

# Trajectory and Catastrophe of the Capitalist Form in the Classic Monolithic Construction Theory of Marxism

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# Introduction

## 1. Three ways to the Russia-West historical dilemma

The rapporteur, as on every other occasion, outlined the general state of the work plan that we conduct in these meetings, which in recent times, except for a few on specific topics (Polemics of the Left with the CI; Basic Historical and Social Principles of the Communist Programme)<sup>1</sup>, have in a certain sense been divided into two branches: Russian social and economic structure on the one hand, the course of the capitalist economy on the other. The reader will find references to this work, and to the various publications edited by the party, in the immediate reports from Cosenza and Ravenna as well as at the beginning of the one now being published, and we will not repeat them (Programme No. 19 of 1956, No. 3, No. 4 and No. 16 of 1957).<sup>2</sup>

The rapporteur outlined why this clash of terms between Russia and western capitalism has dominated the historical and political scene for the last forty years. For our opponents on all sides the antithesis is - to give the traitors to communism good play - held firm as an antithesis between classes and forms of production; between proletarian socialism and bourgeois capitalism. On the contrary, in the historical course of this modern flamboyance, three very different 'times' have followed one another.

Three paths have been successively announced and their names are these: Revolution - War - Emulation.

We are and remain supporters only of the first path, opened with the October Revolution of 1917 and closed with the defeats of the revolutionary left in Russia and elsewhere. It was Lenin's way.

The second way may bear the name of Stalin and the label: construction of socialism in Russia alone. In reality, it is the way of building an industrial, military and imperial force over which hovers the myth of the overthrow in war of all the states and empires of the West; first Germany and then America, in the paranoia of which Stalin died, with the arrival of communism throughout the bourgeois world in tanks, in the deception spread throughout the world by the pandemic of ebetism of his followers. Stalin died in 1953, but his horrendous

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<sup>1</sup> See summary report on *the Opposition of the left in the Third International*, in *Il Programma Comunista*, n. 1, 1956 and *Foundations of Marxist revolutionary communism in the doctrine and in the history of the international proletarian struggle*, *ibid.* no. 13-15 (now in *Outline - The foundations of revolutionary communism*, Ed. Quaderni Internazionalisti 1992).

<sup>2</sup> The long series dedicated to the *Structure economic and social development of today's Russia* was published in 1976 in a volume for *Il programma comunista* editions. The one relating to systematic study of the Western economy, introduced by the three reports of the meeting of Cosenza, September 1956 (on *The capitalist economy in the West and the course history of its development*), of Ravenna, January 1957 (*Structure economic and historical course of capitalist society*), and of Piombino, September 1957 (the present text), began with n. 16 of 1957 of the fortnightly and lasted until 1959 with some interruptions and an "interlude". It is about the *Course of world capitalism in historical experience and in Marx's doctrine*, in the form of a critical, homogeneous and analytical, to the development of modern capitalism.

theoretical monster had predeceased him, with the Korean War and the resurgence of the imperial economies of the West.

This hideous monster in line of doctrine, but not as disgusting in political conduct as the mollusc that followed him, was succeeded by the third way, which can be said of the Twentieth Congress, and of Stalin's living courtiers urinating on his large corpse; and it is the way of the hypocrisy of peace, the way of Emulation, which to an equal mockery of the theories of Marx and Lenin adds an immense historical cowardice, which must be acknowledged to be absent in the Russia of Stalin, of Stalingrad and of the 38th parallel.

## **2. Comparative fornication**

The post-World War II outlook has known nothing like the expectation of the workers of the world after World War I, when the proclamations of the Third International and Lenin from the Moscow congresses heralded as the development of the Bolshevik revolution and victory in Russia against the forces of world bourgeois reaction, the onslaught for the seizure of power and proletarian dictatorship in the states of Europe. In the aftermath of the Second World War this grandiose promise had been reneged on, as a consequence of the crushing of the Bolshevik old guard in Russia and the bargaining with the capitalist states in Europe and the world, in the war, first by Hitler and then by his enemies. But the proletarian illusion had a wave towards a second expectation that smacked of tragedy: the second strike that Stalin had announced in 1938, and plotted in the Yalta pacts. One dreamed of an assault by Russian armoured divisions, on the fatal fields of old Europe, on the American and Anglo-French forces. Today the two phases, golden the first, sinister tinsel the second, are both declared buried. The Russians signed the first abjuration by dissolving the Comintern, the second by disbanding that larva that was the Cominform, named after the dark and fetid workshop.

Having proclaimed as a goal and as a new dream of the servants the declared Peace, the Coexistence of the two worlds separated by the Curtain, and having proposed for a long history of tomorrow the white contest of a cold comparison of numbers and statistics, this third way of emulation embarked on the current insidious polemical road: the quantitative comparison of the results respectively obtained, after tournaments of publicity promises, by the "two economies" acting in the alleged "two systems".

Stalin blasphemed with all his authority, before he died, the word of Marx and Lenin, implicitly identifying the two systems in the one of commodity production, assuming that his system accelerated it more than that of the old capitalism of the West, which in the delirium of agony he saw swept into a phase of industrial underproduction, where we hoped: we know that the caestrop that will strangle all capitalisms, the only one, is the caestrop of mercantile overproduction.

His heirs blasphemed him for "moral" connotations that are worth "heaping scorn on the bourgeoisie", but deeper than him and with greater blasphemy towards the principles of Marxism Leninism they threw themselves into the mercantile industrial race, seeing in its precipice the victory of the "socialist" system, which without the revolution, and without the Moustache War,

would have induced the rest of the world to a bloodless adoption, as that which surrogates the birth of living and vital organisms; a modelling and bourgeoisly 'sample' solution that dishonours in an oily parody the ancient but generous dreams of the Utopians erased, without contempt, by Marx.

Such a comparison and commensuration, possible between equals and not between rivals, although it is nothing but fornication and intrigue, obliged to polemic, to dialogue with the dying Stalin, with his reviving victims and his born-dead epigones, to show: first, that the diversity between the two terms does not exist but is identity of structure; second, that the comparison between the squalid figures, between the cubature of the two whitewashed sepulchres, does not see quantitative victory on the Russian side.

And since the emulators of the other gang could not but converge on such a catwalk, the polemic could not but concern them too, their equally livid versions of the laws of mercantile structure, of whose miserable transience in the two emulative camps there is equal trembling.

So much so that we wish to prove that the course of present-day Russian capitalism follows the same rules and laws as those of historical state capitalisms; We would also like to show that, in the vivid light of Marx's time, which lacked no part of the luminous spectrum, they only follow the same historical track, which has as its goal the death of the market, the death of money, the death of paid labour, and a society whose character, known to Marxism for a century, cannot be contained in advertising stickers, promised through bourgeois shop catalogues, sampled in the philistine institutes of economic academies.

## **Historical Development of Capitalism**

### **1. Numerical and graphical statistical material**

The illustration of the prospectuses and diagrams exhibited in Piombino is for the most part already published in issues 17 and 18 [of *Il Programma Comunista*, 1957. It will suffice to list them here.

A large chart already shown at the Ravenna meeting corresponds to the first chart in issue no. 16. It contains the indexes of industrial production, made equal to 100 that of the year 1913, for four countries: England, France, Germany and the USA. The starting year is, in the order now stated, 1761, 1859, 1800 and 1827. For each country and each year considered (all, from 1859 onwards) are shown the highs, or vertical peaks of the line, and the lows, or peaks downwards, included in two fines of the schedule for each of the four countries.<sup>3</sup>

Related to the second chart, also published in No. 16 (detailed comments are in the subsequent installment of No. 17), are not one but two charts, which were first used at the Cosenza meeting, redone for the Ravenna meeting, and carefully checked for this occasion. Seven countries appear in these graphs, i.e.

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<sup>3</sup> See this and other statistical frameworks in following pages. At least partial reproduction was necessary in order to follow the argument. In this context we have omitted data prior to 1865.

Russia, Japan and Italy are added to those already mentioned, but the cycle considered is only that from 1946 to 1956. The indices are linked to 1937 and 1932, for which year the base value 100 was adopted. A first graph shows the line of the industrial production indices, a second that of the annual increases represented in conventional colours by horizontal dashes for each year.<sup>4</sup>

A third prospectus was then published in No. 17, the calculation of which was announced at the Ravenna meeting, and which is limited for the reasons explained to the four countries of the first prospectus, and to the years from 1859 to the present. This prospectus, divided into four tables, collects both the figures of the annual indices constituting maximums, and those of the duration of the intervals, of the corresponding total increase, and of the average annual increase for the period, calculated according to the well-known criteria illustrated by the graph printed in No. 16. Country by country, the first series of periods is followed by another more grouped one called "short cycles" and a last one of "long cycles" with the same calculated figures.<sup>5</sup>

This development, as readers will be familiar with, serves to demonstrate how the law of decreasing relative growth has occurred in the four countries over the last century. The verification, as is well explained verbatim and in the detailed account, is obtained by studying the course "above the conjunctures" i.e. according to curves that "envelope" those of the maxima.

This demonstration is perhaps more evident in the numerical presentation, which the comrades already have, than in the graphical one arranged in two large plates shown at Piombino. One gave the three curves of France, Germany and England, and the other that of the United States, whose rise is much more pronounced.

The graphs showed the verticals of the years of maximum, and the curve I or the periods between two maxima, in a solid line of the given colour (England blue, France violet, Germany brown, USA red). Then there was the curve II (better broken line, for simplicity's sake) of the short cycles, and finally the curve III of the long cycles, marked II in dashes and dots, III in dashes and two dots. On this were written the final rates of the increments, all decreasing as in the third table.

Extensive explanations were given of these two large tables, relating them to the calculations, the results of which are shown in table three. It was explained to the defendants that the obvious verification of the law of decreasing average annual incremental rate is in no way contradicted by the fact that, for those who observe the colour graph, while the production line year by year gives rise, especially in the phase following 1914, to a break with continuous fluctuations, the curves instead of maximums always ascend, and in the most recent years lines I, II and III assume an increasingly marked upward inclination. This subject is reserved for the detailed account, both because it requires some

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<sup>4</sup> See Table II, just below.

<sup>5</sup> See Table III.

mathematical consideration and because it is less easy to explain without the aid of drawing.<sup>6</sup>

We limit ourselves here to a numerical exemplification. In the USA from 1913 to 1929 the index of industrial production rose from 100 to 205 in sixteen years. The total relative increase was 105% ( $100 + 105 = 205$ ) and the duly calculated average annual increase (see no. 18, not  $105 : 16$  which would give more than 7%) was 4.6. Line III of the graph was very steep. But the steepness of that line does not give the idea of the annual rate, but of the absolute increase in production in one year, which was precisely 7% of 1913 production. Now take the reader to the following period 1929-1956. In 27 years there is a gain from 205 to 517, in all 150%, and with the exact calculation the annual 3.5%, which occurs less than the previous 4.6, as was the case. Why then does the line rise more sharply? Easy. Let us make  $517 - 205$  and we will have 312 absolute increase, again with unit 100 to 1913. In each of the 27 years, there would have been an average brute increase of  $312 : 27$ , i.e. over 11%, and thus far more than the 7% brute increase of the previous period. Our break, whose inclination denotes the absolute brute increase, should therefore have been more inclined.

A future graph, which we hope to be able to print, will help non-mathematicians find their way around these quantities and ratios.

