his. Whatsoever then he removes out of the state that nature hath provided and left it in, he hath mixed his labour with, and joined to it something that is his own, and thereby makes it his property."[135] The language of *mixing* labor with nature is key here. On the one hand, we will see how Marx is distinct in how he constructs

[134] John Locke, *Second Treatise of Government*, 1st ed (Indianapolis, Ind: Hackett Pub. Co, 1980). Page 19
[135] Locke. Page 19

the relationship between labor and value. On the other hand, Locke's language is not wholly absent from Marx's labor theory of value either. The similarities between Marx and Locke are not accidental – as Marx is performing an internal critique of classical political economy (Smith and Ricardo primarily), classical political economy partially originates in its attempt to extend the relationship between labor and property as theorized by Locke and Rousseau, to value. Levine explicitly draws our attention to this as he claims that "The theory of value has its real starting point in the effort on the part of classical political economy to connect value to labor and thereby not only make labor productive of *property,* as in Locke or Rousseau, but also to connect labor to the determination of the exchangeable-value of commodities, so that the conception previously developed is made concrete without any repudiation of its underpinnings in the idea of freedom and equality."[136] Locke begins with a principle of universal equality to counteract previously accepted ascriptive hierarchies. By claiming that the world is given to men in common, Locke is committing himself to formal equality and negating divine right to land. While Locke is not writing a theory of formal equality in the market, he is providing the foundational assumptions of capitalism – that all people are formally equal. No one has more or less of a right to property or to a place in society. Nevertheless, Locke validates hierarchy in three steps, two of which I have already outlined: 1) He makes labor into property 2) He makes labor into *individual, private* property 3) He distinguishes between wasteful and industrious behavior. While Locke begins with a principle of universal equality and negates ascriptive hierarchy, he still affirms a new kind of hierarchy. In section 34 he writes: "God gave the world to men in common; but since he gave it them for their benefit, and the greatest conveniences of life they were capable to draw from it, it cannot be supposed he meant it should always remain

[136] Levine, *Economic Theory Volume I: The Elementary Relations of Economic Life*. Page 204

common and uncultivated. He gave it to the use of the *industrious and rational*, (and *labour* was to be *his title* to it;) not to the fancy or covetousness of the quarrelsome and contentious."[137] In this crucial turn, Locke is able to justify private property and as a result *hierarchy* even as he maintains universal equality.

The implications of Locke's theory of property directly relate to the relationship of labor and value. As Locke makes labor into property in order to claim that as man mixes his labor with the land it becomes his, labor is detached from its actual existence as human activity. Once Locke theorizes labor as individual, classical political economy can easily objectify labor in order to theorize value. Just as private property requires human labor to realize itself, the commodity even more directly requires labor for its creation. Through the lens of labor, the commodity takes on a new definition. The commodity *is* labor objectified as it is labor which brings to life the commodity. Labor is the *vivifying* element of value, as without labor, the commodity does not exist. Capital must directly confront labor: "The principle of the existing universe of wealth must meet face-to-face with the principle of its vivification, and, in order to preserve itself, strike a bargain, freely accepted on all sides, which incorporates into capital the only means to its realization."[138] The bargain between labor and capital, as stated here, must be theorized as *and* realized as "freely accepted on all sides." Just like for Friedman in Chapter Two, the free acceptance of the bargain is crucial for justifying the hierarchy necessarily created by civil society. Now I will briefly turn to labor theory of value and the different ways to conceptualize the relationship between labor and the substance of value.

[137] Locke, *Second Treatise of Government*. Page 21
[138] Levine, *Economic Theory Volume I: The Elementary Relations of Economic Life*. Page 141

Smith and Labor Theory of Value

In this short section, I will briefly address how Smith extends the principles of labor and property in Locke to a preliminary labor theory of value. I ground my exploration of Adam Smith's labor theory of value in Levine's work, as Levine puts Smith, David Ricardo, and Marx in dialogue with one another.

