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CHAPTER ONE

COMMODITIES

1. The two Factors of a Commodity: Use-Value and Value (Substance of Value, Magnitude of Value).

The wealth of societies in which the capitalist method of production prevails, takes the form of "an immense accumulation of commodities",[1] wherein individual commodities are the elementary units. Our investigation must therefore begin with an analysis of the commodity.

A *commodity* is primarily an external object, a thing whose qualities enable it, in one way or another, to satisfy human wants. The nature of these wants, whether for instance they arise in the stomach or in the imagination, does not affect the matter.[2] Nor are we here concerned with the question, how the thing satisfies human want, whether directly as a means of subsistence (that is to say, as an object of enjoyment), or indirectly as a means of production.

Every useful object, such as iron, paper, etc., must be regarded from a twofold outlook, that of quality and that of quantity. Every such object is an assemblage of numerous properties, and may therefore be useful in various ways. To discover these various ways, and thus to find out the manifold uses of things, is a work of time.[3] Time is likewise needed for the discovery of social standards

[1] Karl Marx, *Zur Kritik der politischen Oekonomie*, Berlin, 1859, p. 4.

[2] "Desire implies want; it is the appetite of the mind, and as natural as hunger to the body; . . . the greatest number [of things] have their value from supplying the wants of the mind." Nicholas Barbon, *A Discourse on Coining the new Money lighter, in Answer to Mr. Loche's Considerations*, etc., London, 1696, pp. 2–3.

[3] "Things have an intrinsic virtue [this is Barbon's specific term for use-value], which in all places have the same virtue; as the loadstone to attract iron" (*op. cit.*, p. 16).—The property of the magnet which enables it to attract iron did not become useful until it had led to the discovery of magnetic polarity.

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of measurement for the quantity of useful objects. The variability of the quantitative standards by which commodities are measure, is partly dependent upon the varying nature of the objects to be measured, and partly upon convention.

The utility of a thing makes it a use-value.[1] But this utility is not a thing apart. Being determined by the properties of the commodity, it does not exist without them. The commodity itself, such as iron, wheat, a diamond, etc., is therefore a use-value or good. Its character in this respect is independent of the amount of human labour required for the appropriation of its useful qualities. In the consideration of use-values, their quantitative determination is always taken for granted, as when we deal with watches by the dozen, linen by the yard, iron by the ton, and so on. The use-values of commodities form the topic of a special study, the science of commodities.[2] Use-value is only realised in use or consumption. Use-values comprise the material content of wealth, whatever its social form may be. In the form of society we are about to examine, they constitute likewise the material depositories of exchange-values.

Exchange-value shows itself primarily as the quantitative ratio, the proportion, in which use-values of one kind are exchanged for use-values of another kind,[3] a ratio continually varying with changes in time and place. Exchange-value thus seems to be something fortuitous and purely relative, and an exchange-value immanent in commodities (intrinsic value) would consequently appear to be a con-

[1] "The natural worth of anything consists in its fitness to supply the necessities or serve the conveniences of human life." John Locke, *Some Considerations on the Consequences of the Lowering of Interest*, 1691; *Works*, London, 1777, vol. II, p. 28.—In the seventeenth century, many English authors continued to write "worth" for "use-value" and "value" for "exchange-value", this being accordant with the genius of a language which prefers an Anglo-Saxon word for an actual thing, and a Romance word for its reflexion.

[2] In bourgeois society the "legal fiction" prevails that every person, as buyer of commodities, has an encyclopædic knowledge of them.

[3] "Value consists in the ratio of exchange between one thing and another, between a given quantity of one product and a given quantity of another." Le Trosne, *De l'intérêt social*, Paris, 1846, p. 889.

tradiction in terms.[1] Let us look into the matter more closely.

A certain commodity, such as a quarter of wheat, can be exchanged for x blacking, y silk, z gold, etc. In a word, it can be exchanged for other commodities in varying proportions. The wheat, therefore, has numerous exchange-values instead of only one. Since, however, x blacking, y silk, z gold, etc., each represents the exchange-value of one quarter of wheat, it follows that x blacking, y silk, z gold, etc., must be mutually interchangeable, must have equal exchange-values. From this we infer: first, that the valid exchange-values of a commodity are equal one to another; and, secondly, that exchange-value must be the mode of expression, the "phenomenal form", of something contained in the commodity but distinguishable from it.

Now let us take two commodities, such as wheat and iron. Whatever the ratio of exchange may be, it can always be represented by an equation in which a given quantity of wheat is equated with some quantity or other of iron. For instance, our equation may read: one quarter of wheat = x cwt. of iron. What does this equation mean? It tells us that in two different things, namely in one quarter of wheat and in x cwt. of iron, there exists in equal quantities something common to both. They are, therefore, equal to a third something, which differs in essence from them both. Each of them, in so far as it is exchange-value, must be reducible to the third.

A simple geometrical illustration will make this clear. When we wish to ascertain the areas of rectilinear figures, and to compare these one with another, we subdivide them into triangles. The area of a triangle is itself determined by reduction to something very different from the visible shape of the triangle, namely to a rectangle whose area is the altitude of the triangle multiplied by half the base. In like manner, the exchange-values of commodities must be reduced to expressions of something quantitative which is common to them all.

This common "something" cannot be a geometrical,

[1] "Nothing can have an intrinsic value." Barbon, *op. cit.*, p. 16. Or, as Butler has it:

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

physical, chemical, or other natural property of commodities. The material properties of these only concern us, here, in so far as they confer utility, so as to render the commodities use-values. On the other hand, the obvious characteristic of the exchange ratio between commodities is precisely this, that it is an abstraction from their use-values. From that outlook, one use-value is just as good as another, if there be enough of it. Barbon said this long ago: "One sort of wares is as good as another, if the values be equal. There is no difference or distinction in things of equal value. . . . A hundred pounds' worth of lead or iron, is of as great value as one hundred pounds' worth of silver and gold."[1] Regarded as use-values, commodities are, above all, of different quality; regarded as exchange-values, they can merely differ in quantity, for from this point of view they have no use-value at all.

When the use-values of commodities are left out of the reckoning, there remains but one property common to them all, that of being products of labour. But even the product of labour has already undergone a change in our hands. If, by our process of abstraction, we ignore its use-value, we ignore also the material constituents and forms which render it a use-value. It is no longer, to us, a table, or a house, or yarn, or any other useful thing. All the qualities whereby it affects our senses are annulled. It has ceased to be the product of the work of a joiner, a builder, a spinner; the outcome of some specific kind of productive labour. When the useful character of the labour products vanishes, the useful character of the labour embodied in them vanishes as well. The result is that the various concrete forms of that labour disappear too; they can no longer be distinguished one from another; they are one and all reduced to an identical kind of human labour, abstract human labour.

Let us now consider the residuum of the labour products. Nothing is left of them but the before-mentioned unsubstantial entity, a mere jelly of undifferentiated human labour, this meaning the expenditure of human labour power irrespective of the method of expenditure. All that now matters in the labour products is that human labour power has been expended in producing them, that human labour power is stored up in them. As crystals of this social

[1] Barbon, *op. cit.*, pp. 53 and 57

substance common to them all, they are values—commodity values.

In the ratio of exchange between commodities, their exchange-value seemed to us something that was completely independent of their use-values. Ignoring the use-value of the labour products, we arrive at their value in the sense above defined. The common element disclosed in the exchange ratio or exchange-value of the commodities is, in fact, their value. The course of our investigation will show that exchange-value is the necessary phenomenal form of value, the only form in which value can be expressed. For the nonce, however, we have to consider value in itself, and independently of this mode of expression.

A use-value or a good [a useful article] has value solely because abstract human labour has been embodied or materialised in it. How are we to measure this value? In terms of the quantity of "value-creating" substance it contains—the quantity of labour. This is itself measured by its duration; and labour time, in turn, is measured by hours, days, etc.

Now, if the value of a commodity be determined by the amount of labour expended during its production, it might seem at the first glance as if the value would be greater in proportion as the worker who made it was lazier or more unskilled, seeing that idleness or lack of skill would increase the time needed for production. But the labour which creates the substance of value is homogeneous human labour, the expenditure of a uniform labour power. The total labour power of society, as embodied in the gross value of all commodities, though comprising numberless individual units of labour power, counts as an undifferentiated mass of human labour power. Each of these individual units of labour power is the same human labour power as all the other units—in so far as it has the characteristics of social average labour power, and functions as such; in so far, that is to say, as in the production of a commodity it uses only the average labour time or the socially necessary labour time. Socially necessary labour time is the labour time requisite for producing a use-value under the extant social and average conditions of production, and with the average degree of skill and intensity of labour. After steam-power looms had got to work in England, only half (or thereabouts) of the previous amount of labour was

needed to transform a given quantity of yarn into cloth. The individual hand-loom weaver took just as long to effect this transformation as before the introduction of steam-power into the textile industry, but the product of his one hour's labour under the old conditions represented product of only half an hour's average social labour under the new, and was therefore worth only half as much as before.

What determines the magnitude of value of a use-value is, therefore, the amount of socially necessary labour it contains, or the social labour time requisite for its production.[1] Speaking generally, in this connexion, each individual commodity must be regarded as an average sample of its class.[2] Commodities which contain equal quantities of labour, or can be produced in equal periods of labour time, have therefore the same magnitude of value. The ratio between the respective values of two commodities is identical with the ratio between the periods of necessary labour time occupied in their production. "As values, commodities are nothing but particular masses of congealed labour time."[3]

The magnitude of value of a commodity would thus remain constant, if the labour time needed for its production were constant. But this latter changes with every change in the productivity of labour. The productivity of labour is determined by various circumstances, among which may be mentioned: the workers' average skill; the development of scientific theory, and the degree to which this theory is applicable in practice; the social organisation of production; the supply and the efficiency of the means of production; physical conditions. For example, a specified amount of

[1] "The value of them [the necessaries of life] when they are exchanged the one for another, is regulated by the quantity of labour necessarily required, and commonly taken in producing them." *Some Thoughts on the Interest of Money in general, and particularly in the Public Funds, etc.*—The remarkable work from which the foregoing quotation is taken (p. 36) is anonymous, and bears no date on the title-page. It was published in London, during the reign of George II. Internal evidence shows that the year of publication was probably 1739 or 1740.

[2] "All products of one and the same kind constitute, substantially, but a single mass, whose price is determined by general considerations, and without regard to particular circumstances." Le Trosne, *op. cit.*, p. 893.

[3] Karl Marx, *op. cit.*, p. 6.

labour will, in a favourable season, be represented by eight bushels of wheat, and in an unfavourable season by four. The same quantity of labour produces a larger quantity of ore in a rich mine than in a poor one. Diamonds are such scarce products in the earth's crust that, on the average, a very large amount of labour time is needed for their discovery; hence a diamond represents much labour condensed into a small space. Jacob doubts whether gold has ever been paid for at its full value, and this doubt is still more applicable to diamonds. According to Eschwege, by 1823 the total output of the Brazilian diamond mines during the previous eighty years had failed to realise a price equal to that of one and a half years' average produce of the sugar and coffee plantations of the same country, although the diamonds represented far more labour, and therefore more value. If richer diamond mines were discovered, a specified amount of labour would be represented by more diamonds, and the value of diamonds would diminish. Should it become possible, with a small expenditure of labour, to make diamonds out of charcoal, they might be worth less than bricks. Speaking generally, the greater the productivity of labour—the shorter is the period of labour time needed for the production of an article, the smaller the amount of crystallised labour it contains, and the less its value. Conversely, the smaller the productivity of labour—the longer is the period of labour time needed for the production of an article, and the greater its value. Thus the magnitude of value of a commodity varies directly as the amount, and inversely as the productivity, of the labour embodied in it.

A thing can be a use-value though it has no value. That is the case when its utility to mankind is not the outcome of labour. Instances are: air, virgin soil, prairie, primeval forest, etc. A thing can be useful and the product of human labour without being a commodity. One who satisfies his wants with the product of his own labour, makes a use-value but does not make a commodity. To produce commodities he must produce, not use-values merely, but use-values for others—social use-values. [Nor does it suffice to say that he produces "for others" without further qualification. The medieval peasant produced cense-corn for the seigneur and tithe-corn for the priest; but the fact that they were produced for others did not make commodities of cense-

corn and tithe-corn. To become a commodity, a product must pass by way of *exchange* into the hands of the other person for whom it is a use-value.][1] Finally, nothing can have value unless it has utility. If it is useless, the labour embodied in it has been useless; such labour cannot be counted as labour, and therefore cannot produce value.

