

Lecture Notes 6 : Chapters 12-13

Chapter 12: The concept of relative surplus value

Contrast absolute surplus-value (ASV) with relative surplus-value (RSV):

A ----- B ----- C

An increase in ASV entails an increase in AC, keeping the length of AB constant. An increase in RSV entails an increase in AB, keeping the length of AC constant.

I call that surplus-value which is produced by the lengthening of the working day absolute surplus-value. In contrast to this, I call that surplus-value which arises from the curtailment of the necessary labour-time, and from the corresponding alteration in the respective lengths of the two components of the working day, relative surplus-value. (432)

RSV and the value of labour-power

The value of labour-power (v) is equal to the sum of the values of the commodities that contribute to the reproduction of that labour-power, i.e. to the worker's subsistence. If the only such commodity is corn, whose value is x , then v is proportional to x :

$$v \propto x$$

Corollary: RSV increases with productivity.

Example: Working day = 12 hours, value of product $u = €12$, $c = €6$, $v_t = €4$, $s = €2$.

$$\frac{s}{v_t} = \frac{2}{4} = 0.5$$

Now imagine productivity in the corn sector improves, such that v_{t+1} falls to €3. Given the length of the working day, this increases s to €3:

$$\frac{s}{v_{t+1}} = \frac{3}{3} = 1$$

Thus increases in productivity boost the RSV:

Capital, therefore, has an immanent drive, and a constant tendency, towards increasing the productivity of labour, in order to cheapen commodities and, by cheapening commodities, to cheapen the worker himself. (437)

A crucial question here is the translation of a drop in v into wages: is the relevant notion of 'cheapening' absolute or relative?

Chapter 13: Cooperation

The analogy between instruments of war and instruments of production reappears. Cooperation can be likened to the:

offensive power of a squadron of cavalry, or the defensive power of an infantry regiment [which is] essentially different from the sum of the offensive or defensive powers of the individual soldiers taken separately. (443)

This leads to 'the creation of a new productive power, which is intrinsically a collective one.'

Cooperation under capital

Here's a reconstruction of Marx's argument:

- (1) Capitalists facilitate cooperation (in the workshop) if and only if they make a profit from its product.
 - (2) Profit is forthcoming if and only if workers are exploited.
 - (3) Workers will be exploited if and only if capitalists have 'command over the means of subsistence of a number of workers.'
- ∴ (4) Cooperation under capitalism is founded on antagonistic relations of production, where the extension and use of the means of production confront the worker as the 'property of another'.
- ∴ (5) Capitalism presupposes despotism in the workshop.

This despotism persists even when capitalists 'outsource' the task of supervision and superintendence:

As cooperation extends its scale, this despotism develops the forms that are peculiar to it. Just as at first the capitalist is relieved from actual labour as soon as his capital has reached that minimum amount with which capitalist production, properly speaking, first begins, so now he hands over the work of direct and constant supervision of the individual workers and groups of workers to a special kind of wage labourer. (450)

The orchestra analogy

Although this wage labourer is not a capitalist, he must still do his master's bidding. A corollary is that the capitalist can be totally dispensed with. As Marx puts it in volume 3:

The capitalist mode of production has brought matters to a point where the work of supervision, entirely divorced from the ownership of capital, is always readily obtainable. It has, therefore, come to be useless for the capitalist to perform it himself. An orchestra conductor need not own the instruments of his orchestra, nor is it within the scope of his duties as conductor to have anything to do with the "wages" of the other musicians. Co-operative factories furnish proof that the capitalist has become no less redundant as a functionary in production as he himself, looking down from his high perch, finds the big landowner redundant. (252)

Marx also uses the analogy in volume 1 (449).

Relevant contrasts between capitalist and conductor: (a) the capitalist owns the instruments of production, the conductor does not need to, (b) the capitalist is constrained to maximize surplus value, the conductor is not, (c) the capitalist's 'determining purpose' lies within value-circulation (profit), the conductor's outside it (good music).

Suggested Reading

Harvey, D. *A Companion to Marx's Capital*, ch. 7

Further Reading

Elster, J. (1986), *An Introduction to Karl Marx*, ch. 3.