In the section on elementary exchange, I briefly examined how Smith conceptualized exchange as mediated through value as "labor which the commodity is able to command." As discussed in this section, Smith's conception of exchange is unable to make explicit value because he begins with difference as the key motivator of exchange. Smith theorizes that exchange is necessitated through the social division of labor. The division of labor highlights interdependence as the dominant principle in consumption and production. Smith begins with division and difference as the starting point of exchange and yet does not theorize the division of labor fully, leading him to reduce society as "composed of irreducible differences."[139] Smith utilizes the division of labor as an "*a priori* supposition" rather than conceptualizing it as determined within society "which develops with the system of economic relations itself."[140] Levine argues that because Smith posits the division of labor as both *a priori* for exchange and its basic origin, Smith's argument cannot organically come up with value as an intrinsic substance which equalizes commodities. Nevertheless, Smith can also not permit the economic system to be derived only through difference, as this would risk determining the laws of exchange outside of the market and instead in the division of labor, or social hierarchy. Levine shows that Smith turns from the division of labor to labor:

[139] Levine. Page 206
[140] Levine. Page 206

> According to Smith this element[141] is the labor time required in the production of the commodity, the 'toil and trouble.' It needs to be emphasized that when Smith leaves aside the division of labor in order to constitute labor he, in effect, roots out altogether any implication of mutual dependence in the laboring and constitutes the latter as self-sufficient individual activity, as the relation of the individual to nature.[142]

In other words, Smith has within his theory of value two contradictory principles. On the one hand, he asserts the division of labor as the necessary drive of exchange which is determined prior to and therefore *outside* of the process of exchange. This assertion highlights difference (difference in labor and difference in use-values) and hides sameness (in labor(time) and in value). At the same time, division of labor also highlights interdependence of a society behind the abstracted exchange. Labor on the other hand, is asserted by Smith as concrete, quantifiable, and individual. However, these two necessary assertions which determine exchange for Smith cannot be reconciled, as Smith is unable to articulate both labor and the division of labor as social. While the division of labor implies interdependence and therefore also implies society, Smith fails to extend this same logic for the category *labor.* As a result, Smith bifurcates labor from its original category, division of labor making labor into an individually determined category: "Labor, which begins as the common element in the division of labor, is now something quite distinct, bearing no necessary relation to the division of labor."[143] This biforcation of division of labor and labor continues to have problems as Smith makes *the labor of the "self subsistent individual"* the basis of commodity exchange. Needing to now highlight the equalivalence between the commodities in exchange, Smith makes exchange "goverened by the rule that the value of the commodity acquired must equal the labor which its acquisition saves its

[141] "This element" refers to the common substance which is capable of equating commodities in exchange.
[142] Levine, *Economic Theory Volume I: The Elementary Relations of Economic Life*. Page 206
[143] Levine. Page 207

purchaser."[144] And yet, Levine shows us that Smith's rule of value disregards the division within the division of labor. Or rather, as division of labor impies *specialization* of labor, it is not possible for the labor of the purchaser to equal the labor necessary to create the commodity in production.[145] The separation of division of labor (what necessitates exchange) from labor (what mediates exchange [value]), leaves Smith unable to theorize the category of labor as "embedded in a conception of mutual dependence."[146] Levine writes:

> Here, the division of labor becomes essentially external to the general conception of labor and the negative quality of laboring as a violation of individual freedom becoes the essential quality in its abstract determination as labor. Thus, Smith excludes all necessity of mutual dependence and makes the latter a matter of the free choice of the individual. This violates essentially the real social determination of labor andreduces the later to its Lockean form.[147]

Sustaining labor as a free individual choice rather than a violation of individual rights is intrinsically linked to how labor is theorized in Smith. If Smith were to fully develop the social determination of *the division of labor*, he might not be able to separate the category "labor" from this social determination. Instead, Smith is able to highlight individual choice as integral and immanent to exchange and therefore labor, while holding interdependence or the division of labor as external to the laboring process. In other words, Smith highlights "toil and trouble" as *labor* separated from the division of labor and as a result cannot grasp the degree to which

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[144] Levine. Page 207

[145] Levine continues on with an explanation of Smith's beaver deer economy, which asserts equality of labor or labor time between exchangers. The assertion here is that two people, one hunting deer and one hunting beaver might meet in the woods and need to exchange. And yet, they must determine a basis to exchange the goods. If the deer hunter says "it took me 10 hours to hunt and process this deer" and the beaver hunter says "it took me 2 hours to trap and process these beaver" then the rate of exchange can simply be determined as 1 deer = 5 beaver. However, this example assumes that the labor embodied in the deer and the beaver are done wholly by each individual. As soon as this model moves to civil society, it loses its coherence as it is the division of labor for Smith which necessitates exchange in the first place.

