

8 Rethinking *Capital* in light of the *Grundrisse*¹

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Critical social theory and the contemporary world

Critical social theory has not kept pace with the far-reaching global transformations of the past three decades. The intense and fruitful revival of Marxian thought and scholarship in the 1960s and early 1970s was followed by a very strong turn away from Marxism on the part of many theorists. The intellectual field became dominated by postmodernist and poststructuralist approaches that appeared plausible to many as critiques of Marxism. It has become increasingly evident, however, that such approaches do not adequately grasp the current epoch; they fail to elucidate the basic historical changes that have reconfigured the world in recent decades. Even major thinkers such as Habermas, Foucault and Derrida now appear as theorists of a fading historical configuration – declining Fordism; their critical approaches illuminate less and less of the contemporary social universe.

One obvious weakness of these post-Marxist discourses has been the absence of serious political–economic considerations, an absence that has become glaring in the face of processes of globalization. At the same time, it is clear that, however important integrating political–economic considerations into critical theories of the present might be, there can be no plausible return to traditional Marxism. That traditional critical framework failed to provide the basis for an adequate historical analysis of Communist regimes of accumulation; its political–economic assumptions were challenged on the basis of the growing importance of scientific knowledge and advanced technology in the process of production; and its emancipatory ideals have become increasingly remote from the themes of much current social and cultural dissatisfaction.

Recent historical tendencies, nevertheless, suggest the importance of a more adequate critical theory of capitalism. Although these tendencies include developments that underline the anachronistic character of traditional Marxist theory – for example the rise of new social movements such as mass ecology movements, women's and gay movements, minority emancipation movements, as well as the growing disaffection expressed in various 'fundamentalist' movements – recent decades have also been characterized by the re-emergence of worldwide economic dislocations and intensifying intercapitalist rivalry on a

global scale. These developments suggest that a critical analysis adequate to the contemporary world must be able to grasp both its significant new dimensions and its underlying continuity as capitalism.

Marx's *Grundrisse der Kritik der politischen Ökonomie* could provide a point of departure for a reinvigorated critical analysis based on a fundamental rethinking of the nature of capitalism (Marx 1973). Written in 1857–8, this manuscript was first published in 1939 and did not become widely known until the late 1960s and early 1970s. Although Marx did not work out all aspects of his mature critical theory in the *Grundrisse*, the general thrust of his critique of capitalist modernity and the nature and significance of the fundamental categories of that critique emerge very clearly in this manuscript. *Capital* is more difficult to decipher and is readily subject to misunderstandings inasmuch as it is very tightly structured as an immanent critique – one undertaken from a standpoint immanent to its object of investigation. For this reason, its categories can be misunderstood as affirmative rather than critical. Hence, all too frequently, the *object* of Marx's critique became regarded as its *standpoint* – an issue to which we shall return. This is less of a problem reading the *Grundrisse*, which is not structured as rigorously. Because Marx was still working out his categorial² analysis in this manuscript, its strategic intent is more accessible than in *Capital*. Hence, the *Grundrisse* can illuminate the nature and thrust of Marx's mature critique of political economy. When read through the lens of the 1857–8 manuscript, that critique could provide the basis for a more adequate critical theory of the contemporary world than is possible within a traditional Marxist framework.³

Traditional Marxism

Before elaborating this contention with reference to some crucially important sections of the *Grundrisse*, let me briefly describe what is meant by 'traditional Marxism' in this chapter. It does not refer to a specific historical tendency in Marxism, but, more generally, to any analysis of capitalism in terms essentially of class relations rooted in private property and mediated by the market. Relations of domination are understood primarily in terms of class domination and exploitation. Within this general interpretive framework, capitalism is characterized by a growing structural contradiction between society's basic social relations (interpreted as private property and the market) and the forces of production (interpreted as the industrial mode of producing). Socialism is understood primarily in terms of collective ownership of the means of production and centralized planning in an industrialized context. That is, it is conceptualized as a just and consciously regulated mode of distribution adequate to industrial production (which is understood as a technical process intrinsically independent of capitalism).