2. Twofold Character of the Labour embodied in Commodities.

We saw at the outset that a commodity is compounded of two things, use-value and exchange-value. Subsequently it became clear that labour, too, in so far as it finds expression in value, acquires characteristics differing from those of labour as the producer of use-values. I was the first to point out and discuss this twofold character of the labour embodied in commodities.[2] Since it is upon this that the understanding of political economy turns, we must look into the matter more closely.

Let us take two commodities, such as a coat and ten yards of linen. The former we will suppose to be worth twice as much as the latter, so that, if ten yards of linen = W, the coat = 2 W.

The coat is a use-value; it satisfies a special want. To produce it, a particular kind of productive activity is requisite. The nature of this activity is determined by its purpose, mode of operation, substance, means, and result. The labour whose utility is thus represented in the use-value of its product, or the labour which thus manifests itself by making its product a use-value, is termed, for short, "useful labour". From this outlook, labour is always regarded with an eye to its effect as producer of utility.

Just as the coat and the linen are qualitatively different use-values, so are the forms of labour that respectively produce them (tailoring and weaving) qualitatively different. Were not the two things qualitatively different use-values, and therefore the products of qualitatively different forms of useful labour, they could not confront one another as

[1] I add the passage in brackets to clear up a common misunderstanding. It has often and wrongfully been supposed that Marx regarded as commodities all products that were consumed by other persons than the producers.—Note by Friedrich Engels.

[2] Karl Marx, *op. cit.*, pp. 12, 13, etc.

commodities. Coats are not exchanged for coats; a use-value is not exchanged for another use-value of the same kind.

In the totality of different kinds of use-values or commodities, there is embodied a totality of equally diversified forms of useful labour. The kinds of useful labour can be divided into genera, species, subspecies, and varieties—for there is a social division of labour. This division of labour is essential to the production of commodities; although it is not true, conversely, that there is no social division of labour in the absence of commodity production. In the primitive communities of India there is social division of labour, but the products of this community production do not become commodities. To take an example that lies nearer to our hand, in every factory there is a systematic division of labour, but this division of labour is not brought into being by an exchange of individual products among the workers in the factory. The only products which confront one another as commodities are those produced by reciprocally independent enterprises.

We have learned, then, that in the use-value of every commodity there is embodied definite, purposive, productive activity, or, in other words, useful labour. Use-values cannot confront one another as commodities, unless they contain qualitatively different forms of useful labour. In a society whose products, in general, take the form of commodities, i.e. in a society of commodity producers, this qualitative differentiation of useful forms of labour carried on by reciprocally independent enterprises develops into a complicated system, a social division of labour.

The coat, as a coat, fulfils its purpose equally well whether it is worn by the tailor who makes it, or by one of that tailor's customers. In either case it functions as a use-value. Nor is the relation between the coat and the labour which produces it affected by the fact that tailoring may have become a special trade, an independent branch of the social division of labour. Urged to action by the need for clothing, man made garments for thousands of years before any one became a tailor. But the existence of the coat, of the linen, of every constituent of material wealth other than those freely provided by nature, must be brought about by a special, purposive, productive activity, one which adapts particular gifts of nature to particular

human wants. As creator of use-values, as useful labour, labour is a necessary condition of human existence, and one that is independent of the forms of human society; it is, through all the ages, a necessity imposed by nature itself, for without it there can be no interchange of materials between man and nature—in a word, no life.

The use-values coat, linen, commodities in general, are compounded of two elements, matter and labour. When we abstract the total amount of the various kinds of useful labour embodied in the coat, the linen, or any other commodity, there always remains a material substratum which has been supplied by nature without the help of man. In the process of production, man can only work as nature works—by changing the forms of matter.[1] Nay more, in this work of changing the forms of matter he is continually aided by the forces of nature. We see, then, that labour is not the only source of the use-values it produces, is not the only source of material wealth. As William Petty phrases it, while labour is the father of material wealth, the earth is its mother.

Let us now pass from the commodity regarded as an object possessing *utility*, to consider the *value* of the commodity.

In our example we assumed the coat to be worth twice as much as the linen. This, however, is merely a quantitative difference, which does not here concern us. Let us bear in mind, however, that, if a coat be worth twice as much as ten yards of linen, then twenty yards of linen will have the same magnitude of value as one coat. As values, coat and

[1] "The phenomena of the universe, whether the products of man's hand or of the universal laws of physics, give one and all the idea, not of actual creation, but solely of a modification of matter. Bringing together and taking apart—these are the only elements which human intelligence can discover when it analyses the idea of production, including the production of value [see below] or wealth—whether it be that earth, air, and water are transformed in the fields into grain; or that by the hand of man the sticky secretion of an insect is changed into silks and velvets, or a few scraps of metal are made into a repeater watch." Pietro Verri, *Meditazioni sulla economia politica*, first published in 1773, in Custodi's edition of the Italian economists, modern section, vol. XV, p. 22.—When, in the above-quoted passage from his polemic against the physiocrats, Verri writes "value" [valore], he means "use-value," though he does not really know himself to which kind of value he is referring.

linen are of the same substance, are the objective expressions of one and the same kind of labour. Tailoring and weaving are, however, qualitatively different kinds of labour. Nevertheless there are phases of social life in which a man will sometimes do tailoring work and sometimes weaving. In that case, the two different kinds of labour are but modifications of the labour of the same individual, instead of being peculiar and permanent functions of different individuals; just as the coat which a tailor makes one day and the trousers which he makes the next, are but variations of the same individual labour. It is, moreover, obvious that in our capitalist society, in accordance with variations in the demand for labour, a given portion of human labour will be supplied, now in the form of tailoring, and now in the form of weaving. No doubt this change in the form of labour is likely to be attended by friction, but it is inevitable none the less. The essence of productive activity, if we disregard its particular form and consequently ignore the utility of the labour, is this—that it is an expenditure of human labour power. Tailoring and weaving, though qualitatively different productive activities, are both of them productive expenditure of the human brain, muscle, nerve, hand, etc., and in this sense are both of them human labour. They are merely two different ways of expending human labour power. Of course this human labour power must be more or less developed before it can be expended in varying forms. But the value of any commodity represents human labour unqualified, represents generalised human labour. Just as in bourgeois society a commander-in-chief or a banker plays a great part, whereas a mere "man" plays a small one,[1] so here with human labour. It is the expenditure of simple labour power, such as, on the average, the ordinary man, without any special development of faculty, is equipped with in his bodily organism. Simple average labour doubtless varies in character as between one country and another, and as between one cultural epoch and another; but in any given community it is a constant. Skilled labour counts only as intensified, or rather multiplied, simple labour, so that a smaller quantity of skilled labour is equal to a larger quantity of simple labour. Experience shows that skilled labour can always be reduced in this way to the terms

[1] Cf. Hegel, *Philosophie des Rechts*, Berlin, 1840, p. 250, § 190.

of simple labour. No matter that a commodity be the product of the most highly skilled labour, its value can be equated with that of the product of simple labour, so that it represents merely a definite amount of simple labour.[1] The varying ratios in accordance with which different kinds of labour are reduced to simple labour as their standard, are determined by a social process which goes on behind the backs of the producers, and to them, therefore, seems to be established by custom. In what follows we shall, for simplicity's sake, regard every kind of labour power as simple labour power, thus saving ourselves the trouble of making the reduction.

When we consider coat and linen as values, we ignore differences in their use-values. In like manner, when we consider the labour embodied in these values, we ignore the differences in the kind of utility as between the two forms of useful labour, tailoring and weaving. Just as the use-values coat and linen are combinations of purposive productive activities with cloth and yarn respectively, whereas the values coat and linen are merely homogeneous aggregates of undifferentiated labour; so do the aggregates of labour incorporated in these values count, not in virtue of their productive relationship to the cloth or the yarn, but simply in virtue of being expenditures of human labour power. Tailoring and weaving are formative elements in the production of the use-values coat and linen, for the very reason that the two kinds of useful labour differ in quality; but they are substantial constituents of the coat-value and the linen-value only in so far as their specific qualities as tailoring and weaving are disregarded, and only in so far as both have the same quality of being human labour.

Coat and linen, however, are not merely values in a general sense; they are values of a definite magnitude. According to our primary assumption, the coat is worth twice as much as ten yards of linen. Whence does this difference in the magnitudes of their values arise? It is due to the fact that the piece of ten yards of linen embodies

[1] The reader will be good enough to note that we are not here discussing wages, or the value which the worker receives for a day's labour, but the commodity value into which his day's labour is incorporated. We have nothing to do with wages at this stage of the argument.

only half as much labour as the coat; this meaning that, for the production of the coat, labour power was expended for a time twice as long as that needed for the production of the linen.

Whereas, then, in respect of the use-value of a commodity, the labour embodied in it counts qualitatively only; in respect of the magnitude of its value, the labour counts only in a quantitative sense, after it has been reduced to human labour pure and simple. In the former case, we are concerned with the how and the why of the labour. In the latter case, we are concerned with the duration of the labour, must answer the question "How long?" Since the magnitude of the value of a commodity represents only the amount of labour which the commodity embodies, it follows that suitable proportions of various commodities will have values of equal magnitude.

If the productive power (let us say, of all the different kinds of useful labour needed to produce a coat) remains unchanged, the total magnitude of the values of a number of coats will increase as their number increases. If one coat represents the labour of x days, two coats will represent the labour of 2 x days, and so on. Next let us suppose that the amount of labour needed for the production of a coat is doubled or halved. If it be doubled, one coat will now be worth as much as two coats were worth before; if it be halved, two coats will now be worth only as much as one coat was worth before. Yet in either case a coat does the same service as before, and the useful labour embodied in it is just as good as of old. What has changed is, the amount of labour expended in the production of a coat.

An increase in the quantity of use-value is an increase in material wealth. Two coats are more than one. Two coats serve to cover two men; one coat can cover one man only. Nevertheless, an increase in the amount of material wealth may take place while the magnitude of the value of this wealth falls. Such a contradictory movement is the outcome of the twofold character of labour. Productive power is, of course, in all cases the productive power of useful concrete labour; in actual fact it determines only the efficacy of purposive productive labour in a given space of time. Thus useful labour becomes a more abundant or a less abundant source of products, according as its

productive power rises or falls. On the other hand, no change in productive power can, by itself, affect the labour that is embodied in value. Since the productive power appertains to the concrete useful form of labour, it cannot have any bearing on labour when labour is considered in the abstract, apart from its concretely useful form. In equal spaces of time, the same labour always generates equal magnitudes of value, however much the productive power may vary. But in equal spaces of time, the same amount of labour generates varying amounts of use-value; more when productive power rises, less when it falls. The same change in productive power which increases the yield of labour, and therefore increases the amount of use-values it generates, diminishes the magnitude of the value of this increased total mass if it lessens the sum-total of the labour time necessary for its production. The converse is equally true.

On the one hand, all human labour is, physiologically speaking, the expenditure of human labour power; and thus, as homogeneous or abstract human labour, it creates the value of commodities. On the other hand, all labour is the expenditure of human labour power in a special, purposive form; and thus, as concrete useful labour, it creates use-values.[1]

[1] In order to prove that labour, and nothing but labour, is the ultimate and actual measure whereby the value of all commodities can always be estimated and compared, Adam Smith writes: "Equal quantities of labour must at all times and in all places have the same value for the labourer. In his normal state of health, strength, and activity, and with the average degree of skill that he may possess, he must always give up the same portion of his rest, his freedom, and his happiness." *Wealth of Nations*, book i, chap. v. On the one hand, Adam Smith confuses here (not everywhere) the determination of value by means of the amount of labour expended in the production of the commodity, with the determination of commodity values by means of the value of the labour, thus trying to prove that equal quantities of labour always have the same value. On the other hand, he has an inkling of the fact that labour, in so far as it is embodied in the value of commodities, counts only as the expenditure of labour power; but he conceives this expenditure as nothing more than the sacrifice of rest, freedom, and happiness, instead of regarding it likewise as the normal activity of human beings.—Smith's forerunner already quoted by me in note 1 to page 8 hits the mark much better when he writes (*op. cit.*, p. 39): "One man has employed himself a week in provid ng this necessary of life, . . . and he that gives him some other in exchange, cannot make a better estimate of what is a proper equivalent, than by computing what cost him just as much labour and time; which in effect is no more than exchanging one man's labour in one thing for a time certain, for another man's labour in another thing for the same time."