### **I. Statement of annual industrial production**

Maximum and minimum indices (1913 = 100)

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<sup>6</sup> Reference to the *Course of Capitalism world...* , cit., the discussion of which had already begun some time ago fortnightly issue.

Years	England		France		Germany		United States	
	Maxims	Minimum	Maxims	Minimum	Maxims	Minimum	Maxims	Minimum
1866	32	-	-	-	-	-	-	-
1867	-	31	-	-	16	-	-	-
1869	-	-	29	-	-	-	-	-
1870	-	-	-	-	-	13	-	-
1871	-	-	-	23	-	-	-	-
1872	-	-	-	-	18	-	-	-
1873	-	-	-	-	-	-	10	-
1874	-	-	-	-	-	17	-	-
1875	-	-	-	-	-	-	-	9
1876	-	-	-	-	18	-	-	-
1877	46	-	-	-	-	16	-	-
1879	-	41	-	-	-	-	-	-
1883	50	-	46	-	-	-	-	-
1885	-	49	-	37	-	-	-	-
1889	52	-	-	-	-	-	-	-
1891	-	-	-	-	36	-	-	-
1892	-	-	49	-	-	34	29	-
1893	-	55	-	45	-	-	-	-
1894	-	-	-	-	-	-	-	27
1899	73	-	-	-	-	-	-	-
1900	-	-	-	-	52	-	-	-
1901	-	71	-	-	-	51	-	-
1902	-	-	-	57	-	-	-	-
1905	54	-	-	-	53	-	-	-
1907	-	-	76	-	-	-	-	-
1908	-	77	-	76	-	70	-	55
1911	57	-	-	-	-	-	-	-
1912	-	55	100	-	100	-	-	-
1913	100	-	-	-	-	-	100	-
1914	-	-	-	-	-	-	-	93
1915	-	57	-	25	-	72	-	-
1917	90	-	47	-	90	-	-	-
1918	-	-	-	43	-	-	-	-
1919	-	55	-	-	-	32	-	-
1920	91	-	51	-	-	-	133	-

## 2. Post-war diagram of Russian industry

To form the prospectus printed in the previous n. 18 [of *Il programma comunista* ] and which could be called the fourth prospectus, yes Russian production indices

given by the statistical yearbook were used official of that government, from 1913 to 1956, reducing them to the base 100 for the 1913.

## II. Prospectus on the development of world capitalism

Annual industrial production in the main countries of the world from 1932 to 1955 (base index 1932 = 100) and annual increases in production industrial for the same countries from 1947 to 1955

Years	United States		USSR		Gran. Bret.		Germany		France		Japan		Italy	
	Prod	D %	Prod	D %	Prod	D %	Prod	D %	Prod	D %	Prod	D %	Prod	D %
1932	100	-	100	-	100	-	100	-	100	-	100	-	100	-
1937	190	-	232	-	161	-	154	-	119	-	172	-	160	-
1939	154	-	299	-	160	-	202 <sup>1</sup>	-	116	-	197	-	154	-
1932-46		103		162		63		42		9		45		9
1946	203		262		163		65		91		62		109	
1947	316	11,1	309	22,0	167	2,0	80	13,7	107	17,0	63	21,2	129	18,4
1948	324	2,9	390	21,2	175	11,5	109	13,7	123	16	63	31,7	163	18,6
1949	304	-6,3	470	20,6	187	6,9	166	42,2	133	5,1	103	24,1	164	7,2
1950	337	11	656	24,6	199	6,4	196	26,5	133	0	117	13,6	185	14,6
1951	371	10,1	854	17	205	4,6	234	20	161	13,6	169	35,4	216	14,9
1952	390	6	768	12,3	199	-4,3	260	6,6	167	4	177	11,3	224	3,7
1953	419	7,6	856	12,7	210	6,6	306	3,5	162	-3,2	216	22,1	247	10,3
1954	389	-7,1	983	13,7	226	7,1	306	12,1	166	6,6	234	6,4	270	9,3
1955	433	11,3	1105	12,7	236	4,4	366	16,4	151	9,7	244	4,3	294	6,9
1946-55 <sup>2</sup>		63,0		340		64		612		99		399		170
1946-55 <sup>2</sup>		4,8		17,9		4,9		22,3		7,9		18,7		11,7
1956	446	2,9	1239	11,1	236	0	383	7,5	199	9,9	294	20,6	316	7,6
1946-55 <sup>4</sup>		VII		III		VI		I		V		II		IV

<sup>1</sup> Production 1938; <sup>2</sup> Total increase; <sup>3</sup> Average annual increase; <sup>4</sup> Ranking.

Note: The figures presented in this framework, at least up to 1955, were all taken from Russian sources, speeches to the 20th Congress and previous reports to congresses on the five-year plans. Other non-Russian sources have been used only for comparisons and confirmations, which are generally positive, to supplement the picture with the last year (1956) for some index of intermediate years. Country by country and year by year the column to the right of the indexes shows the annual percentage increase, positive or negative. The relative increases of entire periods are then indicated in appropriate horizontals. Another horizontal highlights the speed of recovery of production following the Second World War, in which all said countries were involved. For this most important period, the calculation of the average annual increase in the considered nine-year period of peace, in which production was everywhere increasing, for all seven countries and for almost all, if not all, annual increments, has been made for better clarification.



Together with the diagram, more complete than the others as we shall now say, but limited at least for the time being to the year 1913, the large facsimile of the one printed in No. 18, which came out after the meeting and which the reader now possesses and is invited to compare, was shown in the meeting room.<sup>7</sup>

The prospectus for Russia summarises all the data from Prospectuses I, II and III in a single frame. From left to right, the years, relative indices, maximum and minimum peaks, and percentage increases calculated year by year are indicated. Then for certain intercalary periods, which for obvious reasons have been chosen closer than the few vertexes of true maximum, the years of the period and the total and annual increases are given; finally, the same is repeated for short and long cycles.

We must also refer to the next instalment of the diffuse account, and in part to the annotations accompanying the overview itself in No. 18, to give the details of this overview.

We will say briefly about the presentation in graphic form, which was also more complete than for any other country. In fact, having the data of all years (except for the tragic 1914-1918 and 1941-1942), the curve or real break of the annual indices was given; then the line of the interspersed periods, which are seven in number, and which rightly has no downward slope, then line II for four short cycles and line III for two long cycles.

Above this, and in a different colour, we have marked the line of annual increases, not average for the period, but actual at the end of the official yearbook; this line can be seen as a break of horizontal lines joined by vertical ones, and it has been omitted and interrupted in the years of decrease. Now, while the blue line of production rises boldly, the red line of relative increases is formed by two sort of ladders which, albeit with a few jolts, immediately appear to the eye of the observer as descending from left to right, i.e. as the years go by, giving the practical sensation of the same relationship that we have just above deduced from the numbers about America.

The eloquent table of Russian data comes to prove that the course of that industrial capitalism follows the same norms as the historical capitalism of the West: increase in absolute production and also in its annual "absolute jumps", unstoppable decrease in the annual rate of relative increase over periods that bypass conjunctures, rates as high as those of American capitalism in the 19th century, and insofar as it is possible to note higher ones, but not by much, explained by the norm that Russian capitalism was the last to be born and reborn.

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<sup>7</sup> See Table IV, at the end of the chapter, resumed on the basis of subsequent processing, when it turned out that the data on Russian industrial production previously available referred to only production of large companies. Absolute and other indices are not reproduced irrelevant data.

### III. Prospectus on the historically decreasing relative increase of capitalism

<i>Great Britain</i>				<i>Germania</i>			
<i>Short cycles</i>		<i>Long cycles</i>		<i>Short cycles</i>		<i>Long cycles</i>	
<i>Years</i>	<i>Varies.*</i>	<i>Years</i>	<i>I vary.</i>	<i>Years</i>	<i>I vary.</i>	<i>Years</i>	<i>I vary.</i>
1859-65	4,8	1859-83	3,6	1859-72	4,6	1859-72	4,6
1865-83	3,2			1872-900	4,5		
1883-906	1,8	1883-913	2	1900-13	3,7	1872-913	4,2
1906-13	2,5			1913-29	0,2		
1913-29	0,7	1913-56	1,5	1929-56	2,4	1913-56	1,6
1929-37	2						
1937-56	2						

\* In both tables "average annual percentage increase".

<i>France</i>				<i>United States</i>			
<i>Drink cycles</i>		<i>Long cycles</i>		<i>Short cycles</i>		<i>Long cycles</i>	
<i>Years</i>	<i>I vary.</i>	<i>Years</i>	<i>I vary.</i>	<i>Years</i>	<i>I vary.</i>	<i>Years</i>	<i>I vary.</i>
1859-83	4,2	1859-83	4,2	1859-92	7,1	1859-92	7,1
1883-99	2,1			1822-913	6,1	1892-913	6,1
1899-913	3,4	1883-913	2,7	1913-20	4,2		
1913-30	0,8			1920-29	4,9	1913-29	4,6
1930-56	1,1	1913-56	1	1929-37	0,9		
				1937-56	4,6	1929-56	3,5

We limit ourselves here to linking these considerations, which present this part of the research well in synthesis, with the square of the four countries in order of age that in no. 17 appears in the fourth and fifth column of the third page.

[This is a comparison of published data as "long cycles" of the different countries (Table III):

	<i>Inghilterra</i>	<i>Francia</i>	<i>Germania</i>	<i>Stati Uniti</i>
<i>Primo ciclo</i>	3,6	4,2	4,6	7,1
<i>Secondo ciclo</i>	2,0	2,7	4,2	6,1
<i>Terzo ciclo</i>	1,5	1,0	1,6	3,9

In a note it was noted as the line vertical - which expresses the increases according to the age of each individual country - is decreasing, while the horizontal line is ascending and expresses the fact historical "of the order of appearance of capitalism in the different countries". See also Table V.]

Russia should be marked there after the United States and its starting cycle, although chronologically at the level of the third of the square, would thus complete the "horizontal of debuts" (not to be confused with the debut of a horizontal): England 3.6; France 4.2; Germany 4.6; United States 7.1; Russia 9.1.

As in the natural order of the capitalist form of production.

#### IV. Prospectus on the verification of the norm of decreasing annual percentage increase for Russian industrial capitalism from 1921 to 1958

USSR			
Short cycles		Long cycles	
Years	Variation*	Years	Variation
1913-1921	-13,6	1921-1940	19,1
1921-1932	21,6	1940-1958	8,4
1932-1940	15,6		
1940-1958	8,4		

\* Average annual percentage increase.

#### V. Statement on total annual increases in production industrial in the countries and periods typical of the historical development of capitalism

	Great Britain		France		Germany		United States		Japan		Russia	
	*	**	*	**	*	**	*	**	*	**	*	**
From 1880 to 1900 Period of peace	100	3,5	250	6,5	300	7,2	400	8,4	800	11,6	-	13
From 1900 to 1913 Imperialism	40	2,6	130	6,6	150	7,3	400	8,4	250	10,1	-	10
From 1913 to 1920 World War I	0	0	-38	-6,6	-45	-8,2	26	3,4	57	6,7	-87	-25,3
From 1920 to 1929 Reconstruction	0	0	126	9,5	150	7,3	26	3,4	89	7,3	1300	34,1
From 1929 to 1932 Period of crisis	-30	-11,2	-31	-11,6	-36	-13,8	-46	-18,6	0	0	85	22,8
1932 to 1937 Recovery period	55	9,2	5	1	90	13,7	69	11	75	11,8	150	20,1
From 1937 to 1946 World War II	-5	-0,6	-23	-2,9	-69	-12,2	51	4,7	-70	-12,5	0	0
From 1946 to 1955 Reconstruction	53	4,8	98	7,9	510	22,3	53	4,8	370	18,8	340	17,9

\* Percentage increase over the period

\*\* Average annual percentage increase

This framework is elaborated only on data from Russian sources (Varga, Stalin, Khrushchev). The indices for the first two periods are taken from the figures for basic industries given by Varga.