This general understanding is tied to a determinate understanding of the basic categories of Marx's critique of political economy. His category of value, for example, has generally been regarded as an attempt to show that direct human

labour always and everywhere creates social wealth, which in capitalism is mediated by the market. His theory of surplus value, according to such views, demonstrates the existence of exploitation in capitalism by showing that labour alone creates the surplus product, which is then appropriated by the capitalist class.⁴

This interpretation is based on a transhistorical understanding of labour as an activity mediating humans and nature that transforms matter in a goal-directed manner and is a condition of social life. ‘Labour,’ so understood, is posited as the source of wealth in all societies and as that which constitutes what is universal and truly social. In capitalism, however, ‘labour’ is hindered by particularistic and fragmenting relations from becoming fully realized. Emancipation, then, is realized in a social form where transhistorical ‘labour’, freed from the distortions of the market and private property, has openly emerged as the regulating principle of society. (This notion, of course, is bound to that of socialist revolution as the ‘self-realization’ of the proletariat.) ‘Labour’ here provides the *standpoint* of the critique of capitalism.

Within the basic framework of ‘traditional Marxism’, so conceptualized, there has been a broad range of very different theoretical, methodological and political approaches.⁵ Nevertheless, although powerful economic, political, social, historical and cultural analyses have been generated within this framework, its limitations have long been discernible in the face of twentieth-century historical developments. Coming to terms with the inescapable centrality of capitalism in the world today, then, requires a reconceptualization of capital that breaks with the traditional Marxist framework.

It has become evident, considered retrospectively, that the social/political/economic/cultural configuration of capital’s hegemony has varied historically – from mercantilism through nineteenth-century liberal capitalism and twentieth-century state-centric Fordist capitalism to contemporary neo-liberal global capitalism. This suggests that capitalism cannot be identified fully with any of its historical configurations, and raises the question of the nature of the fundamental core of capitalism as a form of social life, that is, of the nature of capital.

The *Grundrisse*: capitalism’s core

The *Grundrisse* helps clarify Marx’s mature conception of capitalism’s core and the nature of its historical overcoming in ways that point beyond the limits of the traditional Marxist interpretation. In a crucially important section of the manuscript entitled ‘Contradiction between the *foundation* of bourgeois production (*value as measure*) and its development’ (Marx 1973: 704; first emphasis added), Marx explicitly indicates what he regards as the essential core of capitalism and the fundamental contradiction that generates the historical possibility of a postcapitalist form of social life. He begins this section by stating that ‘[t]he exchange of living labour for objectified labour – i.e., the positing of social labour in the form of the contradiction of capital and wage labour – is the ultimate development of the *value relation* and of production resting on value’

(Marx 1973: 704). The title and initial sentence of this section of the *Grundrisse* indicate that, for Marx, the category of value expresses the basic relations of production of capitalism – those social relations that most fundamentally characterize capitalism as a form of social life. At the same time, the category of value expresses a determinate form of wealth. An analysis of value, then, must elucidate both of these aspects. As a form of wealth, value generally has been understood of as a category of the market mediation of the wealth created by labour. Yet when Marx speaks of ‘exchange’ in the course of considering the ‘value relation’ in the passages quoted, the exchange to which he refers is not that of circulation, but of production – ‘the exchange of living labour for objectified labour’. Marx’s characterization of value as ‘the foundation of bourgeois production’ indicates that it should not be understood simply as a category of the mode of distribution of commodities, that is, as an attempt to ground the so-called self-regulating market. Rather, it should be understood primarily as a category of capitalist production itself.

In the *Grundrisse*, then, Marx’s analysis of the contradiction between the ‘relations of production’ and the ‘forces of production’ in capitalism differs from that of traditional Marxist theories, which focus critically on the mode of distribution (market, private property) and understand the contradiction as one between the spheres of distribution and production. He explicitly criticizes theoretical approaches that conceptualize historical transformation in terms of the mode of distribution without considering the possibility that the mode of producing could be transformed, taking as an example John Stuart Mill’s statement that ‘the laws and conditions of the production of wealth partake of the character of physical truths. . . . It is not so with the distribution of wealth. That is a matter of human institutions solely’.⁶ This separation, according to Marx, is illegitimate: ‘The “laws and conditions” of the production of wealth and the laws of “the distribution of wealth” are the same laws under different forms, and both change, undergo the same historic process; are as such only moments of a historic process’ (Marx 1973: 832).

If the process of production and the fundamental social relations of capitalism are interrelated, however, the former cannot be equated with the forces of production that eventually come into contradiction with the capitalist relations of production. Instead, the process of production itself should be seen as intrinsically related to capitalism. These passages suggest, in other words, that Marx’s understanding of capitalism’s fundamental contradiction should not be conceived as one between industrial production, on the one hand, and the market and capitalist private property, on the other. This requires further examination.