3. The Form of Value, or Exchange-Value.

Commodities come into the world as use-values, such as iron, linen, wheat, etc. This is their straightforward natural form. They are, however, commodities only in virtue of their twofold character, simultaneously as useful objects and as depositories of value. Consequently, they can only manifest themselves as commodities, or can only have the form of commodities, in so far as they have a twofold form: a bodily form, and a value form.

The reality of the value of commodities thus resembles Mistress Quickly, of whom Falstaff said: "A man knows not where to have her." This reality of the value of commodities contrasts with the gross material reality of these same commodities (the reality which is perceived by our bodily senses) in that not an atom of matter enters into the reality of value. We may twist and turn a commodity this way and that—as a thing of value it still remains unappreciable by our bodily senses. Let us recall, however, that commodities only possess the reality of value in so far as they are expressions of one and the same social unit, namely human labour. Since the reality of their value is thus purely social, it is obvious that this reality can manifest itself only in the social relation between one commodity and another. We set out, in fact, from the exchange-value or ratio of exchange of commodities, in order to get at the value that lies hidden in them. Now we must return to this phenomenal form of value.

Every one knows so much, at least, that commodities have a value form common to them all, the money form; and they know that the money form contrasts markedly with the manifold bodily forms of their use-values. But here we are confronted by a task which bourgeois economics has never even tried to undertake. We have to discover the origin of the money form; to trace the development of the expression of value contained in the value ratio of commodities; to follow this up from its simplest and most inconspicuous configuration to the glaringly obvious money form. Then the enigma of money will cease to be an enigma.

The simplest value ratio is obviously the value ratio between one commodity and some one other commodity of a different kind—no matter what kind. The ratio between the respective values of two commodities thus gives us the simplest expression for the value of one of them.

A. Elementary, Isolated, or Accidental Form of Value

We write x commodity A = y commodity B; or we say that x commodity A "are worth" y commodity B. In the concrete, we write, 20 yards of linen = 1 coat; or we say that 20 yards of linen "are worth" one coat.

a. The two Poles of the Expression of Value: Relative Value Form and Equivalent Form.

The whole mystery of the form of value lies hidden in this elementary form, and its analysis is our fundamental difficulty.

A and B, the two different kinds of commodity (linen and coat in our concrete instance), obviously play different parts. The linen expresses its value in the coat; the coat serves as the means for the expression of this value. The former commodity plays an active role; the latter, a passive one. The value of the former commodity is presented as relative or comparative, or appears in a relative form. The latter commodity functions as an equivalent, or appears in an equivalent form.

Relative value form and equivalent form are reciprocally dependent factors, mutually determining one another, and inseparable: but at the same time they are mutually exclusive or contrasted extremes, polar opposites of the same expression of value; they are respectively assigned to the two different commodities which are brought into relation by the expression of value. I cannot express the value of linen in terms of linen. It is not an expression of value to say: 20 yards of linen = 20 yards of linen. All that this equation conveys is that 20 yards of linen are nothing else than 20 yards of linen, are a given quantity of the useful object linen. The value of the linen can only be expressed by a relation, only in terms of another commodity. The relative value form of the linen implies, therefore, that some other commodity is contraposed to

the linen in the equivalent form. On the other hand, this other commodity which figures as an equivalent cannot simultaneously present itself in the relative form of value. It does not express its own value, but merely serves as means for expressing the value of the other commodity.

It is true that the expression, 20 yards of linen = 1 coat, or 20 yards of linen are worth one coat, includes the converse expression, 1 coat = 20 yards of linen, or 1 coat is worth 20 yards of linen. But if I wish to express the value of the coat relatively, I have to transpose the terms of the equation; and as soon as I do this the linen becomes the equivalent in place of the coat. In one expression of value, one commodity cannot simultaneously appear in both forms. These forms are polar opposites, are mutually exclusive.

Whether a commodity is in the relative value form, or in the opposed equivalent form, depends solely upon what happens to be its position in the expression of value—upon whether it is the commodity whose value is expressed, or the commodity in terms of which the value of some other commodity is expressed.

b. Relative Value Form.

α. Nature and Meaning of Relative Value Form.

If we wish to discover how the elementary expression of the value of a commodity lies hidden in the value ratio between two commodities, we must begin by contemplating this ratio independently of its quantitative aspect. People usually take the opposite course, seeing in a value ratio nothing more than the proportion in which specified quantities of two different kinds of commodity can be equated. They fail to see that the magnitudes of different things cannot be quantitatively compared until they have been expressed in terms of the same unit. Only as expressions of the same unit do they become quantities which bear the same name, and are therefore commensurable.[1]

[1] The few economists who, like S. Bailey, analysed value form, failed to arrive at any result: first, because they confused the form of value with value itself; and, secondly, because (crudely influenced by the mentality of the practical bourgeois) they were from the very outset incapable of attending to anything but the quantitative aspect of the question. "The command of quantity . . . constitutes value." S. Bailey, *Money and its Vicissitudes*, London, 1837, p. 11.

No matter whether 20 yards of linen = 1 coat, or 20 coats, or x coats—no matter whether a given quantity of linen is worth few coats or many—every such statement of a ratio implies that the linen and the coats are, as magnitudes of value, expressions of the same unit, things of the same kind. Linen = coat is the groundwork of the equation.

Still, the two commodities which are thus qualitatively equated play different roles. The value of one only, the linen, is expressed. How? By its relation to the coat as its "equivalent", as that for which it can be "exchanged". In this relation, the coat, as the form in which value is embodied, counts as a thing having value, for only as such is it the same as the linen. On the other hand, the linen's own value comes to light, or secures independent expression; for only as value is it of equal value with the coat and exchangeable for the coat.

In like manner, butyric acid and propyl formate are different substances. Yet both of them are made up of the same chemical elements, carbon and hydrogen and oxygen, combined in identical proportions, so that each substance is represented by the formula $C_4H_8O_2$. If, now, we equate butyric acid with propyl formate, we imply two things: first, that, in this relation, propyl formate counts only as a form of existence of $C_4H_8O_2$; and, secondly, that butyric acid, too, consists of $C_4H_8O_2$. When we equate propyl formate with butyric acid, the equation expresses their ultimate chemical composition, in contradistinction to their outward bodily form.

We may put the matter thus. As values, commodities are mere jellies of human labour, and for this reason our analysis reduces them to value in the abstract, but does not give them any value form differing from their bodily form. It is otherwise when we are concerned with the value relation between one commodity and another. Then the character of the value of the former commodity is disclosed in virtue of its relation to the latter.

When the coat as a thing having value is equated with the linen, the labour embodied in the coat is equated with the labour embodied in the linen. It is true that the tailoring which makes the coat, is, in the concrete world, a different kind of labour from the weaving which makes the linen. But when the coat is equated with the linen,

the tailoring is in actual fact reduced to that which is identical in the two kinds of labour, is reduced to their common quality as human labour. In this roundabout way, then, we are saying that weaving, in so far as it weaves value, cannot be differentiated from tailoring, for it is abstract human labour. Nothing but the expression of the equivalence between different kinds of commodities can disclose the specific character of value-creating labour. It does so by reducing the different kinds of labour embodied in the different commodities to that which is common to them all, to human labour in the abstract.[1]

It is not enough, however, that we should express the specific character of the labour wherein the value of the linen consists. Human labour power in the fluid state, or human labour, creates value, but is not itself value. It only becomes value when solidified, when concreted. To express the value of the linen as a jelly of human labour, it must be expressed as a "reality" which is essentially distinct from the linen itself, but is something common to the linen and other commodities. This solves our problem.

In the value ratio towards the linen, the coat counts as its qualitative equal; as a value, it is something of the same kind as the linen. Here, then, it counts as a thing in which value becomes manifest; or as a thing which, in its palpable bodily form, represents value. Yet the coat itself, the substance of the coat as commodity, is a mere use-value. A coat taken by itself does not express value any more than does a chance piece of linen taken by itself. This merely shows us that the coat means more when brought into a value relation with the linen than it means apart from such a relation—just as many a man

[1] The famous Benjamin Franklin, one of the first economists (after William Petty) to grasp the true nature of value, writes: "Trade in general being nothing else but the exchange of labour for labour, the value of all things is . . . most justly measured by labour." *Works of B. Franklin*, edited by Sparkes, Boston, 1836, vol. II, p. 267. Franklin is not aware that, when he measures the value of all things "by labour", he is disregarding the differences between the kinds of labour that are exchanged one for another, and is thus reducing them all to undifferentiated human labour. Yet, though not aware of it, he says as much. He begins by speaking of "the one labour", goes on to speak of "the other labour", and in the end refers to "labour" without qualification as the substance of the value of all things.

wearing a smart uniform means more than the same man in mufti.

In the production of the coat, human labour power has been expended in the form of tailoring. Human labour has, therefore, been stored up in it. In this aspect the coat is a "depository of value", although its quality as such a depository remains hidden even though it be worn threadbare. In its value relation to the linen it counts only thus, only as embodied value, only as a body that has value. Tightly buttoned up though the coat be, the linen looks within, and recognises in the coat the beautiful soul of value akin to the linen's own. But the coat cannot express value in relation to the linen, unless, from the outlook of the linen, this value assumes the form of a coat. In like manner, A cannot assume the aspect of a king's majesty for B unless, in B's eyes, the idea of "majesty" becomes associated with the bodily form of A—this meaning that "majesty" will have to change features, hair, and many other bodily characteristics, when a new king ascends the throne.

In the value ratio wherein the coat forms the equivalent of the linen, the coat form therefore counts as a value form. The value of the commodity linen is consequently expressed in the body of the commodity coat, the value of one commodity in the use-value of the other. As a use-value, the linen is something which to our senses is obviously different from the coat; as a value it is the equivalent of the coat, and therefore looks like a coat. In this way it acquires a value form different from its bodily form. The essence of its value is manifest in its likeness to the coat, just as the sheep nature of the Christian is manifest in his resemblance to the Lamb of God.

We see that everything which our analysis of the value of commodities has told us, is disclosed by the linen itself as soon as it comes into relation with another commodity, the coat. It conveys its thoughts in the only language it knows—the language of commodities. In order to tell us that its own value is created by labour in the abstract form of human labour, it says that the coat, so far as equivalent to itself, is likewise value, consisting of the same labour as linen. In order to tell us that its sublimated reality as value differs from its buckram body, it says that value looks like a coat, and that consequently, so far as linen

is a value, it and the coat are as like as two peas. Let me say in passing that the language of commodities has many other more or less correct dialects over and above Hebrew. The German "werthsein", for instance, expresses (though less forcibly than the Romance verb "valere", "valer", "valoir") the fact that the equating of commodity B to commodity A is A's own way of expressing its value. "Paris vaut bien une messe!" [Paris is well worth a mass].

By means of the value ratio, the bodily form of commodity B thus becomes the value form of commodity A, or the body of commodity B acts as mirror to the value of commodity A.[1] Inasmuch as commodity A becomes related to commodity B as the embodiment of value, as materialised human labour, it makes the use-value B serve as material for the expression of its own value. The value of commodity A, as thus expressed in the use-value of commodity B, has taken the form of relative value.

β. Quantitative Determination of Relative Value Form.

Every commodity whose value is to be expressed, is a useful object of which there is a given quantity, such as 15 bushels of wheat, 100 lbs. of coffee, etc. This given quantity of any commodity contains a definite amount of human labour. Thus the value form has to express, not only value in general, but also a definite quantity of value, or a magnitude of value. In the value ratio of commodity A to commodity B, of the linen to the coat, the specific commodity coat is not merely equated qualitatively with linen in general; what happens is that with a definite quantity of linen (for example 20 yards of linen) a definite quantity of the embodiment of value, of the equivalent (for example, 1 coat), is equated.

The equation "20 yards of linen = 1 coat", or "20 yards of linen are worth 1 coat", implies that 1 coat contains

[1] After a fashion, it is with the human being as with the commodity. Since the human being does not come into the world bringing a mirror with him, nor yet as a Fichtean philosopher able to say "I am myself", he first recognises himself as reflected in other men. The man Peter grasps his relation to himself as a human being through becoming aware of his relation to the man Paul as a being of like kind with himself. Thereupon Paul, with flesh and bone, with all his Pauline corporeality, becomes for Peter the phenomenal form of the human kind.

exactly the same amount of the substance of value as 20 yards of linen contain, this meaning that the two quantities of commodities cost equal amounts of labour or equal periods of labour time. But the period of labour time requisite for the production of 20 yards of linen or 1 coat varies with every variation in the productivity of weaving or tailoring. We must now study more closely the effect of such variations on the relative expression of the magnitude of value.