[146] Levine, *Economic Theory Volume I: The Elementary Relations of Economic Life*. Page 208

[147] Levine. Page 209

interdependence is also immanent to abstract labor. The absence of a theory of socially determined labor in Smith is largely what gives way to Marx's critique which we will move to next.

Marx and Labor Theory of Value

In this section I will be predominately using *Capital* directly to work through how Marx amends and critiques the Smithian conception of labor and value to arrive at a social determination of production. It is worth noting that Marx is also writing a critique of Ricardo, and yet Smith's relationship to value is slightly more complex. Levine understands Ricardo as abandoning the concept of division of labor altogether and instead focusing entirely on labor as "toil and trouble." As a result, Levine affirms that for Ricardo, the law of value is the law of labor embodied. Put differently, for Ricardo all commodities must exchange in relation to the amount of labor embodied within them. As a result, for Ricardo it is labor which directly produces value, and circulation merely expresses the value already created in production. Production and Circulation then, have a relationship of production of value and revelation of value, or as Levine writes: "both Smith and Ricardo consider the market to be the arena within which the value of the commodity reveals itself. This requires, first, that commodity exchange be governed by the rule of labor-value."[148] This means that for Ricardo even more than Smith, it is the labor embodied in the commodity which drives exchange *and not the interdependence implied by the division of labor.* As a result, Ricardo can understand the market entirely absent of any social determination outside of "labor" which is theorized in isolation from the division of labor.

[148] Levine. Page 247

For Marx, separating labor from the division of labor will not do, as Marx is attempting to rid economic theory from natural determinism. Instead, Marx seeks to peer behind the assumptions of economic theory to reveal their real dynamics as socially and historically derived. Nevertheless, Marx is also determined to highlight labor as the key to understanding value but cannot permit himself to naturalize labor as a fixed condition. He begins by concluding that the significant substance common to all commodities is labor:

> If we disregard the use-value of commodities, only one property remains, that of being products of labor...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."[149]

By first abstracting away from the specify of labor, Marx is able to arrive at labor as a common substance present within all commodities similar to Smith and Ricardo. Nevertheless, like Smith Marx understands that it is the use-value of the particular commodity (difference, interdependence) which makes exchange possible. Unlike Smith, however, Marx emphasizes that labor must also be confirmed as labor. Labor, for Marx, is connected to use-value as "nothing can be a value without being an object of utility. If a thing is useless, so is the labour contained in it; the labour does not count as labour, and therefore creates no value."[150] Here we can see how Marx goes further than Smith in theorizing the basis of labor as determined through social utility rather than fixed in nature. As shown in Chapter Two through Levine and Sahlins, use-values or utilities are not given by nature but rather are shaped as and through social practices. Labor is central to the creation of value for Marx, and yet labor cannot be labor and value cannot be value if this labor is not confirmed to be useful. Now we arrive at a conception

[149] Marx, *Capital*. Page 128
[150] Marx. Page 131

of abstract labor that is not fixed in the language of "toil and trouble" given by Smith. For Marx, an individual could toil in labor for hours and yet if the outcome of his labor remains unrecognized as an object of utility – or as fulfilling a social need – this labor does not count as producing value. Nevertheless, Marx still affirms value as an objective intrinsic characteristic. He asserts that "commodities possess an objective character as values only in so far as they are expressions of an identical social substance, human labour, that their objective character as values is therefore purely social."[151] This position might appear to be contradictory. How could value be objectively determined if its determination is social and therefore subject to change in different times and spaces? Objective here might better be interpreted here as "knowable" in contrasting with neoclassical conceptions of subjective individual choice. For neoclassical economics, exchange is mediated through an unknowable and subjective plethora of individual choices. Society is made up of individual choices that cannot be reduced to any kind of structure. The most that we can do from a neoclassical economics perspective is track patterns and trends to estimate what individuals might want or need. As a result there is no immanent rule or law guiding exchange outside of the self-interest of individuals and the choices that emerge from them.