From the verticals, the states being arranged from top to bottom according to the age of the industrial form, it emerges that younger capitalism has faster average growth.

From the horizontals it emerges that in the normal phase the rate of increase of each country decreases over time.

From the war and crisis phases it emerges that mature and victorious capitalisms resist wars (imperialism) well and even advance; but they yield more to crises.

From the post-war and post-crisis phases, it emerges that the stronger the recovery, the younger the capitalism, and the more violent the descent.

The Russian horizontal confirms all the trends of other forms of capitalism.

### **3. The world market**

Up to this point, studies have focused on the mass of industrial production, in its place indicating the sources of the figures and the way in which the authors report having sought and established them.

With intensive work, the comrades prepared both a prospectus and a graph, shown at the meeting but unpublished and very quickly calculated, in which the figures for interstate export and import trade are shown. Figures for the major countries, as well as the smaller ones, were possessed, but would be used later. Figures of world manufacturing production were also possessed, but reasons of time made their use postponed.

A check was therefore made on the world trade figures, and the same conclusion was deduced as for manufacturing on the law of diminishing returns.

Of this, too, we report here the broad results.

The indices used were worked out by the usual author Kuscinsky with particular care to make them proportional to physical trade, or in real value, saving themselves from the thicket of exchange rates and changes in the purchasing power of international currencies. Accepting his indices for good, here is the conclusion.

The data from 1834 to 1929 could be sorted into four periods.

1. 1834-1860. Years 26, from 8.5 to 32. Total increase 282%. Average annual 5.4%.

2. 1860-1890. Years 30, 32 to 94.2. Total increase 194%. Average annual 3.7%.

3. 1890-1913. Years 23, from 94.2 to 197.8. Total increase 110%. Annual average 3.3%.

4. 1913-1927. Years 14, 197.8 to 261.7. Total increase 32%. Annual average 2.0%.

The series, calculated 'in the face' of the listeners (never contradictory) was very clear: 5.4; 3.7; 3.3; 2.0.

#### **4. Balance of power between capitalisms**

The economic-statistical part, which occupied the first and part of the second session of the meeting, closed with the illustration of a statistic on manufacturing production in the world, which will be completed and published in due course, giving an account of the sources and method of production.

The said research goes from 1870 to 1938 and remains to be developed until today. In it, there are no longer indices proportional to the volume of production of each country, but rather percentage figures representing the manufacturing production of each state in relation to that of the world.

The first seven states are those already studied above: USA, USSR, Germany, England, France, Japan, Italy. A few smaller states such as Canada, India, Belgium, Sweden, Finland, and finally en bloc all the other countries, which generally account for just over 12% of total world production. Such a table is very suggestive for tracking the shifting centre of gravity of capitalist state forces.

In Marxism, the capital form starts with the bourgeois ideal of freedom presented as national independence, and in reality as the concretisation of large centralised state powers. The concentration of capital and geographic-demographic units of power gives us the historical march towards imperialist totalitarianism. The dialectical negation, which is in this, of the initial liberal ideologism, is for us the true springboard for the proletarian revolution. Capitalism and mercantilism will never be super-states:<sup>8</sup> socialism, by killing them, will destroy the constellation of states, by attacking its leading stars.

Better than words are the numbers.

In 1870, British dominance still lasted at 31.8. A country that then had one fortieth of the world's population produced one third of the world's industrial goods. It is followed in the ranking by: USA 23.3, Germany 13.2, France (long since dropped from second place) 10.3. Japan is still absent, Russia appears with a timid 3.7%, the rest is negligible.

We only follow the great historical changes.

At 1881-1885 the lost English primacy: USA 28.6, England 26.6. Germany up, France down sharply.

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<sup>8</sup> Meaning: "supranationals".

At 1896-1900 the remarkable fact is Germany's rapprochement to England: USA 30.1, England 19.5, Germany 16.6, France 7.1. We note that (tsarist) Russia is at 5, Italy at 2.7, Japan at 0.6.

In 1906-1910, the USA reaches the 'all-time record' (perhaps from the Roman Empire onwards, slaves aside...) with 35.3. In Europe the fact announcing the war: Germany overtakes Albion: 15.9 against 14.7. France still lags at 6.4. Russia is stuck at 5, Japan has risen to 1.0 (victory in the East) and Italy to 3.1.

The figures of the imperialist eve of 1913 accentuate all these results in the same sense.

Approximately and provisionally, the consideration of populations was introduced here, forming a certain index that takes into account production for the same population. Making on the sense of it every reservation we give the ranking of unit potential (different from absolute potential) as follows: USA 4.0, England 3.5, Germany 2.86, France 1.60, Italy 0.76, Japan 0.50, Russia 0.37.

From these two sets of data, the German threat and the reason for the first US intervention in Europe, made up of the proud preservation of capitalism, can be clearly seen.

After the turmoil of the first war and the recovery up to 1926-29, it can be seen: the US crushed Europe under a new and all-time high: 42.2! But Germany was not undone for good: it was nevertheless second with 11.6. The victorious follow: England 9.4, France 6.6, Italy 3.3. As for Russia, it has not yet recovered except to the extent of regaining the position of tsarist times: 4.3.

But it is Russia that stands out in the 1936-38 figures, i.e. on the eve of the Second World War, causing with its powerful industrialisation, over an immense territory, the fall of the US potential to only 32.2. Russia had already then taken second place with 18.5. Following at a distance were Germany with 10.7, England with 9.2, France with just 4.5, Japan (on the rise) with 3.5, and Italy with 2.7, which was falling back considerably.

Of these figures, we have also made a reduction for the same population. The ranking becomes: (1) USA 2.57; (2) England 1.95; (3) Germany 1.34; (4) Russia 1.18; (5) France 1.11; (6) Italy 0.61; (7) Japan 0.50.

We must now defer to the deductions that can be drawn from a similar statistic from after the Second World War and carried over to the present day. The depression years are rightly avoided in the research used. A survey of the kind just deliberated upon can establish a relationship between the shifts in the industrial power camps and the likely deployments in subsequent wars: a confirmed law for the first and second world wars could give considerable insight into the prediction of the third, focusing on the countries in declining prestige on the one hand and those in aggressive advance (we are dealing with statistics, not - oops - morality!) on the other.

Qualitatively, it is certain that the USA's last positions, on the third of the world, are now firmly maintained; Russia has advanced to well over fifth, and

may be in fourth, while England and France (and Italy) are still falling behind. Germany is proving it can have a third recovery, and Japan a second.

When the boundaries between markets are broken, and the past left to disarm, the hotbeds of imperial rivalry will leave some of the traditional European powers behind, and in the forefront will be the conservative US; Russia, Germany and Japan (or Asia). However they divide, a rout of America's frontrunners will always be the Revolution's finest atout, if it has not had time to try to catch the beast of military imperialism early.

## **The Doctrinal War Between Marxism and the Bourgeois Economy**

### **1. Dynamics of the capitalist form**

An ancient and modern crux of the battle over the theories of the proletarian revolutionary movement is the question of whether Marx had, in his works and in that monumental among them, albeit unfinished at his death, *Capital*, only had as his objective the description of the laws governing the capitalist economy, or not also the presentation to the fighting masses of the clear programme of the social organisation that would emerge from the workers' revolution: socialism, communism.

The position of the radical Marxist left, i.e. of the only Marxists who are entitled to this adjective (whether or not it is proper to derive adjectives from people's names) has always been that in Marx's work, to put it crudely, the description of the characteristics of communist society is in the foreground.

The old objection that refers to the antithesis between utopian socialism and scientific socialism, in which one of the correct expressions of the original power of Marxism is used here on a false plane.

Utopianism is the 'proposing', starting from a construction made in the head of the author and dictated by pretended rationality, a new form of society that should be implemented, either through the adhesion of other thinking men to the propaganda of those wise proposals, or in the most deterrent form, through a decision of the powers-that-be, of the current governments.

Scientific socialism is not - except for ex-socialists who are bourgeoisised to the spinal cord - to disregard the characteristics of the future society and keep silent about their 'discrimination' from those of the present social form, and to limit oneself to the descriptive study of the laws of this form, of the present capitalist economy. Scientific socialism is to foresee, not according to rational plans nor sentimental or moral preferences, both the unfolding of the phenomena of the bourgeois social form and the historical processes through which they will pass, and the new and different dynamics of economic forces that will follow them, not only, but will be opposed to them, in the dialectic of doctrinal research and revolutionary combat.

With the fall of the conditioning of these passages to the fact that their necessity has entered the minds of all, or even most, and with the exact notion of the problem revolutionary class, revolutionary party - a notion whose name

is: dictatorship -, only with this utopianism dies and with it dies its deformed half-brother: social-democratism!

For decades and decades our historical school, and for several years now our small labour organisation, has demonstrated this with assiduous work and with organic and dialectical citations, not bookish or worse by ear, of the classic Marxist texts, ancient and recent, and especially of Capital itself, which everyone, even the fearful "atheist" Joseph Stalin, degrades and treats of cold descriptive economy, where from the first to the last page the revolutionary cry and Michelangelo's sculpture of the purpose of the Revolution ran through it. It is a matter of reading it as it should be read, that is, living it and fighting at every step the real and ideal bourgeois forms against which it ruthlessly rages.

To do descriptive science is to accept as static, eternal and permanent the framework of the facts one considers: to do dialectics and the revolutionary programme is to draw from the facts the science of their inexhaustible dynamics.

Driven by the fact that the Marxist description of capitalism is inseparable from the calculation of the orbit it describes in history, bourgeois economists have for a century given themselves over to launching different and opposing descriptions from whose 'scientific' laws the possibility of the long and eternal life of the capital form - id est of the market form - can emerge.

The inferiority of these multiple attempts lies in the fact that they perform often remarkable acrobatics to give this reading of the phenomena presented by contemporary capitalism, i.e. capitalism as it is; but nothing can or could answer that giant part of Marx's construction which shows how capitalism - i.e. capital - was born and formed historically, and how it replaced previous forms of social organisation.

The usual game about the 'indices' provided by current statistics - to which the Russians have so early and so thoroughly fallen for - assumes, in all its bogus calculations and formulae, one great fallacy: that the market and capital have always existed, since the creation of the world.

Marx, on the contrary, in every demonstration and in every chapter, returns to the historical origin of the forms he treats: from the first classical chapters of the complete Book One, to all those of the parts of the Second and Third that have been preserved for us. Every time he enunciates how the characters of capitalist production are not original ('natural') but acquired, he demonstrates - dozens of times explicitly and hundreds of times implicitly - that those characters are transient and that history will see the disappearance of the capitalist form.

