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Review of Radical Political Economics

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Abstract

Using a particular unde cisms made of the Marxian distinction between productive and unproductive labor, and rejects them as misconceived. The distinction is then used to draw some consequences for how "the rate of exploitation" should be understood.

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1.
1 The extent to which a consistent approach can be found in Marx's writings is a subject of considerable disagreement; see for example Rose (1977), Hunt (1979), Leadbeater (1985), Laibman (1992, 1993), and Moseley (1991, 1994).
2.
2 The terminology is taken from Laibman (1992, ch. 4).
3.
3 More generally, in the neoclassical world, demand and supply in goods and factor markets have independent determinants in preferences, technology, and endowments; with the latter specified, there is no room for a concept of value which is not identical with price.
4.
4 This formulation avoids discussion of the more direct definition of the value of money as the socially necessary labor required to produce it, because of the difficulties of understanding this in the presence of

credit money. Note also that VM as defined in the text is defined with respect to value added (by living labor) rather than total value (attributable to living and `dead' labor). In part this is to avoid the difficulties surrounding both the effects of technical change and the effects of changing interest rates on the valuation of the existing stock of constant capital; by the same token the definition in terms of aggregate value added has immediate empirical application. See Foley (1982).

5.

5 See, for example, Foley (1986, ch. 5).

6.

6 Marx defines industrial capital "in the sense that it encompasses every branch of production that is pursued on a capitalist basis," successively assuming the forms and functions of money capital, productive capital, and commodity capital (Marx 1978: 133). I am using the term more narrowly to refer to a capital engaged in the production of value and surplus-value, whatever else it does.

7.

7 The labor which enforces coercive capital relations is theoretically distinguishable from the labor which co-ordinates the specialised division of labor characterising the collective worker, for the latter is productive. In some cases, however, giving empirical content to this distinction might be impossible, and then it becomes a matter of judgment how quantitatively significant this is.

8.

8 This further generalises the notion of unequal exchange.

9.

9 Unequal exchange is further complicated by any subsidies given to such commodity-producing public corporations.

10.

10 The social invisibility of housework raises substantial issues, but they are not value-theoretic.

11.

11 This is particularly true in the construction Industry, where sub-contracting and consequential tax avoidance is common; self-employment is here a legal fiction, and such workers in effect are wage-labor working for construction capital.

12.

12 This argument follows Marx (1969: 407-9). Note also that self-employment is not a stable category; over time the self-employed will either become small capitalists, exploiting the wage-labor of others, or be transformed into wage-laborers themselves.

13.

13 This enabled a clear focus on the relation between profit and exploitation, uncomplicated by transfers of value in circulation.

14.

14 This approach is surveyed in more detail in Mohun (1994).

15.

15 These criticisms are drawn variously from Harrison (1973), Gough and Harrison (1975), Hunt (1979), and Laibman (1992).

16.

16 Adam Smith made this distinction between the labor which produces material goods, and that which produces immaterial services.

17.

17 This is immediately apparent in the critique by Bóhm-Bawerk (in Sweezy (ed.) 1949).
18.
18 See Harrison (1973) and Gough and Harrison (1975).
19.
19 See Rowthorn (1980, ch. 8), following an approach suggested by Hilferding in Sweezy (ed.) (1949).
20.
20 *MVA* is a "net" concept, and so account must be taken of depreciation of capital stock in any given period.
21.
21 Unproductive labor employed by the state is quite different in this regard from unproductive labor employed by capital. The latter does contribute to the monetary figure of value added through the sale of output, even if a value-theoretic approach identifies its activities as consuming, rather than producing, value.
22.
22 The wages of the self-employed are incorporated into the wages of productive labor and the wages of unproductive labor employed by capital, as appropriate.
23.
23 Laibman's equation (Laibman 1992: 81) is equation (10) above, except that he implicitly defines the value of money as unity.
24.
24 For the United States, albeit in different value-theoretic frameworks from the one presented here, see Moseley (1991, especially ch. 5) and Shaikh and Tonak (1994, especially appendix F).

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