Marx's insistence on an objective character as value is a negation of this premise in neoclassical economics. Instead, Marx asserts that we can lay bare the logic of capitalist market relations which appear as random individual acts. At the same time, Marx is engaged in a critique of Smith and Ricardo and is trying to avoid naturalizing the underlying conditions of labor and exchange. He writes:

> Perhaps a particular operation, although yesterday it still formed one out of the many operations conducted by one producer in creating a given commodity, may today tear

[151] Marx. Page 138

> itself out of this framework, establish itself as an independent branch of labour, and send its part of the product to market as an independent commodity. The circumstances may or may not be ripe for such a process of separation. Today the product satisfies a social need. Tomorrow it may perhaps be expelled partly or completely from its place by a similar product. Moreover, although our weaver's labour may be a recognized branch of the social division of labour, yet that fact is by no means sufficient to guarantee the utility of his 20 yards of linen. If the society's needs for linen – and such a need has a limit like every other need – has already been satisfied by the products of rival weavers, our friend's product is superfluous, redundant and consequently useless.[152]

On the one hand, Marx allows social need to confirm or deny what counts as labor. It is important to point out here that for Marx, society's needs are at once made up of individual choice and yet not reducible to individual choice. Simultaneously, this passage is primarily concerned with removing social need from a fixed condition. Marx highlights *change* as primary: today versus tomorrow. He locates change in social need neither in biological or natural conditions (scarcity of linen, need for warmth, etc), nor in random individual choices. Marx also demonstrates that the market is other-directed by highlighting that it is not the individual's self-interest which drives exchange but rather his ability to meet the needs of others or to fulfill a social need. Labor remains central in this configuration as it is labor which brings the commodity to life. And yet this labor is meaningless in isolation from the system of needs which confirms the labor as producing value. This means that Marx is able to simultaneously maintain value as deriving from an objective and intrinsic substance within the commodity (abstract labor) and highlight how this value is realized through its position within a system of needs. Because of this, the production of a commodity and its circulation cannot be seen as separate processes but rather co-constituting.

Turning briefly to Levine, we can see that what distinguishes Marx from previous classical political economy is his treatment of value and how he conceptualizes the relationship

[152] Marx. Page 201

between production and circulation. Levine writes that: "For the classical conception, all conditions specific to the process of commodity exchange and the circulation of commodities are not only latent within commodity production, they are fully developed within production. Thus, value not only develops out of production, it is fully determined in production, and the character of the product as a value is fully independent of any conditions which are developed subsequent of its production."[153] This perceived independence of production from circulation as we saw earlier, is entirely based on a formulation of labor which divorces labor from its social reality. Marx then steps in to offer a new category of abstract labor: socially necessary labor time. By historicizing the necessary labor-time required for the production of x commodity, Marx is able to account for a quantifiable measure of value that appears to be derived from a particular place and time rather than fixed in nature. Marx also takes pains to historicize and contextualize need in relation to labor power:

> Given the existence of the individual, the production of labor-power consists in his reproduction of himself or his maintenance...His natural needs, such as food, clothing, fuel, and housing vary according to the climatic and other physical peculiarities of his country. On the other hand, the number and extent of his so-called necessary requirements, as also the manner in which they are satisfied, are themselves products of history, and depend therefore to a great extent on the level of civilization attained by a country...In contrast, therefore, with the case of other commodities, the determination of the value of labour-power contains a historical and moral element. Nevertheless, in a given country at a given period, the average amount of the means of subsistence necessary for the worker is a known *datum.*[154]

In this account, "the average amount of the means of subsistence necessary for the worker" is quantifiable and knowable but only within a particularized time and place. As a result we cannot reduce value to labor time as necessary labor time has social and historical specificity. However, while Marx fills the gap in Smith and Ricardo by emphasizing labor and the productive process