## **2. The first studies for "Capital"**

The meeting made extensive use of the materials that exist in Marx's posthumous work, edited by the Soviet Institute, which gathers together the first drafts of his texts, even before the edition of the Critique of Political Economy, which was fully edited by the author in 1859, and then transfused into the first chapters of the First Book, which appeared in 1867.



The Paris Group<sup>9</sup> provided translations of very important passages from the German text. This, printed in Berlin in 1953 from the Moscow edition of 1939-41, under the title *Fundamentals of the Critique of Political Economy* faithfully reproduces a handwritten manuscript by Marx in notebooks of 1857-58 constituting the first draft of the work in preparation, of which only a part took the form of the legal publication of 1859. Throughout the remainder of the present book, the title of which was affixed by the editors and not by the author, there are initial drafts of the most diverse parts of *Capital* and even treatises that did not find a place in it and whose development can be found scattered throughout Marxist literature.<sup>10</sup>

To highlight the overwhelming importance of this youthful text (but already well after both the Communist Manifesto and the Antiproudhon,<sup>11</sup> i.e. corresponding to a time when the economic-social theory was already in a definitive form in Marx's mind - as in the compilers of these works of ours after exactly another century), a few remarks of an organisational nature were worthwhile. In the draft, Marx wrote without setting himself any limitations for editorial reasons, and thus had no reason to disguise (in the sense of referring to a particularly shrewd and sagacious reading) parts of his thought. When, on the other hand, he thought about the final draft for the press, he - who always aimed for publication in Germany and in the German language of the original - was forced, not least because of the serious financial difficulties that never gave him any respite, to come to terms with the censorship that was strict at the time. He therefore made the political and agitational passages less explicit, without ever scientifically sacrificing anything. On the other hand, just as he had seriously worked on the orthodox economists, so he calculated that his scientific work would reach not only the workers and fellow believers, but also the scientific contradictors, who undoubtedly a century ago were not the despicable careerist and sellout people of today. He therefore allowed it to be thought at first that it was a scientific study in the neutral - but decent - sense of the term; which did not prevent him from writing the innumerable pages of flame that are given to those who have made the book material not for a locked-up library but for a life of struggle, and know how to lay on those pages the storms that followed so many decades, and will follow again.

Therefore, the pages of the draft, of the bourgeoisie, full of unfiltered passages, of words in all languages, of monkish and broken notes, are precious, because they are useful in irrevocably confirming what we have read in the 'official' texts for half a century and what we and our party and school comrades have affirmed hundreds of times without the shadow of a doubt, so that we have matter for every hesitant, enemy, faraway and perhaps sometimes near, to whom we can finally make it go down with original enunciations - and even passed through the sieve of an organisation wielded by followers of all deformations - hammering, clear, obvious "à cr ver les yeux"!

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<sup>9</sup> The Paris section of the Communist Party International.

<sup>10</sup> *Marx's Grundrisse* appeared subsequently in an Italian edition, based on the same German text of the Dietz Verlag: *Fundamental outlines of the criticism of economics politics 1857-1858*, La Nuova Italia, 1968-1970 (two vols.). The steps more mentioned above are mostly left in their original form, except for a few Corrections also made based on the German text. The references are to Italian edition.

<sup>11</sup> That is, *Poverty of philosophy*.

### 3. First capitulations of the ideological enemy

We will not delay in drawing on the mine we have presented. And from it we will draw again that main thread, in which we can see how all the criticisms of the 'later' scientists had already been answered in advance, and we will draw confirmation of the assumption made at other meetings (see Asti, Milan, etc.) that the theories of Marx's supermen are rehashes of very old positions on which Marx himself had already passed triumphant.<sup>12</sup>

We want to show that in the versions of economists and economic research institutes entirely devoted to the defence and apologia of capitalism, in the same terminology, in the same presentation of the economic phenomena of present-day society, expressions are increasingly being adopted not only, but also methods of calculation that were originally established in Marx's economics.

An interesting (for billionaires it is) booklet from the American capitalist magazine Fortune was shown at the meeting. It has the title in box letters: Fortune 500. What are the 500? They are the 500 largest capitalist enterprises in the United States, listed this year, as in previous years, in the order given by the size of their relative capital.

Time and again we have struggled to convince even professed old Marxists that for us, capital is not measured by the size of the means of production, i.e. by the value of machines, tools, workshops, stocks of semi-finished raw materials or unsold products (stock, inventories, merchandise in stock). For us, capital is the sum of the goods sold in a cycle, and the calendar year, the sum of the products in the year of manufacture. And when we look for the rate of profit of this capital, we relate to it the profit of the enterprise, which in our terminology is 'surplus value'. In relation, that is to say, not to the value of the plants the company owns, but to the market value of the products, i.e. the volume of sales, what in Italy, as we so often say, is called 'turnover'.

In fact, the chart of the 500 monsters contains these data: name and registered office of the company; 'sales', or turnover; 'assets', i.e. assets in the balance sheet, and therefore the value of the factories and machines; ranking according to this figure, while the basic ranking is according to 'sales'; net profits; share capital (at the stock exchange price); number of shareholders; number of employees; profit rate as a percentage of sales; profit rate as a percentage of share capital.

The rate of profit as a percentage of assets, i.e. plant asset value, is also not included.

To fix the ideas we will say that the leader is General Motors of Detroit, the largest automobile industry which we compared in the Dialogue with our

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<sup>12</sup> The text of the Asti meeting is *Vulcano of production or market swamp?*, in this volume. How long concerns the meeting in Milan (September 1952), the summary in thesis form on the *historical invariance of Marxism* we now read in *For the organic accommodation...*, cit.

FIAT.<sup>13</sup> Sales in 1956 were 10,796 million dollars, i.e. almost 11 trillion, equal to about 6,750 billion Italian lire. Again for 1956, twenty FIATs!

The number of personnel was 600,000 as opposed to about 75,000 at FIAT, or eight FIATs. We repeat that productivity is maintained, in working time if not in wage expenditure (we do not have this figure) at two and a half times that of our top company.

The net profit was \$847 million, i.e. compared to the sales figure of 7.9%. As equity capital is only \$4,581 million, the rate of profit on this rises to 18.5%.

The value of plant, or assets, is 7,400 million, i.e. more than equity capital, but much less than sales.

The lack of the wage and salary bill prevents us from calculating the variable capital and the rate of surplus value as in the FIAT case. More would prevent us from doing so is the lack of the figure for investment in new capital, taken before distributing the indicated net profit, but certainly also considerable for 1957. Once again we see how the rate of surplus value may well be high and the rate of profit may well tend to fall.

What is remarkable is how the capitalist organs themselves do not take into account fixed capital, but only that which circulates and is transfused into the mass of the product; which is in strange contrast to the assumption of the various modern economic schools (Keynes, welfare or welfare schools) which want to introduce as a factor of the production of surplus value (for them of the increase in national income) alongside the human factor, Marx's living labour, that of formed wealth or fixed capital, or dead labour. And another ideological capitulation occurs when, in calculating the national income, the lying sum of capitalist earnings with the remuneration of time labour, the expression 'value added in the year by labour' is used, by deducting from the value of production (final capital for Marx) that of raw and auxiliary materials and the renewal of plants for annual wear and tear (constant capital for Marx). What remains in such a case is the sum of the variable capital with the surplus-value-profit; and to admit that all this has been 'added by labour' is to admit with Marx that dead wealth, whether personal or national, does not give rise to any increase, increment, differential in value, but at most preserves what was there in frozen form; while it is only human labour from whose cycle the increases in capital, value, wealth arise.

#### **4. Clear positions of Marx**

Let us make clear with a single quotation from Marx the fact that he and we do not count and balance the capital plant, the dead wealth, and with this we already establish that it must be at the disposal of the active society and not a monopoly of the privileged class, which makes use of it to enjoy other people's labour. In this passage of elementary arithmetic already lies the entire critique of bourgeois society and the prediction of its demise.

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<sup>13</sup> This is the *Dialogue with the Dead*, which "responded" to the XX Congress of the CPSU, available at i Internationalist Notebooks

Book One, Chapter Seven, Paragraph 1. After establishing an example in which £410 of constant capital adds up to £90 of wages and £90 of surplus value, forming a total of £590 of product, Marx says:

*"What is compared with the value of the product is the value of the elements of production consumed in its formation. We have seen, however, that the part of constant capital employed, consisting of instruments of labour, transmits to the product only a portion of its value, while another portion remains in its old form of existence. Since this does not fulfil any task in the formation of value, it must be completely abstracted from it here. Its entry into the line of account would change nothing. Let us suppose that the constant capital of £410 is composed of £312 of raw materials, £44 of auxiliary materials, and £54 of machine wear and tear; while the value of the mechanical plant actually used amounts to £1,054. As an anticipation made for the realisation of the value of the product we only calculate the value of 54 given to the product. If we wanted to count the £1,000 which continues to exist in its old form as a steam engine or otherwise, we would have to count it twice, on the side of the value advanced and on the side of the value of the product obtained. Then the advance would not be 500 but 1,500, the final proceeds 1,590 and not 590, and in both cases the surplus-value would be the same, namely £90. Under the name of constant capital advanced for the production of value, if the context does not indicate otherwise, we mean therefore only the value of the instruments of production consumed in the course of production."<sup>14</sup>*

And here Marx notes that even Malthus admits this, in the words of his work *Principles of Political Economy*, in which he says:

*'If we calculate the value of the fixed capital employed as forming part of the advances, we must at the end of the year count the remaining value of that capital as forming part of the annual revenue'.<sup>15</sup>*

It matters that such a point has entered the headlines of the *Fortune* Directory and Marxist communists, since Keynes, Spengler and company have the claim that even fixed property, and even capital money are 'entitled' to fractions of the active income of social production. And for land ownership, Malthus also claimed this. For 150 years or so, the whole question stands there.

## **5. The link between work and value**

To a passage from the universally known and 'official' editions, let us add another one that makes another point about which there is an implicit and often unnoticed misunderstanding.

Given that the conclusion of Marx's anatomy of bourgeois production is the theory of surplus-value, many think that to fix everything it is enough to say: all social income is surplus-value; if we now distribute it among those only who have worked, all communism is well and truly constructed.

A different formulation of the same oversight might be this: Marx proved the law of value to be valid, i.e. the fact that the value at which a commodity is exchanged on average depends on the social labour required to produce it. But

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<sup>14</sup> See K. Marx, *Capital*, Book I, Ed. Riuniti, 1967, pp. 245-246. The version is taken from the French edition, Postal Code. IX.

<sup>15</sup> *Ibid.*, nota 26a, p. 246.

he also showed that despite all these breakeven contracts, the seller of labour-power, i.e. the proletariat, receives far less than he provided. And so socialism comes when labour-power is paid at its true value, and thus the extortion of surplus-value from the worker is 'abolished'.

Marx has so many times shown that this is nothing but foolish immediatism, and most recently we have developed it in connection with the critique of the Gotha programme. That foolish thesis is equivalent to another formula, Stalin's: in socialism the law of value applies.

The correct thesis is that in socialism labour has no value, and is not paid for. No value is deducted from labour, for any commodity, let alone human labour power. What remains, just an apparent paradox, is surplus value, i.e. the gift of labour, and payment for labour, an age-old expression of servitude and abjection, dies.

Let us also let Marx's official and notorious text say this.

Book Two, Chapter One, Capital-Money Cycle.