When Marx discusses production resting on value, he describes it as a mode of production whose ‘presupposition is – and remains – the mass of direct labour time, the quantity of labour employed, as the determinant factor in the production of wealth’ (Marx 1973: 704; emphasis added). What characterizes value as a form of wealth, according to Marx, is that it is constituted by the expenditure of direct human labour in the process of production, measured temporally. Value is a social form that expresses, and is based on, the expenditure of

direct labour time. This form, for Marx, is at the very heart of capital. As a category of the fundamental social relations that constitute capitalism, value expresses that which is, *and remains*, the basic foundation of capitalist production. Yet production based on value generates a dynamic that gives rise to a growing tension between this foundation of the capitalist mode of production and the results of its own historical development:

But to the degree that large industry develops, the creation of real wealth comes to depend less on labour time and on the amount of labour employed than on the power of the agencies set in motion during labour time, whose ‘powerful effectiveness’ is itself . . . out of all proportion to the direct labour time spent on their production, but depends rather on the general state of science and on the progress of technology. . . . Real wealth manifests itself, rather . . . in the monstrous disproportion between the labour time applied, and its product, as well as in the qualitative imbalance between labour, reduced to a pure abstraction, and the power of the production process it superintends.

(Marx 1973: 704–5)

The contrast between value and ‘real wealth’ is one between a form of wealth based on ‘labour time and on the amount of labour employed’ and one that does not depend on immediate labour time. This contrast is crucial to understanding Marx’s theory of value and his notion of the basic contradiction of capitalist society. It clearly indicates that value does not refer to social wealth in general, but is a historically specific, possibly transitory, category that purportedly grasps the foundation of capitalist society. Moreover, value is not merely a category of the market, one that grasps a historically particular mode of the social distribution of wealth. Such a market-centred interpretation – which is related to Mill’s position that the mode of distribution is changeable historically but not the mode of producing – implies the existence of a transhistorical form of wealth that is distributed differently in different societies. According to Marx, however, value is a historically specific form of social wealth and is intrinsically related to a historically specific mode of production. This suggests that different forms of society are associated with different forms of wealth. (Marx’s discussion here suggests that the form of wealth, the form of labour and the very fabric of social relations differ in various social formations.)

Many arguments regarding Marx’s analysis of the uniqueness of labour as the source of value – supportive as well as critical – overlook his distinction between ‘real wealth’ (or ‘material wealth’) and value. The *Grundrisse* indicates, however, that Marx’s ‘labour theory of value’ is not a theory of the unique properties of labour in general, but is an analysis of the historical specificity of value as a form of wealth and, hence, implicitly, of the labour that supposedly constitutes it. Consequently, it is irrelevant to argue for or against Marx’s theory of value as if it were intended to be a labour theory of (transhistorical) wealth – that is, as if Marx had written a political economy rather than a *critique* of polit-

ical economy.⁷ This is not to say, of course, that the interpretation of Marx's category of value as a historically specific category proves his analysis of modern society is correct; but it does require that Marx's analysis be considered in its own historically determinate terms and not as if it were a transhistorical theory of political economy of the sort he strongly criticized.

These considerations suggest that value, within the framework of Marx's analysis, is a critical category that reveals the historical specificity of the form of wealth and of production characteristic of capitalism. The paragraph quoted above shows that, according to Marx, the form of production based on value develops in a way that points to the possible historical negation of value itself. In an analysis that seems quite relevant to contemporary conditions, Marx argues that, as capitalist industrial production develops, value becomes less and less adequate as a measure of social wealth. He contrasts value, a form of wealth bound to human labour time expenditure, to the gigantic wealth-producing potential of modern science and technology; value becomes anachronistic in terms of the potential of the system of production to which it gives rise. The realization of that potential would entail the abolition of value.

This historical possibility does not, however, simply mean that ever-greater masses of goods could be turned out on the basis of the existing industrial mode of producing, and distributed more equitably. The logic of the growing contradiction between 'real wealth' and value, which points to the possibility of the former superseding the latter as the determining form of social wealth, also implies the possibility of a different process of production, one based upon a newer, more emancipatory structure of social labour:

Labour no longer appears so much to be included within the production process; rather, the human being comes to relate more as watchman and regulator to the production process itself. . . . He steps to the side of the production process instead of being its chief actor. In this transformation, it is neither the direct human labour he himself performs, nor the time during which he works, but rather the appropriation of his own general productive power, his understanding of nature and his mastery over it by virtue of his presence as a social body – it is, in a word, the development of the *social individual* which appears as the great foundation-stone of production and of wealth. The *theft of alien labour time, on which the present wealth is based*, appears a miserable foundation in face of this new one, created by large-scale industry itself.