[153] Levine, *Economic Theory Volume I: The Elementary Relations of Economic Life*. Page 247
[154] Marx, *Capital*. Pages 274-275

as social rather than isolated or individual relations, Levine argues that he does not take the next step of fully theorizing production and circulation as dynamic processes. In other words, for Levine, because Marx "retains the classical idea that exchange is determined by relations of production," whether or not these relations are theorized as social, he is unable to grasp the circulatory process as relevant in *constructing the system of economic relations as a whole*.[155] While Levine credits Marx for breaking with the natural reductionism of Smith and Ricardo, he does not conclude that Marx is fully able to overcome the essential problem born out of classical political economy. Because Marx locates production as primary in his investigation, Levine believes that Marx's, "import of social determination remains ambiguous" as Marx does not integrate the constitution of labor as social labor into the system of economic relations as a whole. Taking Levine's subtle intervention seriously has potentially drastic implications for how we take up Marx in our own social and economic critiques. The implications are both methodological and conceptual and I will partially address them in the next section.

Problems For Method, Value, and Exploitation

Levine's critique of Smith, Ricardo, Marx, and the unnamed neoclassical economists throughout his work is both a critique of content and a critique of method. For Levine, the highest form of method is immanent critique, as outlined in the introduction. In order to perform immanent critique, the practitioner must be aware of their limits. These limits might include our politics for instance, as it is politics that brings us to the critique in the first place. If Tony Smith's purpose in *The Logic of Marx's Capital* is to decisively show that *Capital* is primarily written using dialectic logic, then Levine wishes to both affirm this argument and also evaluate it. Levine's

[155] Levine, *Economic Theory Volume I: The Elementary Relations of Economic Life*. Page 5

critique of Marx is a critique which remains absent from Tony Smith's book. The critics that Smith is engaged with are predominately Hegelians who's misreading of *Capital* (at least in the eyes of Smith) lead them to discount Marx as a non-Hegelian. Levine enters the text differently. He instead says "Marx is caught between two fundamentally contradictory methodologies – that of Hegel and dialectics and that of the empirical economic theory of Adam Smith and David Ricardo. Levine's project is to highlight the parts of Marx's work which emphasize dynamic relationships of the market. In places where Marx fails to adhere to dialectics, Levine intervenes and carries the logic out for us. Levine's work is strong precisely because he finds the seeds for these critiques within the theory itself. He does not simply lament that Marx is not doing x or y. Instead he provides us with an analysis which elucidates the tension within Marx's method. Levine writes: "For the theoretical treatment of the system of economic relations it is necessary to leave behind that logic which proceeds via the reduction of social relations to primordial conditions, however these conditions may be conceived."[156] In other words, while Marx critiques Smith and Ricardo for naturalizing labor by removing it from its social context, he still theorizes the productive process as primary and prior to circulation. Marx does so in order to preserve labor as the most fundamental category in the determination of value, and yet for Levine, this assertion commits reductionism that is antithetical to Marx's overall method. Levine asserts that this problem "requires a break with certain of the most strongly held claims of the Marxian method. It is not, however, implied by this that an equally sharp break is necessary from the logical structure of Marx's argument."[157] These strongly held claims which Levine refers to are Marx's labor theory of value and theory of exploitation, which rely on this conception of value

[156] Levine. Page 9
[157] Levine. Page 9

as determined in production prior to circulation. Levine seeks to show that while Marx's labor theory of value is perhaps the most ubiquitous, it is not the strongest aspect of Marx's work or even his best exposition of exploitation as the labor theory of value does not make explicit with Marx's own conclusion that value is determined through a *social process*. Coming to this conclusion has implications for how we critique capitalism, and even how we conceptualize and determine what capitalism *is*.

Conclusion

By the end of this thesis I have just begun to arrive at it. I am aware that by the end of Chapter 3 I have run too fast through the concepts that on their own require chapters of deliberation. In another piece, this thesis will provide a theoretical backbone to get to the questions that I really want to ask around value, capitalism, and method. And yet the question remains, why do I seem to care so much about this problem of value?