*"Money-Labour: this passage is generally regarded as the characteristic feature of the capitalist mode of production. But not for the reason that the purchase of labour-power constitutes a sale-purchase contract, in which the delivery of a greater quantity of labour is stipulated than is necessary to replace the price of labour-power, the wage, i.e. the provision of surplus-labour, the fundamental condition of the capitalisation of surplus-value, or, which means the same, of the production of surplus-value."*

No, the reason is not this at all, but...

*"lies in the very form [of the contract], in the fact that, in the form of wages, labour is bought with money, in which consists the distinctive form of the money economy [...]."*

*What is distinctive is not that commodity labour power can be bought, but that labour power can appear as commodity<sup>16</sup>*

Socialism does not consist in replacing the present unjust wage contract with a just contract. Socialism consists in annulling the labour-money relationship. Wages are not to be raised, but suppressed. And this is only possible when the monetary transaction has disappeared not only between money and labour power, but above all - and even before (see Pentecost's account of Marx's critique of Gotha) - between commodity and commodity whatever.<sup>17</sup>

When there is exchange between equivalents and when value is calculated from labour, one is navigating in the midst of the capitalist swamp. Marxism makes these laws its own as it explains and describes bourgeois society; and at every step it advances the programme of the society that will follow its overthrow and in which mercantile and monetary exchange, the wage-form, and

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<sup>16</sup> See K. Marx, *Capital*, vol. II, Ed. Riuniti, 1965 pages. 34-35.

<sup>17</sup> See *The foundations of revolutionary communism*, ed. cited pages. 47-52.

the law of labour-value will be, as Engels said of the state, passed over in the museum of old.

The power of the revolutionary dialectic leaps out from the reading of Marx's oldest text, because in it the 'Social Man', the servant under Capital, rises up by breaking the limits of the law of value; and dead wealth, today's fixed capital, which in class society does not generate value, but gives the strength to steal it, pervaded with new life drawn from the roots of past generations and from the very curses of the slaves and servants of the time, will rise up before the human species as an inexhaustible source of well-being and high joy.

The scientific laws of the new society stand against those of the present in irreducible contrast and deny them formula by formula and word by word: we defend the notion of the true and not false laws of capitalist production dynamics, not because such laws must survive, but because that clear notion is the primary weapon for the extermination of the infamous bourgeois social machine. One must well study the structure and motion of a machine, which one wants at the given moment in history to be able to blow up, clearing the way even of its sinister wreckage.

## **6. The myth of automation**

In recent years, and especially due to the technical progress of American industry, whose economy is less burdened by the rapid renewal of fixed plants that are still productive and therefore costly, there has been increasing talk of automatism in production, which has taken on the fine name of automation. It seemed to be one of the giant novelties of our time, of the post-World War II period, the overwhelming replacement of human labour by the action of mechanical automatons devoid of life and thought that direct themselves, self-regulate and self-direct. Socially, the problem arose, as if it were new and original, of the reduction of the industrial workforce in drastic ratios, and of the predictably high unemployment that would arise by preventing large masses of men from earning money and spending it, consequently, also to buy the enormous mass of products deformed by the inanimate installations of the factories that were almost deserted, but perpetually rotating to churn out products for the market.

An equal bewilderment gripped the economists of capitalism on one side and those of the opposite band, of false Russian socialism, on the other. At an equal distance from the revolutionary science of Marxism, they were unaware that this was a problem that had already been posed in the first place; and therefore already solved by a highroad, quite different from the washed-out methods of bourgeois 'intelligence'. In the jargon of this decadent society, a problem is any kind of boredom, a new 'hassle' added to the daily grind, which one has to get out of one's way with any number of clichés, so that after getting rid of it without disturbing one's affairs, one can boast that it has been 'solved'.

The capitalists this time have fared better by putting forward the sacramental 'lowering of production costs', which would be the salvation of the scientific and mechanical society, and would lend itself in their crooked formulas to raising the average standard of living, with the illusion of soothing any class clashes.

It will be easy to silence them and their clumsy emulative pursuit of the Soviet formula of 'full employment', and lead their doctrines on the democratisation of capital to absurdity. An economic-legal democracy has been a historical absurdity for centuries: the only form that could in the abstract correspond to it is that of the productive micro-firm, of the sharing out of the instruments of production among individual workers. More gallows than gallows.

But those who have been most embarrassed by the prospect of totalitarian automated production are the innumerable half-assed Marxists, who abound even among the not-so-dense ranks of those not associated with Stalinism, and post-Stalinism. How will we, these poor men have said to themselves, maintain that all the value that society adds in each cycle of its endowment comes from the labour of wage-earners, when production will no longer require any labour or any effort whatsoever, not only of a muscular nature, but not even of an intellectual one, since the machines are supplemented by apparatuses that themselves take the trouble to calculate and design everything? The law of labour generating value, the doctrine of surplus value, and our entire critical construction of the economy and the capitalist form of production will fall...

Now the fact is this, although the immediatists - who are the ones who pedestrianly paste the daily subtraction of surplus-value from the individual worker, this accounting antagonism enclosed in an envelope, the clash between two epochs, two forms of production, two worlds, which has with the pecuniary episode a logical link but dialectically mediated by revolutionary passages on antitheses of a very different breadth, on immense arcs of times of spaces and modes - are condemned not to understand it in order to run after philosophies of exploitation and of the autonomy of the executor from the manager; the fact is this: that we have been waiting for it for a century.

To the rubble the laws of value, equivalent exchange and surplus value: with their fall into nothingness falls the very form of bourgeois production. The former are valid as long as the latter lives, and when science and technology, however secular a class monopoly, break them, it will only be the supreme example of the revolt of the productive forces against the forms that must collapse.

This doctrine of automatism in production reduces to our entire deduction of the necessity of communism, based on the phenomena of capitalism.

We derive it from the aforementioned original text by Marx: but it is clear in itself and has been clear for some time.

## **7. Labour process and machinery**

All our demonstration could be taken from the 'official' text of *Capital* by quoting the chapters on the Parcel Worker and his tool, manufacturing and big mechanical industry (a subject discussed at the meeting in Rome, 5 July 1952),<sup>18</sup>

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<sup>18</sup> See *Capital*, I, chapter. XII, ed. cit. pages 379-403. The July 1952 meeting carried out "exegesis" of par. 4 of this chapter: *Division of labor in the company and in*

but the text we have now is particularly expressive, and without restraint in showing the close link between the present internal dynamic of capitalism and its revolutionary overthrow, driven not by the fact that it is 'too exploitative', but by the necessary violent generation of a form that confronts it and overturns all its features.

To avoid misunderstandings concerning the usual insane claim that Marxism is a doctrine "in continuous evolution", and that the texts of different years have indulged in constructions then forgotten (!) or substituted, it will be good to establish that in the thousand pages we are dealing with, the drafting follows the same line as that of Capital and all the same theories are carried out there in the same substance and form, with the same exact terminology and the same mathematical expressions: and with all the developments of the Second and Third Books of Capital as collected by Engels. From the pages of the chapter On Capital (which has the same sections as the later published work: Process of Capital Production, Process of Capital Circulation, Interest-bearing Capital. Transformation of surplus-value into profit, Appendix on the history of economic doctrines) it would be easy to quote many in which the same expression dealt with regarding the three terms forming circulating capital (constant plus variable plus surplus-value equals total product) is given in narrative, arithmetical and algebraic form.

Thus the passage on automatic production is 'valid' not only for Marxist thought in 1857, but also for Marx's thought up to his death, and that of the Marxists up to 1957 and after.

Let us start from page 584 of the German Moscow edition:

*"The means of labour, incorporated in the production process of Capital, goes through several metamorphoses, the last of which is the Machine or rather an Automatic System of Machinery."<sup>19</sup>*

(We take these agreements with the reader here: We reserve the right to make our own comments, but the underlining is always that of the original text and we prefer to adopt the capitalisation of nouns in the German style).

The text continues:

*"(System of Machines; the automatic one is only the fullest and most adequate Form; and it is also that which transforms Machines into a System). The System is set in motion by an Automa, a driving Force that moves itself; this Automa consists of multiple mechanical and intellectual organs, so that the Workers themselves are determined only as conscious Members of the Automa. In the Machine, and even more so in the Machinery, the Means of Work is transformed, according to its use-value, that is to say, according to its material nature, into an Existence adequate to fixed Capital and to Capital in general, and the Form in which it, as the immediate means of labour, is assumed in the Process of production of Capital, is superseded in a Form posed by Capital itself and corresponding to it."*

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the society , to derive confirmation of the thesis that " socialism is the abolition of the division of social and corporate labor " (see *Per the organic arrangement...* , cit.).

<sup>19</sup> See K. Marx, *Fundamental outlines..* , cit. vol. II, p. 389.



The author has here established that the instrument of labour, having become fixed capital, has completely lost the character it had in immediate production (or parcel production, to which those whom we call immediatists and forkmakers would like to refer).

*"The specific differentia of the machine is not at all, as it was for the working medium, to transmit the activity of the worker on the object, but this activity is rather presented in the sense that it is limited to mediating, supervising and protecting from disturbance the work of the machine, its action on the raw material".*

We cannot dispense with the eloquence of this passage by pointing out for a moment the pain those who quibble with it make: after the datum of modern automatism, all Marxist positions must be 'revised'!

*"It is no longer as in the case of the Instrument, which the Worker as an organ animates by his skill and activity and whose handling therefore depends on his virtuosity. The Machine, on the other hand, which possesses strength and dexterity in place of and instead of the Worker, is itself the Virtuoso and is endowed with a soul of its own in the mechanical laws acting in it, and consumes for its continuous self-movement instrumental materials such as coal, oil, etc., as the Worker does with his food. The worker's activity, reduced to a mere abstraction of activity, is in every sense determined and regulated by the movement of the machinery, and not inversely'.*

And here beware:

*'Science, which forces the inanimate members of the machinery, in accordance with its construction, to act as Automata, does not exist in the consciousness of the Worker, but through the Machine acts upon him as an extraneous Power, as the Power of the machine itself'.<sup>20</sup>*

Let those who prostrate themselves today to the adoration of Science in general, and invite the workers to it, and instil in them a reverential fear of it, forget that it is above all science and technological superiority, the monopoly of an exploitative minority; and more so that as long as the relations of production remain mercantile, monetary and salaried, the whole system of automatic machination forms a monster that crushes under the weight of its oppression a enslaved and unhappy humanity, and this is the Monster that dominates the whole picture drawn by Marx of the present society, Capital itself, depersonalised, and even "downgraded" as in our frequent conclusions, in response to the boast that in a third of the world the Enemy Class, the Bourgeoisie, has disappeared.

## **8. The Ricardo-Marx alliance**

The fundamental opposition of the Marxist system is in evidence here. Every value in capitalist society is derived from human labour. When we assume we are in a fully capitalist economy, all value is capital, and under this historical expression we denote all 'wealth' in a bourgeois society, the category around which the classical economists of the new regime began to work. All wealth, they

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<sup>20</sup> See, for all the passages cited, *ibid.* , pages 390-391

said, is wealth insofar as it is capital, and has value insofar as it is the accumulation of human labour.

