

Karl Marx: Absurdly Revered Crank

by [Lawrence Eubank](#) (March 2021)



Neighbourhood Rally, Renato Guttuso, 1975

It has been said that reputation is a bubble, and shouldn't be given too much credence. And there's probably no reputation that's more of a bubble and less worthy of credence than Karl Marx's. Anyone reading Marx for the first time in his own words, as opposed to in secondary sources, is likely to be struck by the stark contrast between his lofty reputation (in some circles) as a brilliant thinker, and the outlandish assertions he puts on the page. Let us look at a few of his prominent clangers, from *Das Kapital*.

Something Common To Both

One of the first topics Marx addresses in *Das Kapital* is the question of what determines the value of a commodity. Marx broaches the subject this way:

Let us take two commodities, e.g., corn and iron. The proportions in which they are exchangeable . . . can always be represented by an equation . . . e.g., 1 quarter corn = x cwt iron. What does this equation tell us? It tells us that in two different things—in 1 quarter of corn and x cwt of iron, there exists in equal quantities something common to both.

Marx tells us that what determines the value of a commodity is something *in* the commodity, something "common to" them—i.e., a physical property or internal attribute of the commodity. That is a rather backward, primitive view of the matter; and Marx offers no evidence for it, but merely adopts it whole as an assumption. In support of it, he does offer us a sort of atrophied Socratic dialog, which consists of first asking a question and then answering it: "What does this equation tell us? It tells us X." That is not really evidence; it is indistinguishable from making an arbitrary assumption.

And it is an assumption that sets economic thinking back some two millennia. The theory that "value is a reflection, manifestation of an internal property of the

commodity" has not been held since before Aristotle's time, if even then. Mortimer Adler discusses this matter in *The Capitalist Manifesto*:

So far as we know, Marx and Aristotle offer the only recorded solutions to the problem of how to commensurate the value of heterogeneous things in order to determine equivalents for the purpose of . . . exchange.

That is, heterogeneous commodities have no easy point of comparison that can be used to establish their value. We can't say for instance, "Equal weights of all commodities should be of equal value"; nor equal volumes of all commodities, nor any such property. The useful properties of different commodities are different; and commodities are measured in different ways. Edible things like wheat are usually measured by weight, and even so a pound of apples is not self-evidently worth the same as a pound of wheat. Moreover, houses aren't weighed and sold by the pound. Automobiles aren't sold by the square foot. There is no one attribute which can serve as a universal standard.

As Adler puts it, "Aristotle recognized that we cannot equate qualitatively different commodities, unless they can somehow be made commensurable; but lacking any objective and common measure of their exchange value, he found that there was no way to commensurate qualitatively different things."

In other words, Aristotle considered what the "common something" could be, and concluded that in fact there could be none, and that the key to the determination of exchange value lay outside the commodity. As Adler sums Aristotle's viewpoint up,

[A] just exchange of qualitatively different things requires that they be of equivalent value. "All goods," Aristotle declares, "must therefore be measured by some one thing," and "this unit. . . is in truth demand, which holds

all things together; for if men did not need one another's goods at all, or did not need them equally, there would be either no exchange or not an equal exchange." Aristotle admits that it is impossible for the qualitatively heterogeneous to be made perfectly commensurate; "but. . . with reference to demand they may become so sufficiently."

In sum, then, Aristotle resolved on an *external* or *social* determination of exchange value, while Marx gave an "internal" view, based on an automatistic or mechanistic relationship concerning the amount of an internally-contained "common substance." Aristotle's (and everyone else's) viewpoint was an economic one, analyzed in social and economic terms; Marx's amounts to a quasi-physics, based on impersonal, mechanistic physical properties, with no human input required.

This primitive view eliminates larger, "outside" forces from the determining of value. There is no room for any influence by market and social factors. The "higgling and bargaining" of the marketplace is rendered irrelevant, and value is reduced to a mechanistic formula, a simple expression of an internal property of the commodity. It is a childishly simple-minded analysis. But such reductionism greatly simplifies Marx's task of analysis, and allows him to proceed toward his desired ultimate point.

Identity of the "Common Something"

Let us continue with another of Marx's oddities. As noted above, Marx says that the value of commodities is established by some common property within all of them. The question then is, What is that common something? Marx's approach to the question is by process of elimination; he begins:

This common something cannot be either a geometrical, a chemical, or any other natural property of commodities.