(Marx 1973: 705; second emphasis added)

This section of the *Grundrisse* makes abundantly clear that, for Marx, overcoming capitalism involves the abolition of value as the social form of wealth, which, in turn, entails overcoming the determinate mode of producing developed under capitalism. Labour time no longer would serve as the measure of wealth, and the production of wealth no longer would be effected primarily by direct human labour in the process of production: 'As soon as labour in the direct form

has ceased to be the great well-spring of wealth, labour time ceases and must cease to be its measure, and hence exchange value [must cease to be the measure] of use value' (Marx 1973: 705).

Marx, in other words, analyses the basic social relations of capitalism, its form of wealth, and its material form of production, as interrelated; production resting on value, the mode of production founded on wage labour, and industrial production based on proletarian labour are intrinsically related in his analysis. Hence, the increasingly anachronistic character of value also signifies the increasingly anachronistic character of the industrial process of production developed under capitalism. Overcoming capitalism, according to Marx, entails a fundamental transformation of the material form of production, of the way people work.

Nevertheless, socialist society, according to Marx, does not emerge automatically as the result of a linear, evolutionary historical development. The radical transformation of the process of production outlined above is *not* a quasi-automatic consequence of the rapid increase in scientific and technical knowledge or its application. It is, rather, a *possibility* that arises from a growing intrinsic social contradiction. Although the course of capitalist development generates the possibility of a new, emancipatory, structure of social labour, its general realization is impossible under capitalism.

Capital itself is the moving contradiction, [in] that it presses to reduce labour time to a minimum, while it posits labour time, on the other side, as sole measure and source of wealth. Hence it diminishes labour time in the necessary form so as to increase it in the superfluous form, hence posits the superfluous in growing measure as a condition – question of life or death – for the necessary.

(Marx 1973: 706)

The question of 'necessary' and 'superfluous' labour time cannot be fully addressed here. It is important to note, however, that, according to Marx, although capitalism tends to develop powerful forces of production whose potential increasingly renders obsolete an organization of production based upon direct labour time expenditure, its structure is such that it cannot allow the full realization of this potential. The only form of wealth that constitutes capital is one based upon direct labour time expenditure. Hence, despite the growing discrepancy between value as measure and material wealth, value is not simply superseded by a new form of wealth.⁸ Instead, according to Marx, it remains the necessary structural precondition of capitalist society (although, as he argues throughout *Capital*, this is not overtly the case).

On the basis of his categories of value, commodity and capital, Marx shows that capitalism is characterized by an intrinsic developmental dynamic. That dynamic, however, remains bound to capitalism; it is not self-overcoming. The categories ground both the dynamic as well as its limits; what becomes 'superfluous' in terms of the production of material wealth remains structurally 'neces-

sary' for capital. Capitalism *does* give rise to the possibility of its own negation, but it *does not* automatically evolve into something else. That the expenditure of direct human labour time remains central and indispensable for capital, despite being rendered anachronistic by developments generated by capital, gives rise to an internal tension. As I have elaborated in *Time, Labour, and Social Domination*, Marx analyses the nature of industrial production and its developmental trajectory with reference to this tension (Postone 1993: 307–66).

These *Grundrisse* passages indicate that Marx's notion of the structural contradiction in capitalism should not be identified immediately with social antagonism, such as class conflict. They also reveal that Marx's understanding of capitalism's contradiction does not refer most fundamentally to a contradiction between private appropriation and socialized production.⁹ Hence, it differs fundamentally from that of traditional Marxism. Marx does *not* analyse the contradiction of capitalism, in the *Grundrisse*, as one between the process of production and value, that is, between production in capitalism and capitalist social relations. Rather, he treats the former as moulded by the latter: production in capitalism is the 'mode of production based on value'. It is in this sense that, in his later writings, Marx refers explicitly to the industrial mode of production as a 'specifically capitalist form of production ... (technologically, as well)' (Marx 1994: 428). These passages in the *Grundrisse* imply that the material form of production is to be transformed with the overcoming of capitalism. They also belie the notion that Marx's critical theory is a form of evolutionary technological determinism.¹⁰ On the contrary, he treats technology and the process of production as socially constituted; they are shaped by value. They should not, therefore be identified simply with the 'forces of production' that come into contradiction with capitalism's social relations. Yet, although technology and the process of production are moulded by capitalist relations, they embody a contradiction. Marx's analysis distinguishes between the *actuality* of the form of production constituted by value, and its *potential* – a potential that grounds the possibility of a new form of production. This distinction is ultimately rooted in the contradictory nature of capitalist relations, which Marx, in *Capital*, grounds in the double character of the categories of modern, capitalist social life.