At the historical beginnings of modern bourgeois society a temporary 'scientific', or if we want to call it ideological, alliance took place between the then new, virgin, revolutionary bourgeois economic science and the budding theoretical economics linked to the new proletarian class that was making its entry into history in the wake of the bourgeoisie. The two ideologies had a common enemy in that play, namely the social ideology of the anciens régimes that arose from the stages of production that preceded capitalist manufacturing and its supreme form, mechanical industry. The pre-industrial figurations of the physiocrats, as in Quesnay's famous Tableau (see our series on the agrarian question) place the source of wealth only in nature (fisis in Greek) and at most in the encounter between human labour and natural power: agrarian cultivation.

An increase in wealth can, in Tableau, only be expected from the development of agriculture, and the classes of landowners and serf labourers are indicated as productive classes. In one class, called the unproductive, Quesnay relegated to a bundle only those who in effect, socially and politically, were the allies of the time in the Great Revolution: industrialists and workers. In every production of inorganic commodities, value, wealth, passed through without yielding increments or rents; one found at the end of the cycle as much monetary wealth as one had handed over.

The bourgeoisie and the proletariat, before disputing among themselves over the origin of the increases in wealth, jointly attacked the physiocratic vision and rightly made value, wealth - and modern capital - arise only from manufacturing or, in the countryside, from agrarian industrial enterprise, with the bourgeois tenant farmer and the rural wage earner. They contested the landowner to be only the arbitrary taker of a part of the surplus value born in the bourgeois enterprise.

The Ricardo school and Marx's school held the same position with regard to the mercantilists, who at the dawn of capitalist forms theorised that the growth of general wealth found its source not in production, rural or manufacturing, but in the exchange of goods on the domestic and especially the international market, where vast profits were generated as was the appearance of the centuries of colonialism and trade wars. Against these, too, the counter-attack of Ricardo and his followers finds Marx in line: exchange, circulation must be supported as unproductive against the mercantilists as land ownership against the physiocrats.

As in the history of class struggles, the doctrinal war between classical bourgeois economics and Marxist economics dialectically began as an alliance: on the capitalist side, it was thought to eternalise the solidarity of wage earners with enterprise capital; on the Marxist side, it was known at the outset that solidarity was but contingent and antagonism defined up to then in its historical course unfailingly; Marx defended Ricardo's theses and his laws: value arising only from labour, increase in value, wealth and capital arising from surplus value, equivalence in the general exchange of all commodities. But Ricardo, thinking as an 18th century Enlightenment man, maintained that these laws were the finally achieved 'natural arrangement of human society'; Marx knew and established for

all time that these were the laws of a great historical phase of transition, the capitalist mode of production, which as it had had a beginning would have an end, and that the laws of the future economy would be quite different. Marx defended the real characteristics of capitalist industrial society in their 'specific differences' from reactionary assumptions. Ricardo defended them as the permanent human ideal of economic order; and he could not see the drawing of the second line-up, the later antagonistic line-up between bourgeois and proletarian, between capitalists and communists.

It is in vain to call oneself a Marxist if one does not understand this double position whereby to make the law of the exchange of value and surplus value fit the phenomena of the bourgeois world and time, directly means to make the victory of the proletarian and communist programme coincide with the fall of these laws proper to a transitory world of production and economy.

## **9. Objectified labour and living labour**

For the economists of the classical Ricardian school, when all of society's wealth has taken the form of capital, it is accepted that capital can only increase, the basic phenomenon of all modern societies, through the contribution of labour that is only partially consumed, at most arguing that such a useful renunciation of consumption or abstinence can also be practised by the members of the entrepreneurial class.

In them is already the clear distinction between fixed capital and circulating capital, and Marx studied in depth all the ideas of the 19th century and earlier on this point. With them one can well say that both fixed capital and circulating capital are used in production, insofar as the production of commodities is involved. But if it is a question of increasing the production of commodities, if only because of the increase in population, one enters the process of capital production, which is what is dominated in Marx's theoretical construction for the first time in a complete manner. So Marx says that fixed capital does not produce additional capital (or value), but this only arises from circulating capital, and that part of it which is variable capital, cyclically reserved for the purchase of labour-power.

All capital and value is, as its origin, human labour. But only the part of circulating capital that we call variable capital is actual, living labour.

We know that constant capital circulates, as it alternately takes the monetary form in the cycle of purchasing raw materials, auxiliary materials, renewals of fixed plants for the worn-out part, and then is taken up again by the selling price of products. But it is only labour capital, i.e. the wage bill, that enters into circulation against a sum of money, and comes out increased by surplus value. This part of capital is active, fertile, living or living labour, both insofar as it is the work of the living factor of production, man, and insofar as fertilisation and generation is characteristic of that which lives.

Constant capital that circulates, and fixed capital that is also constant quantitatively but is not circulating in successive cycles, but only once at the time of the construction of plants or machines, do not cease to be a value, which does not know how to generate other value but comes out and is equally born

from the labour of previous cycles. Marx therefore likes to call it dead labour, frozen labour, and in the passage that concerns us, objectified (elsewhere materialised) labour or vergegenständlichte Arbeit. In German, Gegenstand means Object; that which stands against (gegen) the subject.

We are reading in Marx the novel of objectified labour.

In agreement with Ricardo, and in spite of the economists of his time whom he and Marx reduce to ill-favour, and of the economists of ours who raise vain defences of lost and judged causes, fixed Capital, and first and foremost the Machine, is relegated among the sterile value, incapable of giving birth, devoid of life, of soul, inanimate, as Marx says elsewhere.

We close every march of the accumulation of value to value, to the game of living labour, a variable part of circulating capital, an inexhaustible source of fertility and generator of new and wider life.

By denying Ricardo's contemporary counter-revolutionaries, who flirted with the feudal Middle Ages, and our contemporary counter-revolutionaries, who flirt with the outdated society of Capital, any right to give life to objectivised labour, to the mechanical automaton, we dishonour him for the same reason that Ricardo dishonoured him; but the dialectical greatness of our construction is that once the cycle that Ricardo saw as eternal is closed, in a new revolutionary cataclysm, the cold monster of materialised labour changes its face, its task and its destiny; it takes on (if we dare say so in the presence of a stupendous formulation that Marx believed in after extinguishing some dazzling lights) a new and human soul, it resurrects from the weeping and mourning of generations crushed by class systems, it breaks the curse that bound science and social oppression and lets the link tighten between the knowledge of the species, conquered in an unspeakable series of struggles, and the secure well-being of the social man, of the man-species, free from miseries, from individualist, privatist, subjectivist infamies. Perhaps Carlo Marx also owed a tribute to romanticism if he made a dead object of living labour, and then redeemed it with prophetic language as a gift of happiness and life. But this was no Hegelian coquetry, as he later wrote without regretting it, but powerful experimental science, if today with its pages we respond to the shortcomings and ravings of a social form that has reached putrefaction. And they vibrate with truth, and although centuries old, they send a current light unknown to the lucubrations of this time.

Let it be understood by us and by the reader that fixed capital, machine, automated system of machinery, production plant, instrument of production in capitalist form, objectified or dead labour are, in the course of the discussion, equivalent terms.

## **10. Nefarious of dead labour**

Marx's text will have to be published in its entirety in due course, which we cannot do now; and we will limit ourselves to extracting a few passages from it, giving them an order that, if it facilitates the dialectic, takes light and power away from the exceptional exposition. But we do not see, in our task as narrow disseminators, any other way to turn the eternal rock: Marx is too difficult; the

texts are not understandable; the author changes thesis from page to page; the development is dense with intriguing contradictions (!!). In fact, the game of dialectics is here so tight and high-potential that the character we have called such for the sole purpose of simplification, Objectivised Labour or Fixed Capital, almost in every period appears the white protagonist and the black one, the exterminator and the redeemer.

We will bring him to the proscenium, as a poor bouncer, first of all in the sinister guise he has in the period and under the capitalist regime. Afterwards, we will make him reappear amidst the now insufferable ringing of the Communist Revolution:

*"The appropriation of Living Labour by Objectified Labour [...] is inherent in the concept of Capital [...]"*.

*"In the labour process itself, Objectified Labour is opposed to Living Labour as the Force that dominates it [...]"*.

*"Through the transformation of the instrument of labour into machinery and of living labour into a mere living accessory of these machines, the means of their action, the labour process poses itself, even from the material side, as a simple moment of the Capital Valorisation Process"*.

*"The force [of fixed capital] [...] in which by its form capital consists, as the appropriation of living Labour."*<sup>21</sup>

These propositions, of which we have only changed the order, are easy to understand if read by referring back to the historical passage that is present in the writer's mind. In our case, the passage from artisan work to the associated work of the mechanical industry. In the former, what is the 'form of appropriation'? (The reader may here compare the writing Property and Capital in the journal Prometheus, first series).<sup>22</sup> See Prometheus , first series, nos. 10-14 (1948-1950) and second series, n. 1, 1950 and n. 4, 1952, now owned and capital , Ed. Quaderni Internazionalisti 1991. The artisan producer is the owner of his work tool: this means that he is also the owner of the workplace and the raw material he transforms (he has enough money in the cycle to buy it). The consequence is that the piece-worker owns the manufactured product, sells it wherever he wants, and makes the price of the commodity-product all his own. This is a true labour process, i.e. a commodity-producing process.

But in this form soon the productive forces cannot be developed and we move on to the big machine. The producer is the owner neither of the machine, nor of the factory, nor of the raw material; he exchanges his labour-power, his only possession, for a wage that feeds him and makes him fit to beget (proletarian). Consequence: who appropriates the product? Perhaps the worker? No, not even for a crumb: it all goes, the easy propaganda answer is obvious, to the capitalist, the master, the bourgeois. Marx too will make use of this many times. But here his construction rises to those heights where every concession to imbecile success by the path of least effort is disdained. The legal formula is

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<sup>21</sup> *Ibid.* p. 391.

<sup>22</sup> See *Prometheus* , first series, nos. 10-14 (1948-1950) and second series, n. 1, 1950 and n. 4, 1952, now *owned and capital* , Ed. Quaderni Internazionalisti 1991.

despised. He who appropriates the capital produced by living labour (surplus value) is not presented as a human person nor as a human class: he is the Monster, objectivised Labour, fixed Capital, monopoly and fortress of the Capital Form in itself, a beast without soul and even without life, but which devours and kills living labour, the labour of the living and the living.

Why do we measure this Capital par excellence by the cyclical 'product' (that turnover of accountants)? Because it is all product that is appropriated by man, corpse, or beast, or Thing (the Company!), which has of Fixed Capital the proprietary monopoly.

Here the weak of dialectical kidneys will run the risk of suffocating in immediatism. Will the claim not be the re-transformation of Capital's process of production into a process of Labour? Immediate Labour is indeed that which controls, dominates (instead of being dominated by the machine, and finally by the chilling automaton), the Raw Material, the Tool and the Manufactured, the Product.

But to fall back on this, even when monetary fictions replace the material arrangement of what is now Constant Capital and Product, is but to turn the wheel of history backwards, to condemn the 'free' worker to lose more hours of sacrifice for the same standard of living.

Now the historical and human problem is to reduce the hours of work, the work required. In the artisan system there is no explicit overwork (and that is precisely why society is closed within narrow limits) but the work required is very high, more so than in the mechanical industrial system is the whole working day.

## **11. Dead labour and dead science**

From the craft form to the industrial form has been passed; no one can dispute this and make Luddite revolts against machines a programme for the development of Science and Technology. What, in Marxism, is the relationship between theoretical and applied Science and objectivised Labour, between Science and Capital?