Just so. No one would ever suppose that exchange value was determined by the chemical makeup or geometric configuration of commodities.

And neither is value determined by the "use-value" of a commodity. Marx has already stipulated that "use-value" (meaning usefulness, or more specifically, what purpose a particular commodity serves) is entirely unrelated to exchange value: "the exchange of commodities is . . . characterized by a total abstraction from use-value." So, exchange value and use-value are separate, and that eliminates "use-value" from consideration as the potential "common something."

Beyond that the choices are few. Marx has already razed the surroundings; that is, he has already eliminated every *sensible* answer to the question of what causes value, when he stipulated that the mystery element must be *in* the commodity, a property *of* it. Thus he has excluded all the elements of genuine economics—market forces, supply and demand, the behavior of buyers and sellers, and every other social force that might have an impact on prices. Henceforth the possibilities are restricted to physical (natural) properties of commodities, and perhaps to some quasi- or pseudo-physical properties of commodities which Marx treats as physical properties.

We, or rather Marx, are driven by process of elimination to the only remaining possibility:

If then we leave out of consideration the use-value of commodities, they have only one common property left, that of being products of labor.

After all other candidates have been eliminated, the only other property or attribute which can be said to be something *in*, or *common to*, commodities is labor.

Congealed Labor

That which determines the magnitude of the value of any article is the amount of labor socially necessary . . . As values, all commodities are only definite masses of congealed labor time.—Karl Marx, *Das Kapital*, Volume One, Part I, Section 1

Antiphanes said merrily, that in a certain city the cold was so intense that words were congealed as soon as spoken, but that after some time they thawed and became audible; so that the words spoken in winter were articulated next summer. —Plutarch, *Of Man's Progress in Virtue*

We can be forgiven for wanting to quibble with Marx's conclusion. It has to be said, the "property of being products of labor" is not a physical property of commodities in the same sense as "geometrical, chemical, or any other natural property." And labor does not congeal or crystallize; so congealed or crystallized labor cannot be discerned within and identified as a property of commodities. Labor is more a part of their history, i.e., of how they were produced.

But let's humor Marx, and say that, while labor is not exactly a physical property of commodities it's not exactly *not* a physical property. Perhaps it is a property in a poetical or metaphysical sense, and that's good enough for Marx's purposes.

Marx's rather glib process-of-elimination logic is reminiscent of the story of the sculptor who was asked how he could make a life-like statue of, say, a horse. He answered, "I just start with a big block of stone and chip away everything that doesn't look like a horse." That is Marx's method here—he starts with the commodity and "chips away" everything that doesn't look like the true, essential cause of the commodity's value. But that is after first restricting the list of possible explanations to things *in* or *common* to commodities—internal properties of the commodities. Once he

has reduced the topic of value to the search for such a property, any hope of a sensible answer is lost. "Ask a foolish question, and you get a foolish answer."

What Marx excludes is any role for the entrepreneur, any contribution to value made by the entrepreneur, and thus any right to remuneration from the sale of the commodity. The product and its value are entirely due to the embodied labor, and that is entirely the work of the laborers. Marx has set out to prove, define the capitalist's contribution to value out of existence, proving him to have no legitimate claim to profits because he does not contribute labor, that is, value, to the economy. Thus Marx's capricious fiddling with words was intended from the outset to adjudge the capitalist an "exploiter" by force of logic.

At any rate, by dogmatically equating value to labor, Marx has proven that the capitalist cannot make a profit, since he does no labor and thus creates no value and hence is owed none. By inference he says that only the laborer contributes to the final value of the product, and thus only the laborer is worthy of any recompense or remuneration for his role.

The Capitalist Can't Buy Labor

We have seen Marx's discussion of the fact that labor determines the value of a commodity. A related issue might be, what determines the value of the labor? But according to Marx that is the wrong question; because what the laborer sells, and what the capitalist buys, is not labor but something else. Marx says (*Das Kapital*, Volume I, Chapter 19),

In order to be sold as a commodity in the market, labour must at all events exist before it is sold. But, could the labourer give it an independent objective existence, he would sell a commodity and not labour. . .

It is not labour which directly confronts the

possessor of money on the commodity-market, but rather the worker. What the worker is selling is his labour-power. As soon as his labour actually begins, it has already ceased to belong to him; it can therefore no longer be sold by him.