I. Suppose that the value of the linen varies,[1] while the value of the coat remains constant. If the labour time needed for the production of the linen be doubled, perhaps owing to a decline in the fertility of the land on which flax is grown, then its value will be doubled. Our equation will no longer read 20 yards of linen = 1 coat, but 20 yards of linen = 2 coats, for 1 coat will now contain only half as much labour time as 20 yards of linen. If, on the other hand, the labour time needed for the production of the linen be halved, perhaps owing to an improvement in looms, then the value of the linen will be halved. Now, therefore, our equation will read 20 yards of linen = ½ coat. The relative value of commodity A, that is to say its value expressed in terms of commodity B, thus rises or falls directly as the value of commodity A rises or falls, provided that the value of commodity B remains constant.

II. Suppose that the value of the linen remains constant, while that of the coat varies. If the labour time needed for the production of a coat be doubled, perhaps because there has been a poor crop of wool, then, instead of writing 20 yards of linen = 1 coat, we shall have to write 20 yards of linen = ½ coat. If, on the other hand, the value of the coat be halved, then 20 yards of linen = 2 coats. The value of commodity A remaining constant, its relative value, its value expressed in terms of commodity B, falls or rises inversely as the value of B changes.

If we compare the various instances given under heads I and II, we see that the same change in the magnitude of relative value may be the outcome of opposite causes. Instead of writing 20 yards of linen = 1 coat, we may have to write 20 yards of linen = 2 coats, either because the value of the linen has been doubled, or because the value

[1] The term "value" is used here (as previously sometimes) to denote quantitatively determined value, i.e. magnitude of value.

of the coat has been halved; and instead of writing 20 yards of linen = 1 coat, we may have to write 20 yards of linen = ½ coat, either because the value of the linen has been halved, or because the value of the coat has been doubled.

III. The quantities of labour needed for the production of the linen and the coat may vary simultaneously in the same direction and to the same extent. Then, after the change as before, and however great the change in values may have been, it will still be true that 20 yards of linen = 1 coat. The change in the values of linen and coat will be made manifest as soon as they are compared with some third commodity, whose value has remained constant. If the values of all commodities were to rise or fall simultaneously and to the same extent, their relative values would remain unchanged. The actual change in values would be revealed by the fact that, in a given amount of labour time, a larger or a smaller quantity of commodities would now be produced.

IV. The labour times respectively needed for the production of the linen and the coat, and therefore the values of these commodities, may vary simultaneously in the same direction, but to a different extent; or they may vary in opposite directions; etc. The effect which all possible combinations of the kind will have upon the relative value of a commodity may readily be deduced from an application of cases I, II, and III.

We see, then, that the real changes in the magnitude of values are not reflected either unambiguously or exhaustively in their relative expression—in the magnitude of relative value. The relative value of a commodity may change, though its value remains constant. Its relative value may remain constant, though its value changes. Finally, simultaneous changes in the magnitudes of value and in the relative expression of these magnitudes, do not necessarily correspond in extent.[1]

[1] With their customary shrewdness, vulgar economists turn to good account this discrepancy between magnitude of value and its relative expression. For instance, J. Broadhurst writes (*Political Economy*, London, 1842, pp. 11 and 14): "Once admit that A falls, because B, with which it is exchanged, rises, while no less labour is bestowed in the meantime on A, and your general principle of value falls to the ground. . . . If he [Ricardo] allowed that when A rises in value relatively to B, B falls in value relatively to A, he

c. *Equivalent Form.*

We have seen that in so far as a commodity A (the linen) expresses its value in the use-value of another commodity B (the coat), it stamps on the latter a peculiar form of value, that of the equivalent. The commodity linen manifests its own essentiality of value by the fact that the coat is equated with it, though the coat does not assume a value form differing from its bodily form. Thus in actual fact the linen expresses its own essentiality of value by this, that the coat is directly exchangeable for it. Consequently, when we speak of the equivalent form of a commodity we mean that it is directly exchangeable for another commodity.

When a commodity of one kind, such as coats, serves as equivalent for a commodity of another kind, such as linen, so that the coats acquire the characteristic property of being directly exchangeable for linen, this does not tell us the ratio in which coats and linen are exchangeable each for the other. Since the magnitude of the value of the linen is given, that ratio depends upon the magnitude of the value of the coats. No matter whether the coat functions as equivalent and the linen as relative value, or conversely the linen as equivalent and the coat as relative value, in both cases alike the magnitude of the value of the coat is determined by the labour time needed for its production, and is thus independent of its value form. But as soon as,

cut away the ground on which he rested his grand proposition, that the value of a commodity is ever determined by the labour embodied in it; for if a change in the cost of A alters not only its own value in relation to B, for which it is exchanged, but also the value of B relatively to that of A, though no change has taken place in the quantity of labour to produce B, then not only the doctrine falls to the ground which asserts that the quantity of labour bestowed on an article regulates its value, but also that which affirms the cost of an article to regulate its value."—Mr. Broadhurst might just as well say: "Consider the numerical ratios 10/20, 10/50, 10/100, etc. The number 10 remains unchanged, and yet its proportional magnitude, its magnitude when compared with the denominators 20, 50, 100, etc., continually falls. Thus falls to the ground the great principle that the magnitude of an integral number, such as 10, is determined by the number of units it contains."

[At the beginning of the foregoing note, Marx uses the term "vulgar economists" for the first time. He defines it later, in the footnote to p. 55.—E. and C. P.]

in the expression of value, the commodity coat assumes the position of equivalent, its magnitude of value ceases to be expressed as magnitude of value. In the equation of value, the commodity coat now figures only as a definite quantity of some article.

For instance, 40 yards of linen are worth—what? They are worth 2 coats. Because the commodity coat here plays the part of equivalent, whilst the use-value coat (in contrast with the linen) figures as the embodiment of value, a definite number of coats can serve as the expression of a definite amount of linen value. Two coats can therefore express the magnitude of the value of forty yards of linen; but they can never express the magnitude of their own value, the magnitude of coat value. A superficial understanding of the fact that in an equation of values the equivalent never has anything more than the form of a simple quantity of a thing (of a use-value), has misled Bailey, as it has misled so many economists before and after him, into regarding an expression of value as a purely quantitative relation. The actual fact is that the equivalent form of a commodity does not contain any quantitative determination of value.

The first peculiarity which strikes us when we consider the equivalent form is, that use-value has become the phenomenal form of its opposite, value.

The bodily form of the commodity becomes its value form. Mark well, however, that this quid pro quo [something for something] exists for a commodity B (coat, or wheat, or iron, or whatever you please) only within the confines of a value ratio, only within the bounds of this particular kind of relation between the commodity B and some other commodity A (linen, or what you will). Since no commodity can function as equivalent for itself, can make of its own bodily shape an expression of its own value, every commodity must (to express its value) enter into relation with some other commodity as equivalent, converting the bodily shape of that other commodity into the form of its own value.

One of the measures that are applicable to commodities as material bodies, as use-values, will serve to illustrate this point. A sugar-loaf, as a material body, is heavy, has weight; but the weight of a sugar-loaf is not something which you can see or handle. We then take various pieces

of iron, whose weight has been already determined. The bodily form of the iron is not, in and by itself, a phenomenal form of weight, any more than the bodily form of the sugar-loaf is. Nevertheless, when we wish to express the sugar-loaf as weight, we bring it into a weight relation with the iron. In this relation, the iron counts as a body which represents nothing but weight. A definite quantity of iron serves to measure the weight of the sugar, representing, in relation to the sugar-loaf, embodied weight, the phenomenal form of weight. The iron plays this part only within the bounds of the relation we are now considering, a relation into which the sugar (or anything else which has to be weighed) enters with the iron. Unless both the sugar and the iron had weight, they could not enter into this relation; it would be impossible for one to express the weight of the other. When we put them into the scales, we see that they really have the same weight, and we know that a certain proportion of one will have the same weight as a certain proportion of the other. Just as the bodily substance of the iron, when used as a measure of weight, represents, in relation to the sugar-loaf, weight and nothing else; so in our equation of value the bodily substance of the coat represents, in relation to the linen, value and nothing more.

Here, however, the analogy ceases. When the iron expresses the weight of the sugar-loaf, it represents a material property, weight, which is common to both bodies; but when the coat expresses the value of the linen, it represents a non-material property, value, which is common to both—something the reality of which is exclusively social.

Inasmuch as the relative value form of a commodity (the linen, for example) gives expression to the essentiality of its value as something utterly distinct from its bodily substance and its properties (as coat-like, for instance), this mode of expression shows, of itself, that a social relation is hidden away beneath the surface. With the equivalent form, it is the other way about. The fundamental characteristic of this is, that the bodily substance of a commodity, such as the coat in all its materiality, expresses value, is gifted by nature with the form of value. True, this applies only within the confines of the value relation in which the commodity coat functions as equivalent to the

commodity linen.[1] Since, however, the properties of a thing do not arise out of its relation to other things, but only manifest themselves in such a relation, the coat would seem to be just as much gifted by nature with its equivalent form, with its property of being directly exchangeable, as with its property of being heavy or with that of keeping us warm. Hence the enigmatic character of the equivalent form, which escapes the notice of the bourgeois economist until it confronts him, fully developed, in the shape of money. He then tries to explain away the mystifying character of gold and silver by substituting for them less perplexing commodities, and by running through the list (which he repeats with ever-renewed satisfaction) of all the rag, tag, and bobtail of commodities which at one time or another have played the part of equivalent. He never dreams that even the simplest expression of value, such as "20 yards of linen = 1 coat", already presents for solution the riddle of the equivalent form.

The body of the commodity which serves as equivalent, counts always as an embodiment of abstract human labour, and is always the product of some specifically useful concrete labour. This concrete labour thus becomes the expression of abstract human labour. If the coat, for instance, counts as nothing but the embodiment of abstract human labour, the tailoring, which is actually embodied in the coat, counts merely as the form in which abstract human labour happens to be embodied. In the expression of the value of the linen, the utility of the tailoring does not consist in this, that it makes clothes (and therefore makes a man!); but in this, that it makes a body which we forthwith recognise as value—as a jelly of labour which is nowise distinguishable from the labour objectified in the linen value. If it is to become such a mirror of value, the tailoring itself must reflect nothing more than its abstract property of being human labour.

Whether in the form of tailoring or in the form of weaving, human labour power is expended. Both tailoring and weaving, therefore, possess the general property of being human

[1] Such expressions of relations in general, termed by Hegel 'reflex categories", are of a peculiar kind. For example, here is a man who is only king because other people behave as his subjects. Yet they, for their part, believe themselves to be his subjects because he is king.

labour, and it follows that in special instances (as when we are concerned with the production of value) they may be regarded from this outlook alone. There is no mystery about the matter. But in the expression of the value of a commodity, things are turned the other way round. For example, in order to show that the weaving creates the value of the linen, not in its concrete form as weaving but in virtue of its general property of being human labour, the tailoring, the concrete labour which produces the linen equivalent, is contraposed to the weaving as the palpable embodiment of abstract human labour.

Here, then, we have a second peculiarity of the equivalent form; for, in it, concrete labour becomes the phenomenal form of its opposite, abstract human labour.

Inasmuch as this concrete labour, tailoring, counts as the mere expression of undifferentiated human labour, it is homogeneous with the labour embodied in the linen. Consequently, though it is the labour of a particular individual, it is (like all the labour which produces commodities) labour of a directly social kind. That is why it creates a product directly exchangeable for other commodities. This is the third peculiarity of the equivalent form, that individual labour assumes the form of its opposite, and becomes labour in a directly social form.

The two last-mentioned peculiarities of the equivalent form will become more intelligible if we go back to the great thinker who was the first to analyse so many of the forms of thought, society, and nature.

First of all, Aristotle tells us in so many words that the money form of commodities is but a further development of the simple form of value—this simple form being the expression of the value of a commodity in terms of any other commodity you please. He says that the phrase "5 beds = 1 house" . . . "cannot be distinguished from" . . . the phrase "5 beds = so much money".