It is clear from the passages cited that when, in the *Grundrisse*, Marx describes the overcoming of capitalism's contradiction and states that the 'mass of workers must themselves appropriate their own surplus labour' (Marx 1973: 708), he is referring not only to the expropriation of private property and the use of the surplus product in a more rational, fair and efficient way. The appropriation of which he speaks also involves the reflexive application of the potential embedded in advanced capitalist production to the process of production itself. The system of social production in which wealth is created through the appropriation of direct labour time and workers labour as cogs of a productive apparatus could be abolished. These two aspects of the industrial capitalist mode of production are related, according to Marx. Hence, overcoming capitalism, as presented in the *Grundrisse*, implicitly involves overcoming both the formal and material aspects of the mode of production founded on wage labour. It entails

the abolition of a system of distribution based upon the exchange of labour power as a commodity for a wage with which means of consumption are acquired; it also entails the abolition of a system of production based upon proletarian labour, that is, upon the one-sided and fragmented labour characteristic of capitalist industrial production. With regard to the structure of social labour, then, the Marxian contradiction should be understood as a growing contradiction between the sort of labour people perform under capitalism and the sort of labour they could perform if value were abolished and the productive potential developed under capitalism were reflexively used to liberate people from the sway of the alienated structures constituted by their own labour. Far from entailing the *realization* of the proletariat, overcoming capitalism involves the material *abolition* of proletarian labour. The emancipation *of* labour requires the emancipation *from* (alienated) labour.

This interpretation, by providing the basis for a historical critique of the concrete form of production in capitalism (as well, of course, of the abstract mediation and domination expressed by the categories of value and capital) sheds light on Marx's well-known assertion that the capitalist social formation marks the conclusion of the prehistory of human society (Marx 1987: 264). The notion of overcoming proletarian labour implies that 'prehistory' should be understood as referring to those social formations in which ongoing surplus production exists and is based primarily on direct human labour. This characteristic is shared by societies in which the surplus is created by slave, serf, or wage labour. Yet the formation based upon wage labour, according to Marx, is uniquely characterized by a dynamic that gives rise to the historical possibility that surplus production based on human labour as an internal element of the process of production can be overcome. A new social formation can be created in which the '*surplus labour of the mass* has ceased to be the condition for the development of general wealth, just as the *non-labour of the few*, for the development of the general powers of the human head' (Marx 1973: 705).

For Marx, then, the end of prehistory signifies the overcoming of the opposition between manual and intellectual labour. This opposition cannot be overcome, however, merely by melding existing manual and intellectual labour. Marx's treatment of production in the *Grundrisse* implies that not only the separation of these modes of labour, but also the determining characteristics of each, are rooted in the existing form of production. Their separation could be overcome only by transforming existing modes of both manual and intellectual labour, that is, by the historical constitution of a new structure and social organization of labour. Such a new structure becomes possible, according to Marx's analysis, when surplus production is no longer necessarily based primarily on direct human labour.

The section of the *Grundrisse* on capitalism's fundamental contradiction indicates, then, that Marx's critical theory should be understood essentially as a critique *of* labour in capitalism, rather than a critique of capitalism from the *standpoint* of labour (as in traditional Marxism). This has far-reaching implications for comprehending *Capital* and delineates a fundamental distinction

between Marx's critique of political economy and its frequent (mis)interpretation as a critical political economy. To fully elaborate such a reading of *Capital* on the basis of the *Grundrisse* is not possible within the framework of this chapter, of course. In order to be able to sketch its bare outlines, however, it is important first to briefly consider another crucial section of the *Grundrisse*, titled '[t]he method of political economy' (Marx 1973: 100–8).