There we have Marx's highly comical explanation of why the capitalist can't buy labor: because labor doesn't exist. That is, when the capitalist goes out to hire laborers, the labor hasn't started yet. What does exist is the laborer – seeking employment, ready to work, but not yet working. Thus the capitalist can't buy what isn't there.

And then, once the labor does exist—once the laborer begins working—it's too late to buy labor (or whatever the capitalist actually buys), because someone already owns it. The laborer has already been hired, and thus his labor “has already ceased to belong to him; it can therefore no longer be sold by him.”

Taking those two points together, it means labor cannot be “sold as a commodity in the market.” The naïve assumption that the capitalist buys labor is mistaken.

Labor-Power

In some ways it is hard to contradict Marx on these points. The capitalist looking to hire labor indeed doesn't find a physically embodied product called “labor,” all boxed up and ready for him to buy. Labor doesn't, like the Cheshire cat's smile, exist independently of its original source, as an article of trade separate from the laborer. If the capitalist is looking for a commodity to buy, labor isn't it.

Rather, as Marx tells us, what the capitalist buys is *labor-power*, meaning (in his peculiar lexicon), the ability to work:

The possessor of money does find on the market . .

. capacity for labor or labor-power . . . By labor-power or capacity for labor is to be understood the aggregate of those mental and physical capabilities existing in a human being, which he exercises whenever he produces a use-value of any description.

The capitalist buys “labor power,” the laborer’s capacity or ability to do work. We may call it *potential* labor as compared to *kinetic* labor, analogously to the terms *potential* energy and *kinetic* energy.

Marx’s explanation continues:

The purchaser of labor-power consumes it by setting the seller of it to work. By working, the latter becomes actually, what before he only was potentially, labor-power in action, a laborer.

(Note that Marx offers no real support for his assertion that labor-power is what is purchased—just his bald assertion.)

So according to Marx, the capitalist purchases some labor-power, “which he consumes by setting the laborer to work.” That is the difference in visions: when we go by the workplace, we see the laborer working, producing commodities, and earning pay. Marx sees the capitalist consuming a commodity which he has previously purchased. This hallucinatory explanation of Marx’s is meant to correct our naïve view of capitalists buying labor and laborers being paid for their labor.

Buying an Intangible Attribute of the Laborer

Labor-power seems to be a poor candidate for what the capitalist buys. Labor-power, the ability to work, is an intangible attribute of the laborer. It is in a class with other intangible attributes, such as the laborer’s knowledge, intelligence, and personality traits. These are not

commodities – not articles of trade.

Can labor-power be conveyed? I.e., can the laborer turn over his capacity for labor to the capitalist, to be consumed by the capitalist at his pleasure? That is how commodities are normally sold; if someone sells me an apple, I take it home with me. I don't need the seller to come over at a given hour and consume it for me.

If labor-power were a commodity, it should be "an object outside us," salable, actually conveyable. It should have an "independent objective existence," to use Marx's phrase. Marx's labor-power is a "commodity" that cannot be conveyed, but must be consumed by the seller.

On the other hand, how would purchasing the ability to do something actually work? If I hire a violinist to play at a garden party—i.e., if I buy the violinist's labor-power—does that mean that I now possess the ability to play the violin? That is the only way I could be said to have purchased the violinist's capacity to play the violin. Otherwise, the most I can do is contract for the violinist to play—I can only buy his labor.

Ready, Willing and Able

If we were to accept that the capitalist buys an intangible attribute of the laborer, we could then even say that Marx doesn't go far enough. Arguably, more than the ability to work must be purchased.

We are all familiar with the phrase, "Ready, willing and able." For work to be done successfully, the worker must be ready, willing and able to work. If we accept the proposition that the capitalist buys the worker's ability or capacity to work (labor-power), then he should also buy the laborer's willingness to work (labor-willingness) and readiness to work (and labor-readiness). All three intangibles must be obtained by the capitalist for a complete, thorough

contribution to the production process.

But in fact, we know that things like “labor-willingness” and “labor-readiness” can’t be purchased, can’t be conveyed, and are not articles of trade. One of them is no more ridiculous than the others.

An Error Of Categories

Contrary to Marx’s assertion, capitalists *can* buy labor, and workers can be paid for their labor. On that issue, Marx has fallen into what might be called an error of categories – an inability to make a certain basic distinction. Marx treats everything in his hypothetical workplace as a *commodity*—a physical object, produced on the factory production line or other workplace. He shows no cognizance of a complementary phenomenon, a *service*.