Marx has a formidable expression here: the 'social brain'. Technology first, then science, is passed on from generation to generation as an endowment of Social Man, of the Species, which in all its individuals has worked and collaborated on it. In our construction, the Prophet, the Priest, the Discoverer, the Inventor, go towards an equal liquidation. The Social Man in these pages is also referred to as the Social Individual, the meaning of which is not 'human person' as a cell of Society; but instead human society treated as a single organism living a single life (in this form the naive and sublime myth of Immortality, attributed by childish human thought to the individual, enters science, just as today Law and Economics want to stand on the individual, and are heading for similar collapse). This organism, whose Life is History, has its own Brain, an organ built from its millenary function, and which is not the legacy of any Skull or Skull. The Knowledge of the species, Science, far more than Gold, are not private legacies to us, and in Power belong intact to Social Man.

Therefore our text refers to the fate of human Science under the miserable mercantile regime, which still suffocates it throughout the Planet:

*"The accumulation of Science, skill, and the whole of the Productive Forces of the Social Brain is thus absorbed in Capital to the detriment of Labour, and thus appears as the Property of Capital and more particularly of Fixed Capital, in so far as the latter enters into the Process of Production as a real Means of Production."*

Here Marx retorts that Fixed Capital appears as the most adequate form of Capital in general 'insofar as it is considered in its relation to itself'. But 'according to the relation of Capital to the outside world, Circulating Capital appears, with respect to Fixed Capital, as the adequate Form of Capital'.

Socially, politically, historically, as the dominant Power, Capital has the form of Machinery, of Fixed Capital. Economically, as a measure in the process of Capital's production from Capital (id est from Living Labour) it has its precipitous (adequate) form in Circulating Capital, which is worth the overall social Product of a cycle. Having again confirmed this dialectical position in Marx's words, let us return to the character Capital fixed.

*"Insofar as it is in Fixed Capital, the instrument of labour loses, from the physical point of view, its immediate form and is opposed to Labour as Capital. In Machinism, Science appears to the Worker as extraneous to him and living Labour is subordinated to objectified Labour, which acts autonomously. The Worker appears superfluous insofar as his action is not conditioned by the need [of Capital]".*

Capitalism is still on the scene, but it is not its entire shame. "The whole process of production is not subordinated to the immediate skill of the worker [artisan], but the technological application of Science; hence the tendency of Capital to give Production a scientific character and to reduce immediate labour to a mere moment of that process [...]. Capital presupposes on the one hand a certain historical development of the productive forces - among these productive forces also Science - on the other hand it pushes forward and forces their development.

We close this historically limited section on capitalism with a final description of the link between Science and Capital:

*"The appropriation of Living Labour by Capital thus becomes in Machinism [...] an immediate reality: it is this on the one hand analysis and application of mechanical and physical laws derived directly from Science, which makes the machine apt to perform the same work previously carried out by the worker. However, the development of Machinism in this direction occurs only when big industry has already reached a higher level and all Science has been captured in the service of Capital [...]. Invention then becomes a Business and the application of Science to immediate production a decisive and soliciting affair in itself [1857 or 1957?] [...]. Here the determined mode of labour is thus transferred directly from the Worker to Capital in the form of the Machine, and with this Transposition his capacity for work is devalued. Hence the Workers' struggle against the Machine. What was Activity of the living Worker becomes Activity of the Machine, Thus the Appropriation of Labour by Capital is tangibly felt on the senses of the*

*Worker, Capital as a force absorbing living labour into itself - 'as if Love possessed its Body'".<sup>23</sup>*

## **12. Palingenesis of objectified labour**

We will choose no other images of the capitalist relationship between dead labour and living labour after this one of the monstrous Amplexus. Marx introduces us for the first time to the revolutionary reversal of this obscene function of the Monster-Automa with a lapidary title, which crushes forever (O Soviet editors of 1953, did your doctrinal deafness extend to the whistling of firing squad bullets?) the theoretical dementia of the Divine Stalin; and which is this: Contradiction between the foundation of bourgeois production (the measurement of value) and its very development.

So in post-bourgeois society, it will not be a matter of 'measuring value justly by labour time' as the simpletons believe, but it will be a matter of putting an end to the measurement of value (Wertmass).

The text of the paragraph repeats this no less crudely:

*"The exchange of Living Labour against Objectified Labour, i.e. the fact that Social Labour is posited in the form of the Antagonism between Capital and Wage Labour, is the ultimate development of the value relation and value-based production".*

Not only in the development we present is the measure of exchange value drawn from labour time only valid for a wage-labour and antagonistic economy, but the not too distant demise of the measure of value drawn from labour is potentially prepared for by the very appearance of mechanical industry, especially when it is elevated to the status of an automatic system of machinism. And would we now fear automation as a lost doctrinal battle? We would indeed be ignorant of the first objectives of our class warfare!

In the early days of capitalism it could be argued that 'real wealth' is measured by the mass of immediate labour, of average working time:

*"But to the extent that large industry develops, the creation of real wealth becomes less dependent on the time of Labour and the amount of Labour employed, than on the power of the [mechanical] Agents which are put into action during the time of labour. Power which, because of its enormous efficacy, is in turn without any relation to the immediate labour-time costing the production of those mechanical agents, but depends much more on the general level of Science and the progress of Technology or the application of Science to Production."*

Such a discourse, which has been enshrined in our texts for exactly a century, puts us in a position to say that although the antagonistic (class, wage, mercantile) character of the production process has not yet been overcome, the possibilities of such an overcoming have risen to the maximum when automation is implemented on an immense scale in industry; and by virtue of the same deductions when the powerful mechanical agents are joined by the latest, truly

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<sup>23</sup> See the quotes from this chapter in *Outlines fundamentals...* cit., respectively on pages. 392, 393, 394, 399-400.



disproportionate in a gigantic way to the muscular strength of man, nuclear energy.

The time to kill the law of value and the measure of value, and far more so in America than in the Russia of the swingers Stalin and Khrushchev, who threw the revolutionary express on the dead rail, has indeed come.

As so much has been known to us for over a century. And today we hear a higher version of it, in which at one and the same time we see the law of labour time as exchange value, class antagonism, social division of labour, mercantile production, wage-labour, i.e. wage-forced labour. The change of scenario occurs with speed worthy of the Epilogue.

*"It is no longer the Worker who inserts the modified natural Object [the working tool] as an intermediary element between himself and the Object [the worked material]; he inserts the natural Process, which he has transformed into an industrial Process, as an intermediary between himself and the inorganic Nature, of which he takes possession. He takes his place alongside the Process of production, instead of being its principal agent".<sup>24</sup>*

The text presents a triple passage, which is the negation of the well-known ending of the First Book of Capital. By bypassing the capitalist and wage parenthesis, the worker has become 'free', i.e. 'master' of the labour and production process. He again 'handles' the tool and imprints his skill and intelligence into the 'artefact'. But the hand and the worker, are no longer of the individual, but of the species, which with its hand-brain brings into action on nature a 'Mechanical' process created by the possession of natural laws. We delude ourselves that the glosses we 'insert' do not seem gratuitous variations, but prepare for the arduous reading of the sequel.

### **13. The transformation exploded**

*"In this Transformation the pillar of Production and Wealth is neither the immediate Labour performed by Man, nor the Labour Time employed, but the Appropriation of his own general Productive Force, his Intelligence of Nature and his Dominion over it by virtue of his existence as a Social Body - in a word, the development of the Social Individual."*

Marx here speaks in a general sense of wealth as a faculty of both bourgeois and socialist society, while demonstrating the opposite aspects before and after the transformation. But he harshly defines capitalist wealth:

*"The theft of other people's labour time on which the present wealth rests appears as a very miserable base compared to this newly developed base created by big industry itself".*

A purely terminological proposal was made at our meeting to leave the word wealth derived from rich to the current form of theft of other people's value and other people's labour. Property and wealth make sense to the individual insofar as he can preclude others from entering his property. Having elevated the individual, the deformed homo economicus of today, to a Social Body, there are no measures of time and value, and therefore no subtraction, no wealth, and

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<sup>24</sup> Cf. *ibid.* , page 400-401.

that of Society, of the Species, of the immortal Social Body, here for the first time sculpted with features that make Michelangelo's Eternal Fathers pale, we shall call it not Wealth, but Wisdom, Efficiency and Power borne not by men, but by Reality and Nature. The passage continues, in what we would be transported to call the Last Judgement on Mercantile Society. In the Doctrinal War, though not yet in the War of Arms, we have already thrown it back into its sinister Past.

*"As soon as Labour has ceased, in its immediate form, to be the great Source of Wealth, Labour Time ceases and must cease to be its Measure and therefore Exchange Value [to be measure] of Use Value [Stalin! Stalin!]. The Plus-Work of the Mass has ceased to be the Condition of the Development of General Wealth, just as the Non-Work of the Few [the Condition] of the Development of the General Forces of the Human Head".*

The thunderbolts of the Last Judgement strike down upon their targets!

*"With this, Production based on Exchange Value collapses, and the immediate material Process of production is stripped of its Form of destitution and antagonism. [There takes over] the free development of individualities and thus not the necessary Labour Time reduced to form Overwork, but, in general, the reduction to a minimum of the necessary Labour of Society, to which then corresponds the artistic, scientific, etc. formation of Individuals, thanks to the freed up Time and the created means'.*

The text here outlines the contradiction to which Capital is condemned. On the one hand, it, having set labour time as the measure of wealth and its sole source (pure Ricardo) must increase total labour time, and when the necessary (paid) time falls, it exalts superfluous time, this being for it a condition of life and death (the process of progressive production of other Capital). On the other hand, it awakens all the forces of science and nature as well as those of social organisation and circulation, and lays the foundations for reducing the creation of wealth independent of the labour time allocated to it.

Having broken the class domination of Capital, our Character, dead and objectivised Labour, the fixed Capital of before, from being the enslaving instrument of living Labour has risen to the opposite function, and we write of its triumph:

*"Nature does not build machines, locomotives, railways, electric telegraphs, mechanical looms, etc. They are products of human industry; natural material transformed into organs of the human will over Nature, or of its action in Nature. They are organs of the human brain created by the human hand; objectivised cognitive force. The Development of Fixed Capital indicates the degree to which knowledge, general social knowledge [Wisdom] has become immediate productive Force, and to what extent even the conditions of the process of social life have been brought under the control of the general intellect [General Intelligence] and reshaped on the basis of it'. Fixed Capital no longer indicates, we might add, the brutal subjugation of living Labour, but 'indicates to what degree the Social Productive Forces are produced not only in the Form of Knowledge, but as Immediate Organs of Social Praxis; of the Process of Real Life'.<sup>25</sup>*

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<sup>25</sup> *Ibid.* for this chapter, pages. 401-403.

Once again we know that Marx describes the future Society, and in such a way that there remains no doubt whatsoever as to its specific differences from the one in which we live today, as to the peremptory characteristics of this one, which in the Revolutionary Transformation will have to be sunk into Nothingness.