He sees, further, that the value relation represented by the phrase "5 beds = 1 house" implies a qualitative identity between house and bed; he recognises that, different though the two things are to our bodily senses, they must have a common essence, for otherwise we could not relate them one to another as commensurable magnitudes. He says: "There cannot be exchange without equality, nor equality without commensurability." But here he halts in

his analysis of the form of value. "It is really impossible that things so different should be commensurable," i.e. qualitatively identical. Such an equalisation must be foreign to the real nature of the things; it can only be "a makeshift for practical purposes".

Thus Aristotle himself tells us what is the hindrance to the progress of his analysis. He lacks the concept of value. When, in the foregoing equation, a house expresses the worth of five beds, what is the nature of the "equality", what is the essence common to house and bed? "It is really impossible", says Aristotle, that such a common essence can exist. Why impossible? The house is something of the same kind as the bed, in so far as both of them represent what is really one and the same. This one and the same thing is—human labour.

It was, however, impossible for Aristotle to discover, by the simple study of the form of value, that in the form of commodity values all labour (of whatever kind) finds expression as identical human labour, which counts as of equal worth in them all. Aristotle could not see this because Greek society was based on slave labour, and was therefore based upon the inequality of men and their labour powers. The riddle of the expression of value is solved when we know that all labour, in so far as it is generalised human labour, is of like kind and of equal worth; but this riddle can only be unriddled when the notion of human equality has acquired the fixity of a popular conviction. No such widespread popular conviction could arise until there was a society in which the commodity form had become the generalised form of the labour product, one in which the relation of man to man as owners of commodities had become the dominant type of social relation. Aristotle's outstanding genius is shown by his discovery that a relation of equality or essential likeness underlies the expression of the value of commodities. It was only the historical limitations of the society in which he lived, that prevented his discovering the real nature of this relation of equality.

d. Elementary Form of Value considered as a Whole.

The elementary form of value of a commodity is contained in its value relation to a commodity of another kind, or in the ratio wherein it is exchangeable for that

commodity. The value of commodity A is qualitatively expressed by the direct exchangeability of commodity B for commodity A. It is quantitatively expressed by the exchangeability of a definite quantity of commodity B for the given quantity of commodity A. In other words, the value of a commodity secures independent expression by being represented as "exchange-value". At the beginning of this chapter, following the usual custom, I described a commodity as use-value and exchange-value. Strictly speaking, this was incorrect. A commodity is use-value (or a useful object) and value. It manifests itself as this twofold thing as soon as its value has a phenomenal form of its own, the form of exchange-value, differing from the bodily form; and it never has this form when regarded in isolation, but only when it is brought into a value relation (an exchange relation) with some other commodity, one of a different kind. As long as we recognise this, the foregoing locution does no harm, and serves as a conveniently terse way of phrasing.

Our analysis showed that the value form or value expression of a commodity originates in the nature of commodity value; it did not show, conversely, that value and the magnitude of value originate in their expression as exchange-value. But the latter delusion prevailed among the mercantilists, and prevails among those who have revived the mercantilist doctrine, such as Ferrier[1] and Ganilh[2]; and it prevails among those who are the very antipodes of the mercantilists, the modern bagmen of free trade, such as Bastiat and Co. The mercantilists lay the main stress on the qualitative aspect of the expression of value, and therefore on the equivalent form of value, which attains its most finished type in money. The modern hawkers of free trade, on the other hand, since their first object in life is to sell their wares at any price, lay the main stress on the quantitative aspect of the relative form of value. For them, therefore, neither the value nor the magnitude of value of a commodity exists anywhere except in expression through the exchange relationship—in the daily list of current prices. The Scotsman MacLeod, who

[1] F. C. A. Ferrier, subinspector of customs, *Du gouvernement considéré dans ses rapports avec le commerce*, Paris, 1805.

[2] Charles Ganilh, *Des systèmes de l'économie politique*, secon edition, Paris, 1821.

makes it his business to furbish the hazy notions of Lombard Street with a veneer of learning, is a successful cross between the superstitious mercantilist and the enlightened free trade hawker.

Close scrutiny of the expression of value of the commodity A that is contained in its value relation to the commodity B has shown, that, within this relation, the bodily form of commodity A counts only as a form or aspect of use-value, whereas the bodily form of commodity B counts only as a form or aspect of value. Thus the contrast between use-value and value hidden away within the commodity has an outward and visible counterpart, namely the relation between two commodities, the relation in which the commodity whose value is to be expressed counts only as use-value, whereas the commodity in terms of which value is to be expressed counts only as exchange-value. The simple value form of a commodity is, therefore, the simple phenomenal form of the inherent contrast (within the commodity) between use-value and value.

In all social conditions, the labour product is a useful object; but the labour product does not become a commodity except in a definite phase of historical evolution when the labour expended in producing a useful thing secures expression as one of the circumstantial qualities of that thing, namely as its value. It follows that the elementary value form of a commodity is at the same time the elementary commodity form of the labour product, this meaning that the evolution of the commodity form coincides with the evolution of the value form.

At the first glance we see the inadequacy of the elementary form of value, the germinal form which must pass through a series of metamorphoses before it can develop into the price form.

The expression of the value of commodity A in terms of any other commodity B, serves merely to distinguish the value of A from its own use-value, and therefore does no more than put A into an exchange relation with some other commodity of a different kind; it does not exhibit the qualitative identity and the quantitative proportionality that exist between A and all other commodities. The elementary relative value form of a commodity expresses the isolated equivalent form of another commodity. Thus, in the relative expression of the value of the linen, the

coat has nothing more than equivalent form (the form of direct exchangeability) in relation to this single commodity, linen.

But the elementary form of value passes of its own accord into a more highly developed or extended form. In the elementary form, the value of commodity A is expressed in terms of only one other commodity. It does not matter what this other commodity may be, whether coat, or iron, or wheat, or what you will. Thus for any one commodity there are numerous elementary expressions of value, according as it is brought into a value relation with this or that or the other commodity.[1] The number of possible expressions of value is restricted only by the number of kinds of commodity differing from the first. The isolated expression of the value of any one commodity is, therefore, only a term in an indefinitely long series of such elementary expressions, each of which differs from all the others.

B. Total or Extended Form of Value

We write, z commodity A = u commodity B, or = v commodity C, or = w commodity D, or = x commodity E, or = etc. In the concrete, we write, 20 yards of linen = 1 coat, or = 10 lbs. of tea, or = 40 lbs. of coffee, or = 1 qr. of wheat, or = 2 oz. of gold, or = ½ ton of iron, or = etc.

a. Extended Relative Form of Value.

In this form, the value of any one commodity, such as linen, is expressed in terms of numberless other elements of the world of commodities. Any commodity you please to select may serve as mirror of the linen's value.[2] It is thus

[1] In Homer, for instance, the value of a thing is expressed in terms of various other things.

[2] When we express the value of the linen in terms of coats, we speak of its "coat value"; when we express its value in terms of corn, we speak of its "corn value"; and so on. The expression indicates that it is the value of the linen which becomes manifest in the use-values coat, corn, etc. "The value of any commodity denoting its relation in exchange, we may speak of it as . . . 'corn value', 'cloth value', according to the commodity with which it is compared; and hence there are a thousand different kinds of value, as many kinds of value as there are commodities in existence, and all are equally real and equally nominal." *A Critical Dissertation on the Nature, Measure, and Causes of Value: chiefly in reference to the Writings of Mr. Ricardo and his Followers*, by the Author of *Essays on the Formation . . . of Opinions*, London, 1825, p. 39. At the time of its publication, this work, published anonymously, attracted a good deal of attention in England. The author (S. Bailey) fancied that, by thus pointing out how manifold can be the relative expressions of one and the same commodity value, he had proved the impossibility of determining value at all. Despite his limitations, he was able to put his finger upon some of the weak spots in Ricardo's theory, as was shown by the venom with which he was attacked by the members of the Ricardian school (in the "Westminster Review", for instance).

that the value comes for the first time to show itself in its true light as a jelly of undifferentiated human labour. For now the labour which creates it is expressly represented to be labour which is essentially the same as all other human labour, in whatever bodily form that labour may happen to be incorporated—whether that labour be materialised as a coat or wheat or iron or gold or what not. Consequently, by its value form the linen is now brought into a social relation, not simply with one other commodity of a different kind, but with the world of commodities in general. As a commodity, it is a citizen of that world. At the same time, inasmuch as the different expressions of its value in terms of different commodities form an interminable series, we see that the commodity value has no preferences as to the particular form of use-value in which it secures expression.

In the first form, 20 yards of linen = 1 coat, it may be a pure accident that these two commodities are exchangeable one for another in that particular quantitative ratio. In the second form, however, we catch sight of a background fundamentally distinct from the phenomenon that seemed as if it might be fortuitous, a background which conditions that phenomenon. The value of the linen always has the same magnitude, no matter whether it be expressed in terms of coats or coffee or iron, and no matter how numerous the respective owners of these commodities may be. The chance relation between two individual owners of commodities vanishes from the picture. We see plainly that exchange does not determine the magnitude of the value of a commodity; but that, conversely, the magnitude of the value of a commodity determines its exchange relations.

b. Particular Equivalent Form.

In the expression of the value of the linen, every commodity (coat, tea, wheat, iron, etc.) counts as equivalent, and therefore as an embodiment of value. The particular bodily form of each of these commodities is a particular equivalent form among many. In like manner the manifold, particular, concrete varieties of useful labour contained in the various embodiments of value, count, for our present purpose, as so many special modes of materialisation, so many phenomenal forms, of any and every kind of human labour.

c. Defects of the Total or Extended Form of Value.

First of all, the relative expression of the value of commodities is incomplete, for the series which represents it is interminable. Each equation of value is but one link in a chain, to which a new link, a new expression of value, can be added whenever a new commodity crops up. Secondly, it is a variegated mosaic of disconnected and diversified expressions of value. Finally, since we have to express the relative value of every commodity in this extended form, the relative value form of each commodity is an endless series of expressions of value which differs from the relative value form of every other commodity.—The defects of the extended relative form of value are mirrored in the corresponding equivalent form. Since the bodily form of each individual kind of commodity has now become a particular equivalent form among countless other particular equivalent forms, we have nothing left but fragmentary equivalent forms, which are mutually exclusive. In like manner, the particular, concrete variety of useful labour contained in each particular commodity equivalent, is but one particular phenomenal form of human labour, and therefore cannot be exhaustive. It is true that human labour has its complete or total phenomenal form in the totality of these particular phenomenal forms. But this does not give it a unitary phenomenal form.

The extended relative form of value consists only of a summation of relative expressions of value, or equations of the first kind, such as:

20 yards of linen = 1 coat;
20 yards of linen = 10 lbs. of tea; etc.

Each of these equations implies its reverse:

1 coat = 20 yards of linen;
10 lbs. of tea = 20 yards of linen; etc.

For, in fact, if a man exchanges portions of linen for various other commodities, and thus expresses its value in a series of other commodities, the various other owners of commodities must, of course, exchange these for linen, and must therefore express the values of their respective commodities in linen. Let us, then, invert the series, 20 yards of linen = 1 coat, or = 10 lbs. of tea, etc., so as to express the converse relationships. Then we shall get the generalised form of value.

C. Generalised Form of Value

1 coat =
10 lbs. of tea =
40 lbs. of coffee =
1 qr. of wheat =
2 oz. of gold =
½ ton of iron =
x commodity A =
etc. =

} 20 yards of linen.

a. The Changed Character of this Form of Value.

Commodities now express their values: first, simply, because the value is expressed in terms of one commodity only; and, secondly, in uniform fashion, because the value of them all is expressed in terms of the same commodity. The form of value is elementary, and it is common to all commodities; it is, therefore, general.

Forms A and B (the elementary or accidental form of value, and the total or extended form of value) were only competent to express the value of a commodity as something distinct from its own use-value or material embodiment.

In the elementary or accidental form, we had such equations as, 1 coat = 20 yards of linen, 10 lbs of tea = ½ ton of iron, and so on. The value of the coat is expressed in terms of the linen equivalent, and the value of the tea is expressed in terms of the iron equivalent; but the linen

equivalent and the iron equivalent, the respective expressions of the value of the coat and the tea, are as different from one another as are linen and iron. It is obvious that, as far as practical application is concerned, this form of value exists only in early days, when the products of labour are transformed into commodities by accidental and occasional barter.

In the total or extended form, the value of a commodity is more effectively distinguished from its own use-value; for the value of the coat (for instance) is now contraposed to its bodily form in all possible shapes, as linen equivalent, iron equivalent, tea equivalent—as anything you like except coat equivalent. On the other hand, any generalised expression of value, one common to all commodities, is directly excluded; for, in the expression of the value of any one commodity, all other commodities appear only in the form of equivalents. In actual practice, the extended form of value makes its entry into the world as soon as one particular product of labour, such as cattle, comes to be exchanged for various other commodities—not in exceptional instances merely, but habitually.