Marx shows no recognition of two complementary phenomena: *goods* and *services*. In the real world, there are goods, and there are services; there are commodities, and there is labor; there are objects and there are actions. These two types of entities can’t be treated as exactly the same; everything can’t be forced into the “commodities” or “objects” side of the dichotomy. That distinction, as elementary as it is, seems to have escaped Marx, for whom all economic entities are goods—physical commodities.

In the real world, the employer is not seeking to buy a physical commodity called “labor,” either by the quart or by the pound. He is seeking to pay for a service—to contract with the laborer for certain actions. When he goes out to hire laborers, he doesn’t look for labor on the shelves, ready to be paid for and taken home. He looks for laborers seeking work. At that point he can contract with them for labor—i.e., he *hires* someone to perform a service, to work for him under contractually-specified terms.

And at the end of the working day, he pays the laborer

for the labor done, at so much money per hour of labor. Labor is bought, but as a service that is remunerated, not as a purchased physical object. Convoluted sophistries can't prevent real life from going on.

The Real Reason

The real reason why Marx insists that labor has no value and can't be bought, is that if it *did* have value and *could* be bought, Marx's treatise couldn't reach his desired conclusion. Let's say the capitalist actually did buy labor (not labor-power), at so much per hour. Then we would probably say that a 12-hour working day has a value of 12 hours of labor. The capitalist would then be obligated to pay the laborer the monetary equivalent of 12 hours of labor. Marx himself spells that scenario out (*Das Kapital*, Volume I, Chapter 19):

On the surface of bourgeois society the wage of the labourer appears as the price of labour, a certain quantity of money that is paid for a certain quantity of labour. . .

But what is the value of a commodity? [T]he quantity of the labour contained in it. How then is the value, e.g., of a 12 hour working-day to be determined? By the 12 working-hours contained in a working-day of 12 hours, which is an absurd tautology. . .

While "on the surface" the capitalist seems to buy labor, Marx tells us it isn't so. As Marx puts it, since value equals the contained labor, "How then is the value, e.g., of a 12-hour working-day to be determined? By the 12 working-hours contained in a working-day of 12 hours, which is an absurd tautology . . ."

Far from being an absurd tautology, within the framework of Marx's philosophical system, that is the most obvious and logical answer. (At any rate, it can't be a tautology and absurd at the same time; that is a contradiction

in terms.)

It is the answer Marx must by all means reject, because it doesn't further his objective of portraying the capitalist as an exploiter and oppressor. In the obvious scenario, the laborer works, say, a 12-hour day, and thus deposits a value of twelve hours of labor within the commodity he creates. The finished product therefore has a value of twelve hours. At the same time, the laborer has delivered a 12-hour working day to the capitalist, and deserves remuneration by the monetary equivalent of 12 hours of labor.

So by that scenario, the situation balances: the capitalist pays the worker the same amount for his labor as he should receive for the commodity. There is no exploitation, and Marx would be hard-put for an explanation of how the capitalist becomes wealthy and how he exploits and robs the worker. It balances, and nobody is robbed.

But Marx must find robbery and scandal, so he disqualifies that logical, easy conclusion, calling it an "absurd tautology." What he really means is he disapproves of that answer and wishes to disqualify it. He goes on to replace it with his own convoluted sophistries.

Das Kapital as a "Formal System"

Marx 's main argument in *Das Kapital* closely follows the structure of a "formal system." That is a system or method that begins with certain elementary assumptions called axioms, and then derives other propositions by logical deduction from these axioms.

We have all seen formal systems, though perhaps not under that name; branches of mathematics are prominent examples of formal systems. Each branch of mathematics – for instance, plane geometry – begins by identifying the entities pertinent to the study – points, lines, angles, etc. Next, some axioms are adopted. These are basic laws which are

assumed, not proved, and which form the foundation of the system. The development of the system continues via the deducing of theorems – statements proved by reference to preceding axioms and theorems. More theorems are added, with each further step building on what is already in the system, to add more theorems, new assumptions, and so on. The final result is a logically consistent framework for reasoning, based on a carefully-selected set of definitions and axioms.