One answer might be that *my* mentor cares about it, and often our first encounters with our own passions are mediated through those who teach us and guide us through the material. This answer fuels a deep anxiety. Professor Inayatullah's teachings have a heavy influence on this piece as my first encounters with the ideas explored in this thesis were through his classes and readings. And yet, as I have spent the last two years reading Levine on my own, I have come to the realization that I would not have the patience to wade through the muddy waters of economic theory if I wasn't getting something out of it. Additionally, there is something potentially useful in simply following the work of others for a while. Even if all this thesis amounts to is a repetition of Levine and Inayatullah's work, I will not count this as a failure. But at the end of this work I have come to realize that my approach to economic theory *is* my own. While I initially thought I was drawn to Levine for his explanation of value in economic theory, it is the way that he performs these explanations that is captivating for me.

I am looking for an understanding of my place in the world which feels right. In order to do this, I need a framework for understanding this thing called exploitation. While exploitation was not the subject of this endeavor, questions around how to determine and define exploitation heavily influenced my initial interest in value. I seek to understand exploitation as I can *feel* myself being exploited and yet do not have the words to articulate how and why. I cannot

tolerate operating in the world of neoclassical economics, which takes the formal equality guaranteed in the contract as proof of a lack of exploitation. In this world, the only way to explain exploitation is a direct legal violation of a contract (underpaying people for instance). This will not suffice for me as I have felt undervalued and exploited despite being legally or formally equal. I also cannot tolerate an analysis of "choices" which presupposes the individual as the end all be all. I need a theoretical disposition that frees me (pun intended) from the burden of ontological individualism. I need a theory which recognizes the way that my individual choices are *structured*, *forced*, and only possible within limits. Neoclassical economics tells me I have a right to choose, but doesn't address how these choices come to be. As a result, neoclassical economics does not have a theory of exploitation, as it emphasizes individual choice at the cost of deemphasizing the social recognition as part of the full process of realizing these individual choices.

Levine pushes us to develop a theory of economic relations that takes seriously circulation and production as constituting a system of economic relations. This assertion directly relates to how I understand exploitation and my position in the world. Neoclassical economics highlights individual choice and hides the sociality which frames these choices, and classical political economy highlights labor and value but naturalizes these categories as determined prior to society. Marxist political economy gets the closest to what Levine is searching for: a non-reductionist economic theory capable of encompassing the whole of economic relations. In order for economic theory to be truly non-reductionist, the *social purpose of the market* must be fully theorized. It is here that Levine intervenes most prominently, as his reading of Marx and additions to Marx, work to theorize economic relations as a whole. To complete the methodological imperative immanent in Marx's writings. Circulation and exchange are integral

in determining the social purpose of the market, and as a result cannot be left outside of how value is deduced. Moving back to Chapter 2, I outlined that meritocracy is the ideological justification for hierarchy within a system defined by legal equality on the basis of individual merit. The problem of meritocracy is that it hides the social determination of individual position in favor of highlighting individual action and choice. Understanding this critique of meritocracy can help to understand the critique of value as produced in production. In both cases, the substance, value or merit, is theorized outside of the system of needs. Just as my work on this thesis cannot realize its value until it is read by others, value – both human value and the value of the commodity – cannot be realized in isolation from the world of relations which constitute it. My work must circulate before my labor can be confirmed as producing value.

The assertion of the primacy of social recognition gets to the heart of my investment in this material. I am invested in a form of social theory that is capable of theorizing across difference without destroying the dynamic relationship between the particular and the universal. I believe that Levine's rigorous critique of economic theory does this, and my future work will remain driven by this methodological imperative. Nevertheless, I do not want to assert that my attachment to immanent critique as method will prevent me from exploring other forms of social theory. I hope that I have conveyed that while Levine centers heavily in this thesis, and while I was not able to include a more comprehensive view of other readings of *Capital*, I do not mean to close myself off from alternative perspectives. I hope to get into these more as I continue to familiarize myself with the broader literature of political economy and continue my studies beyond the purview of this Master's thesis.

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