The newly acquired form of value expresses the values of all sorts of commodities in terms of one commodity (linen, for instance) set apart from the rest; it expresses the values of all other commodities by equating them with linen. As linen equivalent, the value of each commodity is distinguished, not merely from its own use-value, but from all use-value; and by that very fact its value is expressed as something which it has in common with all commodities. By this form, commodities are for the first time effectively brought into relation with one another as values, or made to confront one another as exchange-values.

The two earlier forms express the value of a commodity, in the one case in terms of a single commodity of a different kind, and in the other case in terms of a series of commodities of a different kind. In both cases alike, the single commodity makes it (so to say) its private business to find an expression for its value, and it succeeds in doing this without any active cooperation on the part of other commodities. These have merely to play a passive role as equivalents. The generalised form of value, on the other hand, only comes into being as the outcome of the joint activities of all

sorts of commodities. A commodity cannot acquire a generalised expression of its value unless all commodities simultaneously express their value in the same equivalent, so that every new commodity has to follow suit. This discloses the fact that the reality of the value of the commodities, inasmuch as it is nothing other than the "social existence" of these things, can only secure expression through their generalised social interrelations; and that the form of their value must therefore be a socially recognised form.

In the shape of linen equivalents, all commodities now appear, not only as qualitatively the same, not only as values in the general sense of the term, but also as quantitatively comparable magnitudes of value. Since their value magnitudes are mirrored in one and the same material, namely in linen, these value magnitudes reciprocally mirror one another. For example, 10 lbs. of tea = 20 yards of linen, and 40 pounds of coffee = 20 yards of linen. Consequently, 10 lbs. of tea = 40 lbs. of coffee. To put the matter in another way, in 1 lb. of coffee there is only one fourth as much of the substance of value, labour, as there is in 1 lb. of tea.

The generalised form of relative value, embracing commodities at large, stamps upon the linen (the commodity that is set apart as equivalent) the character of general equivalent. Its own bodily form is the general value form of this world of commodities, and linen is therefore directly exchangeable for all other commodities. Its bodily form is the visible incarnation, the generalised social chrysalis form (temporary resting form) of all human labour. Weaving, the labour of private persons who produce linen, simultaneously makes its appearance in a generalised social form, the form of equivalence with every other kind of labour. The innumerable equations out of which the generalised form of value is made up, constitute a series in which the labour embodied in one commodity after another is successively equated with the labour embodied in the linen, so that weaving becomes the generalised phenomenal form of undifferentiated human labour. Thus the labour which is made objective in the value of commodities, is not only presented under its negative aspect as labour in which all the concrete forms and useful qualities of the actual labour have been disregarded. Its own positive

nature is expressly disclosed. It is the reduction of all kinds of actual labour to their common characteristic of being human labour, of being the expenditure of human labour power.

The generalised form of value, the form in which the products of labour are presented as mere jellies of undifferentiated human labour, discloses by its very structure that it is the social expression of the world of commodities. It thus reveals that, in this world of commodities, the generically human character of labour constitutes its specifically social character.

b. Developmental Relation between the Relative Form of Value and the Equivalent Form.

The degree of development of the equivalent form corresponds to the degree of development of the relative form of value. We must, however, be careful to note that the development of the equivalent form is only the expression and the result of the development of the relative form of value.

The elementary or isolated relative form of value of a commodity makes some other commodity into an isolated equivalent. The extended form of relative value, the form in which the value of a commodity is expressed in terms of all other commodities, makes of these others so many isolated equivalents. At length we come to the form in which one particular kind of commodity functions as a general equivalent, inasmuch as all other commodities make of this one commodity the material for the expression of their unified generalised form of value.

Now, in proportion as the form of value develops, there is an intensification of the contrast between its two poles, the relative form of value and the equivalent form.

The first form, 20 yards of linen = 1 coat, already contains this contrast, but does not yet stabilise it. According as we read the equation forwards or backwards, each of the two commodity poles (the linen and the coat) will function alternately and indifferently in the relative form of value and in the equivalent form. In this case it is still difficult to realise that there is a polar contrast.

In the second form, only one kind of commodity can fully extend or develop its relative value; and it only

acquires this extended relative form of value because, and in so far as, all other commodities function, in relation to it, as equivalents. In this case the two terms of the equation of value, 20 yards of linen = 1 coat, or = 10 lbs. of tea, or = 1 qr. of wheat, etc., can no longer be transposed without changing the character of the equation, and converting it from the total or extended form of value into the generalised form of value.

The third form, finally, gives to commodities at large a generalised social relative form of value because, and in so far as, all commodities save one are excluded from the general equivalent form. This means that one commodity, linen, has acquired the character of being directly exchangeable for all other commodities (or has put on a directly social form) because, and in so far as, other commodities have not acquired that character (or put on that form).[1]

On the other hand, the commodity that functions as general equivalent is set apart from the uniform and therefore generalised value form of commodities at large. Were the linen (or any other commodity selected to function as general equivalent) likewise to participate in the generalised relative form of value, it would have to function as equivalent to itself. Then we should get the equation, 20 yards of linen = 20 yards of linen, a tautology which expresses neither value nor magnitude of value. If we wish to express the relative value of the general equivalent, we

[1] It is far from being self-evident that this character of being generally and directly exchangeable is, so to say, a polar one, and is as inseparable from its polar opposite, the character of not being directly exchangeable, as the positive pole of a magnet is from the negative. People who give free rein to fancy may therefore imagine that all commodities can simultaneously acquire this character of being directly exchangeable—just as, if they like, they may imagine that all Roman Catholics can simultaneously become Pope. The petty bourgeois, who regards commodity production as the last word in human freedom and personal independence would naturally be delighted could we but obviate the inconveniences that result from our inability to achieve the direct exchange of commodities. The socialism of Proudhon is an elaboration of this philistine utopia, which (as I have shown elsewhere) does not even possess the merit of originality, seeing that the scheme was better worked out long since by Gray, Bray, and others. For all that, there are circles in which such wisdom still flourishes under the name of "science". Never did any other school of thought flaunt the word "science" as do the Proudhonists, for "when ideas fail, a word will help you out at the right moment".

must reverse the third form. This general equivalent has no relative form of value which it shares with other commodities; its value expresses itself relatively in the endless series of other commodities. Thus we see that the extended relative form of value (form B) is the specific relative form of value of the commodity that functions as general equivalent.

c. Transition from the Generalised Form of Value to the Money Form.

The general equivalent form is a generalised form of value, and any commodity can therefore assume it. However, a commodity can only function as general equivalent because, and in so far as, all other commodities set it apart from themselves as equivalent. Not until this setting apart is definitively concentrated upon one particular kind of commodity, does the uniform relative value form of commodities at large acquire objective fixity and general social validity.

When this happens, the particular kind of commodity with whose bodily form the equivalent form is socially identified becomes the money commodity, or serves as money. Thenceforward, the specific social function (and therefore the social monopoly) of this commodity is, that it plays the part of general equivalent among commodities at large. In form B, various commodities functioned as particular equivalents of the linen; and in form C, various commodities expressed their relative value in one and the same commodity, linen. As a matter of historical fact, one commodity in particular, gold, has achieved the conquest of this privileged position. If, in form C, we replace the commodity linen by the commodity gold, we have the money form of value.

D. Money Form of Value

20 yards of linen	=	2 oz. of gold.
1 coat	=	
10 lbs. of tea	=	
40 lbs. of coffee	=	
1 qr. of wheat	=	
½ ton of iron	=	
x commodity A	=	

Important changes occur in the transition from form A to form B and from form B to form C. On the other hand, the only difference between form D and form C is that gold has replaced linen as general equivalent. The sole advance is that the form of general direct exchangeability or the form of general equivalent has at length, by social custom, been definitively identified with the particular bodily substance of the commodity gold.

Gold is only able to confront other commodities as money, because it has previously confronted them as a commodity. Like all other commodities, it could function as equivalent—whether as isolated equivalent in isolated acts of barter, or as particular equivalent side by side with other commodity equivalents. By degrees, it came to function in narrower or wider circles as general equivalent. As soon as it has won for itself this monopoly position in the expression of value for commodities at large, it has become the money commodity; and not until it has become the money commodity can we distinguish form D from form C, not until then has the generalised form of value developed into the money form.

The elementary expression of the relative value of a commodity (linen, for instance), in terms of the commodity which has already come to function as money (gold, for instance), is the price form of that commodity. Thus the price form of the linen is, 20 yards of linen = 2 oz. of gold; or, if £2 sterling be the name given to 2 oz. of gold when coined, 20 yards of linen = £2 stg.

The difficulty in understanding the nature of the money form is nothing more than the difficulty in understanding the nature of the general equivalent form, the nature of the generalised form of value, the nature of form C. But form C is itself deducible from form B, the extended form of value; which, in turn, derives from form A, the elementary form (20 yards of linen = 1 coat, or x commodity A = y commodity B). Thus the simple or elementary commodity form is the germ of the money form.

4. The Mystery of the Fetishistic Character of Commodities.

At the first glance, a commodity seems a commonplace sort of thing, one easily understood. Analysis shows,

however, that it is a very queer thing indeed, full of metaphysical subtleties and theological whimsies. In so far as it is a use-value, there is nothing mysterious about it—whether we regard it as something whose natural properties enable it to satisfy human wants, or as something which only acquires such properties as the outcome of human labour. It is obvious that man, by his activity, modifies the forms of natural substances so as to make them useful to himself. For instance, the form of wood is altered when we make a table of it. None the less, the table is still wood, an ordinary palpable thing. But as soon as it presents itself as a commodity, it is transformed into a thing which is transcendental as well as palpable. It stands with its feet solidly planted on the floor: but at the same time, over against all other commodities, it stands on its head; and in that wooden head it forms crotchets far stranger than table-turning ever was.

Thus the enigma of commodities does not arise out of their use-value. Nor does it depend upon the nature of the factors of value. For, in the first place, no matter how different the kinds of useful labour or productive activity may be, it is a physiological fact that they are all functions of the human organism, and that every such function (no matter what its content and its form may be) is essentially the expenditure of human brain, nerve, muscle, sense organ, etc. Secondly, as concerns that which underlies the determination of the magnitude of value, namely the duration of this expenditure, or the quantity of labour, our senses enable us to distinguish between the quantity and the quality of labour. Whatever the social conditions, men must have had an interest in the time requisite for the production of food, though the degree of that interest must have varied at various stages of social evolution.[1] In fine, whenever human beings work for one another in any way, their labour acquires a social form.

[1] Among the Teutons of old, the unit for measuring land, known as the Morgen [approximately an acre], was the amount which could be ploughed in a day. Hence it was also called Tagwerk or Tagwanne (day's work, jurnale, jurnalis, terra jurnalis, terra diornalis), Mannwerk (man's work), Mannskraft (man's power), Mannsmaad (man's mead or man's mowing), Mannshauet (man's hewing or man's sickling), etc. See Georg Ludwig von Maurer, *Einleitung zur Geschichte der Mark-, Hof-, u.s.w. Verfassung*, Munich, 1859, pp. 129 et seq.

Why, then, does the labour product become enigmatic as soon as it assumes the commodity form? The cause must obviously lie in the form itself. The essential likeness of the kinds of human labour is concreted in the form of the identical reality of value in the products of labour; the measurement of the expenditure of human labour power in terms of its duration, takes on the form of the magnitude of value of the labour product; and, finally, the mutual relations between the producers, in which the social character of their labour affirms itself, assume the form of a social relation between the labour products.

Thus the mystery of the commodity form is simply this, that it mirrors for men the social character of their own labour, mirrors it as an objective character attaching to the labour products themselves, mirrors it as a social natural property of these things. Consequently the social relation of the producers to the sum total of their own labour, presents itself to them as a social relation, not between themselves, but between the products of their labour. Thanks to this transference of qualities, the labour products become commodities, transcendental or social things which are at the same time perceptible by our senses. In like manner, the impression which the light reflected from an object makes upon the retina is perceived, not as a subjective stimulation of that organ, but in the form of a concrete object existing outside the eye. But in vision, light actually passes from one thing, the external object, to another thing, the eye. We are dealing with a physical relation between physical actualities. On the other hand, the commodity form, and the value relation between the labour products which finds expression in the commodity form, have nothing whatever to do with the physical properties of the commodities or with the material relations that arise out of these physical properties. We are concerned only with a definite social relation between human beings, which, in their eyes, has here assumed the semblance of a relation between things. To find an analogy, we must enter the nebulous world of religion. In that world, the products of the human mind become independent shapes, endowed with lives of their own, and able to enter into relations with men and women. The products of the human hand do the same thing in the world of commodities. I speak of this as the *fetishistic character* which attaches to the

products of labour, so soon as they are produced in the form of commodities. It is inseparable from commodity production.