The formal system is not exactly a representation of the real, physical world. The theorems of the formal system are derived via logic from chosen assumptions. The results and inferences obtained directly relate to the system, not to the real world. Only *indirectly* do the results in the formal system bear comparison to objects in the real world. The formal system is a logical framework, not a description of reality.

However, the system closely *models* the real world. The axioms of the system are chosen carefully so as to mimic the real world. The formal system is purely theoretical, but it is defined and constructed to reflect what we intuitively expect from the real world.

As a result, when we solve a problem within the formal system – say, when we calculate the area of a triangle—we can confidently expand that theoretical result to the corresponding physical objects and physical dimensions which we were seeking answers about. The results from the theoretical system and from the real world are so closely interchangeable that we rarely make a distinction between the two in our minds. The formal system is “separate but equal” from physical reality—it is its own self-contained world, but it is a perfect mirror of the real world.

Das Kapital has very much the form of such a formal system. Marx’s first axiom, or unproved assumption, is that value is determined by “something common to” and “in”

commodities. His first theorem is that the “common something” which determines value, is labor. He proves the theorem by deductive logic of a sort-by process of elimination (from a highly selective set of possibilities).

Das Kapital continues from there, adding theorem to theorem, adducing further assumptions and definitions, up until the final denouement, in which Marx proves that the capitalist can't make what is conventionally conceived of as profit, but instead gains wealth by exploiting the laborers for an unpaid half-day of labor out of every working day he purchases.

What It Is Not

Saying that Marx's work is a formal system means that it is a self-contained theoretical construct, made up of chosen axioms, definitions and deductions. It is not a book of physical science, based on the development of hypotheses and laws via experimentation and observation of physical entities. It is not social science (i.e., not economics), built on deriving generalizations from observations of human behavior in the aggregate. Rather, it is an entirely theoretical framework, self-contained and self-referring, based on chosen entities, assumptions, and inferences.

Marx's system does however differ from more traditional formal systems like plane geometry. Their usefulness comes from the care with which the axioms are chosen; they are designed from the start to emulate or model the real world. Then when we derive a theorem or solve a mathematical problem, we can trust that the result in the real world exactly parallels the result we obtain from the purely-mathematical calculation.

Marx's formal system, on the other hand, is not designed to mimic or model reality, but to substitute for it. He chooses his axioms and theorems not to replicate reality,

but to allow him to reach a pre-conceived conclusion – namely, that the capitalist doesn't make profit by any legitimate means, but by exploiting unpaid "surplus value" off the toil of the laborers. That is the ultimate theorem Marx derives, as the apex postulate of his theoretical formal system.

For that reason, Marx's theoretical system is not a tool for structured reasoning about the world; but rather, it is a separate, alternative world, in opposition to reality.

The Disparity

That characteristic of Marx's theory explains some glaring anomalies, like this one: Marx states that the capitalist can't buy labor, but only buys labor-power, the *capacity* to work.

However, the assumption of everyone actually involved in the production process is that labor is what is purchased. The capitalist and the laborer come to a contractual agreement based on the understanding that what is being paid for is labor – so much money per hour of labor. They are the people who define the terms of the whole undertaking; so what grounds can there be for Marx to overrule them and say they are all mistaken, that they are acting under a misapprehension, and that what is being paid for is not labor but labor-power?

There are no grounds for overruling the actual people involved in production. Marx means that within the bounds of his formal system, and by the logic of his system, it is not labor, but labor-power which is purchased. Marx is speaking not of the real world, but of his theoretical system, which he wants to put in place of the real world, as a substitute for it.

But Marx's formal system makes no attempt to model, mimic or resemble the real world. The two diverge quite early in his analysis, and never intersect or meet again. What is true within Marx's conceptual theoretical system is false

within the real world, and vice versa.

Believing The Impossible

One lesson from Marx's *oeuvre* is, We must always beware of people who purport to prove a preposterous thesis. When an author sets out to make an absurd point, we need not go along with him. Even if we can't figure out exactly why and at what point his logic goes astray – even if it's impossible to unravel the tangled strands of the sophistry by which he purports to prove his point –we need not believe the unbelievable. We are not duty-bound to be coerced into believing an absurdity.

We may not be able to spot the flaws in the logic; we may not be able to untangle the web of sophistries and obfuscations, but we needn't let that deter us. We don't have to be able to untangle Marx's Gordian knot of sophistries in order to respond, "I say it's spinach, and I say to Hell with it."

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