#### **14. A century of theoretical conflict**

We believe we have established this dialectical pair of propositions. Ricardian doctrines based on the measure of labour are well suited to scientifically describe any capitalist economy until, whatever the magnitude of the productive forces and capital becomes, the link between production, distribution and consumption is the machinery of mercantile exchange. Marx therefore rejects any system of a different description of the fundamentals of capitalism, which seeks value and wealth i.e. capital valorisation in a different source of human labour. When Marx, with eagle flight, overcomes the law of labour-value, he does not express a different theory of capitalism, nor does he shift any cog in his mighty harmonious scientific construction, but he marks the historical exit from the bourgeois mode of production, the last of the thinkable mercantile and monetary modes, exorbitant measures of labour-time.

The limitation of this first report prevents us from drawing from the final part, an outline of the 4th Book of Capital that is now printed as the History of Economic Doctrines, the refutation of all the aclassical economic schools that, after Ricardo and his, caught in the dialectical grip of the contradiction discovered and demonstrated by Marx, struggle to escape it by opening breaches in the theorem that as long as one is within the limits of the measure of commodity exchange, it is not possible to derive from any source other than labour a causal factor of wealth formation, id est of capital accumulation. Yes, from the moment the gigantic organ of machinism is formed, Science is able to gift the human species with masses of use-values that do not cost labour, but the capitalist mercantile form, until it is broken, ensures that this gift does not reach the species, but is infallantly transformed - by holding up the working day - into a factor of further extortion of surplus labour.

Ricardo's law made his own by Marx is, in our sense, transient, but it cannot succumb in theoretical warfare; only in civil and social warfare, and after being brought under the Heel of Revolutionary Dictatorship.

Therefore, to introduce the final position of the report in Piombino, namely that the post-Marxist schools, which attempt a new scientific construction, exhibit a different 'model' of the capitalist machine, they refute deductions that Marx already made in his time, we limit ourselves to a few hints that are in the wonderful bundle of pages we have been working on:

*"Fixed capital [... ] produces value, that is, it makes the value of the product increase, only in two senses: 1) insofar as it has value, i.e. it is itself a product of labour, a certain amount of labour in materialised form [this means that a factory machine enters into operating surplus if you sell it, more or less old, to the market]; 2) insofar as it increases the surplus labour in relation to the necessary labour, having rendered, by the increase of its productive force, the labour capable of creating in a shorter time a greater mass of products necessary for the maintenance of the living capacity for labour."*

This practically means that a new machine makes it possible for workers to generate twice as much product in the same time. But then the modern system makes it so that one does not reduce the day in half leaving the wage equal, but leaves it so that, having reduced the necessary time measured by the living wage, the rest becomes all surplus value and new capital. This remains true even if of the four hours given by the machine, only three go to the commodity product - which the wage-earner cannot have except by buying it -, half to a lesser day of the worker, and another half to a wage increase of one-sixteenth, which would actually be one-eighth.

So much seems clear to us. The text adds:

*"It is therefore a completely absurd bourgeois statement that the worker has anything to share with the capitalist because the latter, by means of fixed capital [which, after all, is itself only the product of labour and only the labour of others appropriated by capital] would have made his work easier or shorter [whereas with the machine he has rather deprived labour of all independence and attractiveness]"*.

One of these economists was Lauderdale, another forerunner of the modern Keynesians and welfare:

*"Lauderdale believes he has made a great discovery when he states that the machine does not increase the productive force of labour, because it rather replaces it or does what labour by its own force could not do. It is part of the concept of capital that the increased productive force of labour is posited as the increase of a force foreign to it and as a deprivation of its force [Entkräftung]'. And further: 'As for the views which, like Lauderdale's, etc., would claim that Capital as such, separated from Labour, produces Value, and therefore surplus value [or profit], fixed Capital - that is, that whose physical existence or use-value is machinery - is the form which gives greater appearance to their superficial 'fallacies'"*.

Fixed capital as machinery is what today, in the East as in the West, they call the Capital Goods complex, with an equal tendency to exalt it in order to increase the mass of the productive forces, the new name for the Monster that today suffocates humanity. This is a true indication of the domination of the capitalist mode of production:

*"It is in the Production of Fixed Capital that Capital arises as an end in itself in a higher Power than in the Production of Circulating Capital and effectively manifests itself as Capital."<sup>26</sup>*

## **15. Keynesian welfare**

Keynes is perhaps the most important of the economists of capital who in the inter-war period tried to perfect a model of the present economy from which we can deduce its possibility of proceeding without disruptive contradictions. We will look neither for constant capital nor variable capital nor surplus value among his basic quantities. The motor of social production for him are other quantities, the experimentally comprehensible ones such as population and the rate of

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<sup>26</sup> See the five quotations in *Characteristics...* , cit., pages. 396, 397, 398, 407-408.

employment of its active part. Alongside these quantities, he introduces as starting elements others that are completely imponderable and 'psychological', in which he sees the engine of history and the economy: they are the 'propensity to consume', the 'propensity to furnish' or the like (goods of slow consumption) and the 'propensity to hoard'. This is not the place here to expound or criticise the system. But what can these data, which one claims to calculate, in order to pose a causarum similar to universal gravitation, lead to scientifically, when not even a Newtonian as if? Keynes and the like (compare report at the Asti meeting) say: man consumes because and how much he has desired. We Marxists say that man desires according to what he has been able to consume, and therefore the modern system of power and false bourgeois science breeds him with food and ideological drugs.

Dictatorship will be necessary astride the palingenesis of objectivised labour, the overthrow of the Praxis of fixed capital, not so much to dominate production, which will suffice to drop to lower levels by freeing the serfs of labour and corporate galleys for billions of hours, but above all to overturn consumer practice, to eradicate the pathological forms of consuming, heirs to forms of class oppression. The individual man, the citizen, the individual, just as he would lose even under the Revolutionary Terror the possibility of possessing wealth and value, killing off the belligerent propensity in him, so he would lose, by becoming a cell of the eternal - and we would be about to write 'sacred' - social body, every right to injure himself, to ruin his own animal organism, to intoxicate himself. In doing so, he would not only injure his own body, but society. The revolutionary can only be a detoxifier, and this is one of the reasons why in the Revolutions more than the masses, who will be detoxified later by the brand of serfdom, operate the party minority, nourished in their blood by the antifouling and fighting Integral Doctrine.

At the meeting the theory of money, which Keynes draws from that of man's propensity to dispose of it, in order to base on it a right of the holder of cash to take part of the social product, was mocked with experimental relief. His conclusion was that (English financial policy was cited as an example) the rate of interest or discount tends historically to decrease, taking away its loan-shark character from the strange algebraic magnitude of 'propensity'. Reading this false prophet's piece, he was confronted with a piece of news from the day of the meeting we are reporting on: the Bank of England for the first time in history has given the discount rate a two per cent increase, taking it to a record seven per cent!

These re-evokers of Malthus, Lauderdale and others are well answered by Engels' magnificent passage in the introduction to the Second Book of Capital, against Rodbertus, another champion of Immediatism.<sup>27</sup> They attempt to revive

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<sup>27</sup> See F. Engels' 1885 preface to *Capital*, vol. II, ed. cit., pages. 21-23: " *Still towards the end of last century, as is known, the phlogistic theory dominated according to which the essence of all combustion consisted in the fact that from the combustive body separates another hypothetical body, an absolute combustible matter, which came designated by the name of phlogiston. This theory was able to explain most part of the phenomena then known, although, in many cases, not without some violence. Now, in 1774 Priestly described a kind of air 'which he found so pure, that is, so free from phlogiston that air is common compared to it already appeared corrupt'. He called it dephlogisticated air. Shortly afterwards Scheele in Sweden he described the same*

dead theories, as in the example of the chemistry of phlogiston, overturned by Lavoisier's discovery (on the nature of combustion as a combination with oxygen, and not as the loss of the mysterious phlogiston). New theories may arise after that of atomic chemistry, and the revolutionary Lavoisier's indivisible atom may, as in the 20th century, be broken down, but the battle against phlogiston will never be overturned, like Marx's battle against Capitalism.

## 16. The rotten trinity formula

In the Milan meeting of September 1952, we used in depth the chapters with which Marx dismantles the Trinity theory of incomes and their sources: part of the Income comes from Labour and is paid in Wages, part from Nature and is the Income, part from Money and is Interest.<sup>28</sup>The Profit of Capital itself is obliterated in this formula, to which in essence the very modern professors of the new Science, the Economics of Phlogiston, reduce themselves.

In those pages Marx flames out in opposition to the bourgeois concept of Freedom of the Person the communist concept of Time available for the Species, its material and mental development, and its harmony of joy.

Humanity will not emerge, says Marx, from necessity, but this will not take the form of one part of itself against another, but only that of environmental nature increasingly controlled and bent by a Science without phlogists and trinities (Book III, Chapter XLVIII, The Trinity Formula):

*"Along with his [man's] development, this realm of natural necessity is extended, because of needs; but at the same time the productive forces [natural, governed by the automatic mechanism referred to in the Grundrisse] are*

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*species of air and demonstrated its presence in the atmosphere [...]. Both Priestly and Scheele had described oxygen, but they didn't know what they had in their hands. They 'remained prisoners of the phlogistic categories as they had found them beautiful and done'. The element that was to overturn the entire phlogistic concept and revolutionizing chemistry had fruitlessly fallen into their hands. But Priestly soon after communicated his discovery to Lavoisier in Paris, and Lavoisier, having this new fact at his disposal, subjected the whole to examination phlogistic chemistry, and he discovered that this kind of air was a new element chemical, and that in combustion it does not 'depart' from the combustive body mysterious phlogiston, but that this new element combines with the body; Like this he set up the entire chemistry, which remained in its phlogistic form upside down. And if he also did not describe, as he later claimed, oxygen simultaneously with the others and independently of them, however he remains the real 'discoverer' of oxygen compared to those two, i who merely described it, without even suspecting 'what' they had described. As Lavoisier compared to Priestly and Scheele, so is Marx compared to his predecessors regarding the theory of surplus value. The 'existence' of the value part of the products that we now call surplus value had been established long before Marx [...] . The ones - the classical bourgeois economists - investigated at most the relationship of magnitude according to which the product of labor is divided between the worker and the owner of the means of production. The others - the socialists - found this distribution was unjust and they sought to eliminate it with utopian means injustice. Both remained prisoners of economic categories like this how they found them. Here Marx intervened. And in direct opposition to everyone his predecessors. Where they had seen a 'solution', he saw just one problem... "*

<sup>28</sup> See False resource of activism , in For the organic arrangement of communist principles , cit. It deals with of the second part of the meeting held in Milan in September 1952 and whose report appeared in the brochure "Sul filo del tempo" cit., 1953.

*extended, which satisfy these needs [with a minimum of necessary labour and, at the limit, with only voluntary labour-greed]. In this sphere [communism], freedom can consist only in this: the man who has become social, the associated producers, rationally regulate this organic exchange with nature, submit it to their collective control instead of allowing themselves to be blindly dominated by it; they fulfil it with the least effort and under the most worthy conditions appropriate to their human nature.*<sup>29</sup>

A monument and jewel risen from the Social Brain, Karl Marx's theory of exchange value is complete over the decades of his writing, it runs without repentance, and without the facetious improvements and enrichments of the modern-day rambler locked in the depths of impotence to affix the light that shone at once.

Exchange value governs capitalist time, and value is measured by labour time.

In socialism, there are no longer any measures of labour or value.

There is no longer any exchange between man and man. Only one exchange remains: between human society and Nature.

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<sup>29</sup> See K. Marx. *Capital*, III, Ed. Riuniti, 1965, p. 933.