The *Grundrisse*: Marx's categories

In this section, Marx wrestles with the question of an adequate point of departure for his critical analysis. He makes clear that the categories of his analysis should not be understood in narrow economic terms. Rather, they 'express the forms of being [*Daseinsformen*], the determinations of existence [*Existenzbestimmungen*] ... of this specific society' (Marx 1973: 106, trans. modified). As such, they are, at once, forms of subjectivity and objectivity; they express 'what is given, in the head as well as in reality' (Marx 1973: 106). That is, Marx's categories purport to grasp as intrinsically interrelated, economic, social and cultural dimensions of the modern, capitalist form of life that frequently are treated as contingently related, as extrinsic to one another. This categorial approach contravenes understandings of the relations of social objectivity and subjectivity in terms of a base/superstructure model.¹¹

Moreover, Marx makes very clear that the categories of his critique are historically specific. Even categories that appear to be transhistorical and that actually do play a role much earlier historically – such as money and labour – are fully developed and come into their own only in capitalist society (Marx 1973: 103).

This example of labour shows strikingly how even the most abstract categories, despite their validity ... for all epochs, are, nevertheless, in the specific character of this abstraction, themselves likewise a product of historic relations, and possess their full validity only for and within those relations.

(Marx 1973: 105)

As simple, abstract categories, in other words, they are as 'modern ... as are the relations which create this simple abstraction' (Marx 1973: 103).¹²

Because the categories, as fully developed, are historically specific,

[i]t would ... be unfeasible and wrong to let the economic categories follow one another in the same sequence as that in which they were historically decisive. Their sequence is determined, rather, by their relation to one another in modern bourgeois society, which is precisely the opposite of that ... which corresponds to historical development.

(Marx 1973: 107)

Instead, critical analysis must begin with what is most essential to its object. In bourgeois society, '[c]apital is the all-dominating economic power' and,

therefore, ‘must form the starting-point as well as the finishing-point’ (Marx 1973: 107).

Marx’s emphasis on the historical specificity of the object of investigation is intrinsically linked to the issue of the starting point of his critical analysis. As early as *The German Ideology*, Marx insisted on the social and historical constitution of forms of consciousness, a position refined in the *Grundrisse* with reference to the notion of the objective/subjective character of the structuring categories of capitalist society. This implies that no position, including Marx’s, has universal, transhistorical significance. The historical relativization of thought does not mean, however, that a valid theory is impossible; a historically specific theory can be rigorously adequate to its object. This requires that theory be self-reflexive: it must be able to account for its own conditions of possibility by means of the same categories with which it grasps its object, that is, its own context.

The historically specific character of the theory, moreover, is not simply a matter of content, but also a matter of form; its form should not contravene the historically specific character of the theory. The theory cannot present itself in a transhistorical form, for example, as a universally valid ‘method’ that simply can be applied to a variety of objects, to which it is related only contingently. Rather the historical specificity of the theory requires that the concept be the concept of its object. (Ironically, it is when the theory is self-consciously and reflexively historically specific that this apparently transhistorical Hegelian dictum acquires its validity.)

The point of departure of the critical analysis, therefore, cannot be grounded in a Cartesian manner, in a purportedly indubitable, transhistorically valid, truth. Rather, the point of departure must be historically specific, the core of a historically determinate analysis of the historically specific formation that is its context. If Hegel, in *The Science of Logic* was concerned with the problem of the point of departure for the exposition of a logic that doesn’t presuppose a logic, that is, a grounding outside of that which it seeks to demonstrate, Marx was concerned with the problem of a historically specific point of departure for a critical social theory that doesn’t ground itself outside of its object/context.

Because such a point of departure cannot be grounded in any transhistorically valid propositions, it can only be rendered plausible immanently – by the course of its unfolding, whereby each successive unfolded moment retroactively justifies that which preceded it. And, indeed, this how *Capital* is structured. The categories of the beginning – for example, commodity, value, use value, abstract labour, concrete labour – are only really justified by the subsequent unfolding of the analysis.¹³ What appears to be their transhistorical ‘grounding’ in the first chapter of *Capital* should be understood with reference to the framework of Marx’s rigorously immanent mode of presentation, which does not take a standpoint extrinsic to its object. Understood in this way, what appears to be a transhistorical grounding (of value, for example) is the way in which the subjective/objective forms present themselves. It is a metacommentary on thought that remains bound within the limits of the structuring forms of modern, capitalist society.¹⁴

Capital in light of the Grundrisse

At this point we can briefly outline a reading of *Capital* based on the considerations developed thus far. As is well known, *Capital's* point of departure is the commodity. On the basis of the *Grundrisse*, it now is evident that the category of the commodity here does not refer to commodities as they might exist in many societies. Nor does it express a (fictitious) historical stage of 'simple commodity production' purportedly antecedent to capitalism. Rather, the category of the commodity here is historically specific. It designates the most fundamental social form of capitalist society, the form from which Marx then proceeded to unfold the essential features and dynamic quality of that society.¹⁵ The characteristics of that form – that it simultaneously is a value and a use value, for example – should also be understood as historically specific (Marx 1996: 84, 87).