The foregoing analysis has shown that this fetishistic character of the world of commodities is the outcome of the peculiar social quality of the labour which produces commodities.

Useful objects only become commodities because they are the products of the labour of individuals or groups of individuals working independently of one another. The sum total of the labour of all these private individuals and private groups makes up the aggregate of social labour. Inasmuch as the producers do not come into social contact until they exchange their labour products, the specifically social character of their individual labour does not manifest itself until exchange takes place. In other words, the labour of individuals becomes an effective part of the aggregate of social labour solely in virtue of the relations which the process of exchange establishes between the labour products and consequently between the producers. That is why the social relations connecting the labour of one private individual (or group) with the labour of another, seem to the producers, not direct social relations between individuals at work, but what they really are: material relations between persons and social relations between things.

Not until they enter the realm of exchange do the labour products acquire, over and above and distinct from their use-objectivity (which differs from one kind of product to another), a social value-objectivity (which is of like nature in them all). This cleavage of the labour product into useful thing, on the one hand, and thing of value, on the other, does not become practically effective until the process of exchange has become so widespread and so important that useful things are produced expressly for exchange—so that the values of things have to be taken into account in the very act of production. Thenceforward the labour of private producers does really acquire a twofold social character. On the one hand such labour must, as definitely useful labour, satisfy a definite social demand, thus taking its place as a constituent of the general aggregate of labour, as part of the spontaneously developed system of the social division of labour. On the other hand such labour can only satisfy the manifold wants of the producers who perform it,

in so far as each particular kind of individual or private useful labour is exchangeable for every other particular kind, because each ranks equally with the others. Such an equalisation of utterly different kinds of labour can only be achieved by ignoring their actual unlikeness, by reducing them to terms of that which they all share as expenditures of human labour power—abstract human labour.

In the minds of the individual producers, this twofold social character of their individual labour is mirrored only as a reflexion of the forms which, in daily life, are manifested by the exchange of products. Thus the socially useful character of the producers' individual or private labour, is mirrored in the form that the labour must be useful, and useful to others; while the socially useful character that one kind of private or individual labour ranks equally with any other kind, is mirrored in the form that the products of labour, though of different kinds as material bodies, are all alike as things of value.

When, therefore, human beings bring their labour products into relation with one another as values, it is not because they recognise that the things are no more than the material wrappings for this or that amount of homogeneous human labour. On the contrary, exchanging labour products of different kinds one for another, they equate the values of the exchanged products; and in doing so they equate the different kinds of labour expended in production, treating them as homogeneous human labour. They do not know that they are doing this, but they do it.[1] Value does not wear an explanatory label. Far from it, value changes all labour products into social hieroglyphs. Subsequently, people try to decipher these hieroglyphs, to solve the riddle of their own social product—for the specification of a useful object as a value is just as much a social product as language is. The recent scientific discovery that labour products, as values, are but the material expressions of the human labour expended in their production, marks an epoch in the evolutionary history of mankind, but does not suffice to dispel the semblance of materiality

[1] When, therefore, Galiani wrote, "wealth [value] is a relation between two persons", he should have added, "but the relation is hidden away within material wrappings". Galiani, *Della moneta*, p. 220, in vol. III of Custodi's *Scrittori classici Italiani di economia politica*, modern section, Milan, 1801.

which has been assumed by the social character of labour. Physical and chemical science have analysed air into its elements, but the familiar bodily impressions produced on our senses by the atmosphere persist unchanged. Just so, after the discovery of the true nature of value no less than before, those entangled in the meshwork of commodity production regard as universally valid a truth which is in fact true only for one particular form of production, namely commodity production. They continue to believe without qualification that the specifically social character of mutually independent acts of individual or private labour consists in their general likeness as human labour, and assumes in the labour product the characteristic form of value.

In actual practice, the first concern of one who exchanges the products of labour is to know what quantity of other products he will get in return for his own, to know the ratio of exchange. When such ratios have been sufficiently matured by custom to acquire a fair amount of stability, they seem to arise out of the very nature of the labour products, so that, for instance, 1 ton of iron and 2 oz. of gold are regarded as being of equal value, just as a pound avoirdupois of gold and a pound avoirdupois of iron have the same weight notwithstanding the differences between chemical and physical properties of the two metals. The fact is that the value character of the labour products only becomes stabilised by their acting and reacting on one another as magnitudes of value. These magnitudes are perpetually changing, independently of the will, foreknowledge, and activity of those who make the exchanges, whose own social movement seems to them a movement of things—of things which control them, instead of being controlled by them. Not until commodity production is fully developed, does scientific insight grow out of experience. Then it becomes apparent that the different kinds of individual or private labour (carried on independently of one another, and yet universally dependent on one another as spontaneously developed branches of the social division of labour) are continually being reduced to their socially proportional measure. How is the reduction achieved? In this way, that, in the chance and ever-varying exchange relations between products the labour time socially necessary for their production exerts its coercive influence like

an over-riding law of nature. The law of gravity exerts an over-riding influence in like fashion when a house tumbles about our ears.[1] Thus the determination of the magnitude of value by labour time is a secret hidden away beneath the manifest fluctuations in the relative values of commodities. The discovery of the way in which the magnitude of value of labour products is really determined, removes from this determination the semblance of being purely fortuitous, but does not affect the material form of the process.

Man's thought about the forms of social life, his scientific analysis of these forms, runs counter to the actual course of social evolution. He begins by an examination of the finished product, the extant result of the evolutionary process. The characters which stamp labour products as commodities, the characters which they must possess before they can circulate as commodities, have already acquired the fixity of the natural forms of social life, when economists begin to study, not indeed their history (for they are regarded as immutable), but their meaning. Thus it was only the analysis of the prices of commodities which led to the determination of the magnitude of values, it was only the common expression of all commodities in money which led to their being recognised as "values". But this finished form of the world of commodities, this money form, is the very thing which veils instead of disclosing the social character of private or individual labour, and therewith hides the social relations between the individual producers. When I say that coats or boots or what not are related to linen as the general embodiment of abstract human labour, the statement seems manifestly absurd. Yet when the producers of coats, boots, etc., bring these commodities into relation with linen as the general equivalent (or with gold or silver as the general equivalent, for the nature of the case is just the same), it is precisely in this absurd form that the relation between their own private labour and the collective labour of society discloses itself to them.

[1] "What are we to think of a law which can only assert itself by periodical revolutions? It is nothing but a law of nature resting on the unconsciousness of the persons concerned." Friedrich Engels, *Umrisse zu einer Kritik der Nationaloekonomie*, "Deutsch-Französische Jahrbücher", edited by Arnold Ruge and Karl Marx, Paris, 1844.

These forms are the very things that comprise the categories of bourgeois economics. They are the socially valid, and therefore objective, thought-forms, which serve to express the relations of production peculiar to one specific method of social production, namely commodity production. Consequently, all the mystery of the world of commodities, all the sorcery, all the fetishistic charm, which enwraps as with a fog the labour products of a system of commodity production, is instantly dispelled when we turn to consider other methods of production.

Political economists are fond of Robinson Crusoe, so we, too, will take a look at this lonely islander. His wants are few and simple, but he has some wants at least, and must therefore undertake various kinds of useful labour. He must fashion tools, make furniture, tame lamas, fish, hunt, etc. I am not here concerned with his praying and the like, for Robinson Crusoe delights in these kinds of activity, and looks upon them as recreation. Despite the variety of his productive functions, he knows that they are but various forms of the activity of one and the same Robinson Crusoe, and are therefore nothing but different manifestations of human labour. Under stress of need, he has to allot his time suitably to this, that, and the other function. In the sum of his activities, the assignment of more space to one and less to another is determined by the greater or the less extent of the difficulties that have to be overcome in attaining the useful end he has in view. In this matter, experience is his teacher, and our Robinson (having saved timepiece, ledger, pen, and ink from the wreck) soon begins, as becomes an Englishman, book-keeping in due form with himself as subject of the entries. He writes an inventory of the useful objects he owns; specifies the routine work necessary for their production; and records the labour time which, on the average, definite quantities of the respective products cost him. The relations between Robinson and the things which comprise the wealth he has created are so simple that even Herr M. Wirth could understand them without undue mental effort. Nevertheless, all the essential determinants of value are therein contained.

Let us now transport ourselves from Crusoe's sunlit isle to the darkness of medieval Europe. In the island, we have one independent person, the only inhabitant. In

Europe during the Middle Ages, all are dependent: serfs and barons, vassals and suzerains, laymen and priests. Dependence characterises the social relations of material production, no less than the spheres of life that are established upon these relations. But for the very reason that relations of personal dependence form the groundwork of society, it is not necessary that labour and the products of labour should assume fantastic shapes differing from their real ones. They enter into the social mechanism as services in kind and payments in kind. The natural form of labour, its particular form, is here the immediate social form of labour—in contradistinction to what happens in a society organised upon the basis of commodity production, where abstract labour, its generalised form, is the immediate social form of labour. Forced labour (corvée) can be measured by time, just as easily as commodity-producing labour; but every serf knows that what he is expending in the service of his lord is a definite quantity of his own labour power. The tithe which must be handed over to the priest is a more tangible reality than his reverence's blessing. Whatever view we take of the masks in which the different personalities strut upon the feudal stage, at any rate the social relations between individuals at work appear in their natural guise as personal relations, and are not dressed up as social relations between things, between the products of labour.

If we wish to study labour in common, or directly associated labour, we need not go back to the spontaneously developed form which confronts us on the threshold of the history of all civilised races.[1] An example nearer to our hand is offered by the patriarchal industry of a peasant family working on the land, and producing for its own

[1] "Of late a preposterous notion has found general credence, to the effect that primitive communism as a spontaneous development is specifically a Slav, and indeed exclusively a Russian, phenomenon. Really, it is a primal form, which can be shown to have existed among the Romans, the Teutons, and the Celts; while even to-day we find numerous examples (decayed though they be) in India. Careful study of Asiatic, and especially Indian, forms of communism would disclose the way in which, out of the various kinds of spontaneously developed communism, divergent forms have evolved as results of the break-up of communism. For instance, the various original types of Roman and Teutonic private property are deducible from different forms of Indian communism." Karl Marx, *Zur Kritik*, etc., p. 10.

requirements grain, cattle, yarn, linen, clothing, and the like. For the family, these various articles are diverse products of the family labour, but they are not interchangeable as commodities. The different kinds of labour which generate these products (tillage, cattle breeding, spinning, weaving, tailoring, etc.) are in their natural form social functions, inasmuch as they are functions of the family, which has its own spontaneously developed system of the division of labour—just as commodity production has such a system. The division of labour among the various members of the family, and the apportionment of their respective labour times, are determined by differences of sex and age and by seasonal changes in natural working conditions. The expenditure of each individual's labour power, as measured by the duration of the labour, assumes from the outset the aspect of a social determination of labour, since from the outset the individual exertions of labour power function merely as instruments of the joint labour power of the family.

Finally, for a change, let us consider an association of free individuals who work with jointly owned means of production, and wittingly expend their several labour powers as a combined social labour power. In this case, all the characteristics of Robinson Crusoe's labour are reproduced, except that the labour is social, instead of being individual. Robinson Crusoe's products were exclusively individual, and were therefore useful objects for himself alone. The total product of our imaginary association is a social product. Part of this product is used as a means for further production, and therefore remains social. Another part is consumed as subsistence by the various members of the association, and has therefore to be distributed among them. The way in which this distribution is effected will vary in accordance with variations in the nature of the social organism which carries on the work of production, and in accordance with the corresponding level of historical evolution attained by the producers. Let us assume (merely for the sake of a comparison with commodity production) that each producer's share of the necessaries of life is determined by the amount of time he has worked. In that case, the labour time will play a double role. On the one hand, its allotment in accordance with a definite social plan enables the various kinds of labour to be duly proportioned to the various social needs. On the other hand, the labour time serves as standard of measurement, first as regards the share of each individual producer in the joint labour, and secondly (because of the foregoing) as regards the amount of the social product which each individual is entitled to consume. The social relations between human beings, on one side, and their labour and the products thereof, on the other, remain perfectly simple and perfectly clear, alike in production and in distribution.