As a form of social relations, the commodity is peculiar, according to Marx: it is constituted by labour. Consequently, it necessarily exists in objectified form and has a dualistic character as a form of social mediation and as a product, as value and use value. Marx's conception of the historical specificity of labour in capitalism underlies this description. He maintains that labour in capitalism has a 'double character': it is both 'concrete labour' and 'abstract labour' (Marx 1996: 51–6). 'Concrete labour' refers to labouring activities that mediate the interaction of humans with nature. Although it is only in capitalism that all such activities are considered types of an overarching activity – (concrete) labour – and all products are classed as similar, as use-values, this sort of mediating activity is transhistorical; it exists in all societies. The use-value dimension of the commodity is not historically unique to capitalism. This implies, however, that its value dimension and the labour that constitute it *are* historically specific. Hence, 'abstract labour' is not concrete labour in general, but is a different, historically specific, category. As argued in *Time, Labour, and Social Domination*, it signifies that labour in capitalism has a unique social function that is not intrinsic to labouring activity as such (Postone 1993: 123–85). Rather, commodity-determined labour serves as a kind of quasi-objective means by which the products of others are acquired (Marx 1996: 84). It mediates a new form of interdependence, where people's labour or labour products function as quasi-objective means of obtaining the products of others. In serving as such a means, labour and its products pre-empt that function on the part of manifest social relations.

In Marx's mature works, then, the notion of the essential centrality of labour to social life is historically specific. It should not be taken to mean that material production is the most essential dimension of social life in general, or even of capitalism in particular. Rather, it refers to the historically specific constitution by labour in capitalism of a form of mediation that fundamentally characterizes that society. This mediating activity is not, however, a characteristic that is intrinsic to labouring activity. Consequently, it does not – and cannot – appear as such. Instead, when the commodity is analysed, its historically specific

dimension, value, appears to be constituted by labour in general, without any further qualifications – the ‘expenditure of human brains, nerves, and muscles’ (Marx 1996: 54). That is to say, the historically specific, socially mediating function of labour in capitalism appears as transhistorical concrete labour, as ‘labour’ – that is, as an ontological essence rather than as a historically specific form. This ontological form of appearance of labour’s historically unique socially constituting function in capitalism is a fundamental determination of what Marx refers to as the fetish forms of capitalism; it underlies all approaches that transhistoricize the socially constituting role of labour in capitalism, whether affirmatively (as in classical political economy and traditional Marxism) or negatively (as in *Dialectic of Enlightenment*).¹⁶

Labour in capitalism, then, not only mediates the interaction of humans and nature, but also constitutes a historically specific social mediation, according to Marx. Hence, its objectifications (commodity, capital) are both concrete labour products and objectified forms of social mediation. According to this analysis, the social relations that most fundamentally characterize the capitalist form of social life are very different in kind from the qualitatively specific and overtly social relations, such as kinship relations, which characterize other forms of social life. The fundamental forms of social relations constitutive of capitalism are peculiarly quasi-objective and formal, and are characterized by a dualistic opposition of an abstract, general, homogenous dimension, and a concrete, particular, material dimension (both of which appear to be natural, rather than social).

This historically specific form of mediation is constituted by determinate forms of practice, but becomes quasi-independent of those practices. The result is a new form of social domination that subjects people to increasingly impersonal ‘rational’ imperatives and constraints that cannot adequately be grasped in terms of the concrete domination of social groupings such as class or institutional agencies of the state and/or the economy. Like power as conceptualized by Foucault, this form of domination has no determinate locus and appears not to be social at all. However, it is not static, but temporally dynamic. In *Capital*, Marx treats the historically dynamic character of capitalism as a historically determinate, specifying characteristic of that form of social life, grounded in the form of impersonal domination intrinsic to the basic structuring forms of that society. In so doing, he historically relativizes the notion of an intrinsic historical dynamic.