Suppose a society made up of the producers of commodities, where the general relations of social production are such that (since products are commodities, i.e. values) the individual labours of the various producers are related one to another in the concrete commodity form as embodiments of undifferentiated human labour. For a society of this type, Christianity, with its cult of the abstract human being, is the most suitable religion—above all, Christianity in its bourgeois phases of development, such as Protestantism, Deism, and the like. But in the ancient Asiatic method of production, in that of classical Greece and Rome, and so on, the transformation of the labour product into a commodity, and therefore the transformation of men into the producers of commodities, played a subordinate part—which, however became a more important one in proportion as this type of society was passing into its decline. Like the gods of Epicurus, or like the Jews in the interstices of Polish society, genuinely commercial peoples existed only in the intermundane spaces of the antique world. The social productive organisms of ancient days were far simpler, enormously more easy to understand, than is bourgeois society; but they were based, either upon the immaturity of the individual human being (who had not yet severed the umbilical cord which, under primitive conditions, unites all the members of the human species one with another), or upon direct relations of dominion and subjugation. They were the outcome of a low grade of the evolution of the productive powers of labour; a grade in which the relations of human beings to one another within the process by which they produced the material necessaries of life, and therefore their relations to nature as well, were correspondingly immature. This restrictedness in the world of concrete fact was reflected in the ideal world, in the world of the old natural and folk religions. Such religious

reflexions of the real world will not disappear until the relations between human beings in their practical everyday life have assumed the aspect of perfectly intelligible and reasonable relations as between man and man, and as between man and nature. The life process of society, this meaning the material process of production, will not lose its veil of mystery until it becomes a process carried on by a free association of producers, under their conscious and purposive control. For this, however, an indispensable requisite is that there should exist a specific material groundwork (or a series of material conditions of existence) which can only come into being as the spontaneous outcome of a long and painful process of evolution.

True that political economy has now achieved an analysis, however incomplete,[1] of value and the magnitude of value,

[1] The inadequacy of Ricardo's analysis of the magnitude of value (the best analysis to date) will become apparent in the third and fourth books of the present work. As regards value in general, classical political economy has never drawn an explicit and fully conscious distinction between labour as it finds expression in value, and the same labour as it finds expression in the use-value of what it produces. Of course the classical economists do, in actual fact, make this distinction, for they contemplate the former kind of labour quantitatively, and the latter kind qualitatively. But it does not occur to them that a purely quantitative distinction between one kind of labour and another, presupposes the qualitative unity or likeness of the two labours, and therefore their reduction to abstract human labour. For instance, Ricardo tells us that he agrees with Destutt de Tracy when the French philosopher writes [Ricardo's translation]: "As it is certain that our physical and moral faculties are alone our original riches, the employment of those faculties, labour of some kind, is our only original treasure, and it is always from this employment that all those things are created which we call riches. . . . It is certain, too, that all those things only represent the labour which has created them, and if they have a value, or even two distinct values, they can only derive them from that of the labour from which they emanate." Ricardo, *The Principles of Political Economy*, third edition, London, 1821, p. 334.—I shall content myself with pointing out that Ricardo foists his own deeper meaning upon Destutt de Tracy's words. The Frenchman does, in fact, say, on the one hand, that all things which create wealth "represent the labour which has created them"; but he also says, on the other hand, that they derive their "two distinct values" (use-value and exchange-value) from "[the value] of the labour from which they emanate". He thus lapses into the commonplace error of the vulgar economists, who assume the value of one commodity (labour, in this case), that thereby they may subsequently determine the value of the rest. Ricardo reads him as having said that *labour* (not the *value* of the labour) is embodied

and has discovered the content hidden within these forms. But the economists have never even mooted the question why the content should assume these forms; why labour should be represented by the value of the product of labour, and the quantity of labour (as measured by its duration) by the magnitude of the value of that product.[1] It is writ

both in use-value and in exchange-value. But for his own part he pays so little heed to the twofold character of labour which secures a twofold expression, that his chapter "Value and Riches, their Distinctive Properties" is largely devoted to a laborious examination of the trivialities of J. B. Say. At the finish, therefore, he is very much surprised to find that Destutt de Tracy, while agreeing with him as to labour being the source of value, should at the same time agree with Say as to the concept of value.

[1] One of the chief failings of the classical political economy is that it never succeeded in discovering, thanks to the analysis of commodities and in especial of the value of commodities, the form of value which makes it exchange-value. Even the best exponents of the school, such as Adam Smith and Ricardo, treat the form of value as a matter of no importance, or as something that has no connexion with the essential nature of commodities. This is not only because their attention is exclusively concentrated on the analysis of the magnitude of value. There is a deeper reason. The value form of the labour product is the most abstract, but also the most highly generalised, form taken by that product in the bourgeois system of production, which derives therefrom its peculiar stamp as a special kind of social production, and thus receives its specific historical characterisation. If, therefore, we erroneously regard the value form of the labour product as the one and only form of social production, fixed for all time by nature's immutable laws, we are perforce ignoring the peculiar differential characteristics of the form of value, and consequently those of the commodity form, and of its further developments, the money form, the capital form, etc. That is why certain economists who are fully agreed that labour time is the measure of the magnitude of value, have the most confused and contradictory notions concerning money, i.e. the finished form of the general equivalent. This is signally shown when they come to discuss banking, a topic in which the commonplace definitions of money no longer suffice to guide the investigator's footsteps. Hence there has come into being a renovated mercantile system, whose exponents (Ganilh and others) regard value as nothing more than a social form, or rather as the unsubstantial ghost of such a form.—Let me explain here once for all that when I speak of the "classical political economy", I mean all the political economy since W. Petty which has been devoted to the study of the *real* interrelations of bourgeois production, in contradistinction to "vulgar economy". The "vulgar economists" are content to elucidate the *semblance* of the interrelations of bourgeois production; like ruminants, they spend their time in chewing the cud of materials provided in days long past by scientific political economy, seeking thence to extract for bourgeois daily food plausible explana-

large on the face of these formulas that they belong to a type of social organisation in which the process of production is the master of mankind, and in which mankind has not yet mastered the process of production. To the bourgeois mind, however, they seem as self-evident as, and no less a natural necessity than, productive labour itself. That is why bourgeois economists treat pre-bourgeois forms of the social productive organism much as the Fathers of the Church have always treated pre-Christian religions.[1]

tions of the most obvious phenomena; and, for the rest, they are satisfied with systematising in pedantic fashion, and proclaiming as eternal verities, the most trivial and self-complacent notions which the agents of bourgeois production entertain with regard to their own best of all possible worlds.

1 "Economists are strange creatures. For them there are but two kinds of institution; works of art, and works of nature. Feudal institutions are artificial, bourgeois institutions are natural. In this matter, economists are like theologians, for whom there are only two kinds of religion. Every religion other than their own is the invention of man, whereas their own particular brand of religion is an emanation from God. . . . Thus there has been history, but now history is finished." Karl Marx, *Misère de la philosophie, réponse à la philosophie de la misère par M. Proudhon*, 1847, p. 113.—A comical fellow is Monsieur Bastiat, with his fancy that the ancient Greeks and Romans lived by plunder alone. If people are to live by plunder for many centuries, there must always remain something to steal, or else the booty must have the power of perpetual self-reproduction. It would seem, therefore, that even the ancient Greeks and Romans must have had a process of production, an economy that is to say, which must have constituted the material foundation of their world, just as the bourgeois economy constitutes the material foundation of the modern world. Or does Bastiat mean to imply that a method of production based on slave labour rests on a system of plunder? In that case, he is treading on dangerous ground. If one of the giants of thought, like Aristotle, could err in his estimate of slavery, why should one of the dwarfs among economists, like Bastiat, be right in his estimate of wage labour?—I take this opportunity of answering briefly a criticism that appeared in a German-American newspaper when my *Zur Kritik der politischen Oekonomie* was published in 1859. The critic agreed that as regards the contemporary world, where material interests are supreme, what I said was true enough. In the modern world it was true that the special method of production which prevailed, and the appropriate relations of production—in a word, the economic structure of society—formed the real basis on which the juridical and political superstructure were erected, and to which specific social forms of consciousness corresponded. It was true of the modern world that there the method by which the material necessaries of life were produced, determined the general characteristics of social, political, and intellectual life. But this did not apply to the Middle Ages,

The extent to which certain economists have been led astray by the fetishistic character that attaches to the world of commodities, the manner in which they have been deluded by the semblance of objective material reality that is assumed by the social attributes of labour, is shown (to give one instance among many) by the wearisome and absurd dispute concerning the part played by nature in the creation of exchange-value. Since exchange-value is nothing more than a specific social way of expressing the labour that has been applied to a thing, it cannot contain any more natural (material) substance than does, for instance, the rate of exchange.

The commodity form is the most general and the least developed form of bourgeois production. For this reason, it makes its appearance early, though in a less dominant and typical manner than to-day. For this reason, likewise, the fetishistic character of commodities is comparatively easy to discern. But when we come to more developed forms, even this semblance of simplicity vanishes. Whence did the illusions of the monetary system arise? The mercantilists (the champions of the monetary system) regarded gold and silver, not simply as substances which, when functioning as money, represented a social relation of production, but as substances which were endowed by nature with peculiar social properties. Later economists, who look back on the mercantilists with contempt, are manifestly subject to the very same fetishistic illusion as soon as they come to contemplate capital. It is not so very long since the dispelling of the physiocratic illusion that

when Catholicism held sway; and it did not apply to ancient Greece and ancient Rome, where political considerations were dominant. Now, first of all, it is strange that any one should assume another to be ignorant of these familiar locutions about the Middle Ages and classical antiquity. This much, at any rate, is certain, that the Middle Ages could not live upon Catholicism, nor yet classical antiquity upon politics. On the contrary, the way in which, during classical antiquity and the Middle Ages (respectively), people gained a livelihood explained why, in the former case politics, and in the latter case Catholicism, played the leading role. Moreover (to concentrate attention on a specific instance), a very little knowledge of the history of the Roman republic suffices to acquaint us with the fact that the secret core of its history is formed by the history of its system of landed proprietorship. On the other hand, it is centuries since Don Quixote had to pay for the mistake of believing that knight errantry was equally compatible with all the economic forms of society.

land-rents are a growth of the soil, instead of being a product of social activity!

Not to anticipate, I will content myself here with giving one more example relating to the commodity form itself. If commodities could speak, they would say: "Our use-value may interest human beings; but it is not an attribute of ours, as things. What is our attribute, as things, is our value. Our own interrelations as commodities proves it. We are related to one another only as exchange-values." Now let us hear how the economist interprets the mind of the commodity. He says: "Value [exchange-value] is a property of things; riches [use-value], of man. Value, in this sense, necessarily implies exchanges; riches do not."[1] Again: "Riches are the attribute of man, value is the attribute of commodities. A man or a community is rich, a pearl or a diamond is valuable."[2] A pearl or a diamond is valuable as a pearl or a diamond! Hitherto, no chemist has been able to discover exchange-value in a pearl or a diamond. But the economists who discover this chemical substance (persons who make a special claim to critical acumen) find that the use-value of the articles in question attaches to them independently of their material properties; and that, on the other hand, their value does attach to them as things. What substantiates this view is the remarkable fact that the use-value of things is realised without exchange, by means of a direct relation between things and men, whereas their value is realised only in exchange, only in a social process. Surely, in this connexion, every one will recall the excellent Dogberry's instruction to neighbour Seacoal: "To be a well-favoured man is the gift of fortune, but to write and read comes by nature."[3]

[1] *Observations on certain Verbal Disputes in Political Economy, particularly relating to Value and to Supply and Demand*, London, 1821, p. 16.

[2] S. Bailey, *op. cit.*, p. 165.

[3] The author of the *Observations* and S. Bailey agree in accusing Ricardo of having transformed exchange-value from something purely relative into an absolute. Really, Ricardo went the other way about. He reduced the seeming relativity which things (diamonds and pearls, for instance) have as exchange-values, to the true relation hidden behind the semblance, to their relativity as mere expressions of human labour. If the Ricardians' answer to Bailey is rude without being effective, this is because they have been unable to find in Ricardo's writings anything which explains the intimate connexion between value on the one hand and the form of value or exchange-value on the other.