What drives this dynamic is the double character of the underlying social forms of capitalism. It is crucially important to note in this regard that the distinction Marx makes in the *Grundrisse* between value and ‘real wealth’ reappears in the first chapter of *Capital* as that between value and ‘material wealth’ (Marx 1996: 53–6). Material wealth is measured by the quantity produced, and is a function of a number of factors in addition to labour, such as knowledge, social organization, and natural conditions (Marx 1996: 50). Value, the dominant form of wealth in capitalism, is constituted by (socially necessary) human time–time expenditure alone, according to Marx (Marx 1996: 49–50, 55–6).

Whereas material wealth, as the dominant form of wealth, is mediated by overt social relations, value is a self-mediating form of wealth.

Beginning with his treatment of the magnitude of value in terms of socially necessary labour time, Marx outlines a dialectical interaction of value and use-value which becomes historically significant with the emergence of relative surplus value and gives rise to a very complex, non-linear, historical dynamic underlying modern society. With the unfolding of this dynamic it becomes increasingly clear that the historically specific form of social domination intrinsic to capitalism's most basic forms of social mediation is the domination of people by time. The dynamic outlined by Marx in *Capital* is characterized, on the one hand, by ongoing transformations of production and, more generally of social life; on the other hand, this historical dynamic entails the ongoing reconstitution of its own fundamental condition as an unchanging feature of social life – namely that social mediation ultimately is effected by labour and, hence, that living labour remains integral to the process of production (considered in terms of society as a whole) regardless of the level of productivity. Capitalism ceaselessly generates the new while constantly reconstituting the same.

This understanding of capitalism's complex dynamic allows for a critical, social (rather than technological) analysis of the trajectory of growth and the structure of production in modern society. Although I cannot elaborate here, Marx's key concept of surplus-value not only indicates, as traditional interpretations emphasize, that the surplus is produced by the working class, but that capitalism is characterized by a *determinate, runaway form of growth*. The problem of economic growth in capitalism, within this framework, is not only that it is crisis-ridden, as has been emphasized frequently and correctly by traditional Marxist approaches. Rather, the form of growth itself, which entails the accelerating destruction of the natural environment for smaller and smaller increases in surplus value, is itself problematic. The trajectory of growth would be very different, according to this approach, if the ultimate goal of production were increased quantities of goods rather than increases in surplus-value.

This approach also provides the basis for a critical analysis of the structure of social labour and the nature of production in capitalism. It indicates that the industrial process of production should not be grasped as a technical process that, although increasingly socialized, is used by private capitalists for their own ends. Rather, the approach I am outlining grasps that process itself as intrinsically capitalist. With the real subsumption of labour, in Marx's account, capital becomes less and less the mystified form of powers that 'actually' are those of the workers. Rather, the productive powers of capital increasingly become socially general productive powers that no longer can be grasped adequately as those of the immediate producers alone. This constitution and accumulation of socially general knowledge renders proletarian labour increasingly anachronistic. That is, it renders the production of material wealth essentially independent of direct human labour time expenditure. This, in turn, opens the possibility of large-scale socially general reductions in labour time and fundamental changes in the nature and social organization of labour. Yet these possibilities are not and

cannot be realized in capitalism; the dialectic of value and use value reconstitutes the necessity of proletarian labour. The combination of capital's drive for ongoing increases in productivity, and its grounding in the expenditure of direct human labour time, leads to a determinate mode of production, in which the development of technologically sophisticated production that could liberate people from fragmented and repetitive labour, reinforces such labour instead. Similarly, labour-time is not reduced on a socially general level, but is distributed unequally, even increasing for many.

This preliminary exposition of Marx's notion of the contradiction of capitalism indicates that his analysis seeks to grasp the course of capitalist development as a double-sided development of enrichment and impoverishment. It implies that this development cannot be understood adequately in a one-dimensional fashion, either as the progress of knowledge and happiness, or as the 'progress' of domination and destruction. According to his analysis, although the historical possibility emerges that the mode of social labour *could be* enriching for everyone, social labour *actually* has become impoverishing for the many. The rapid increase in scientific and technical knowledge under capitalism does not, therefore, signify linear progress toward emancipation. According to Marx's analysis of the commodity and capital, such increased knowledge – itself socially constituted – has led to the fragmentation and emptying of individual labour and to the increasing control of humanity by the results of its own objectifying activity; yet it has also increased the possibility that labour could be individually enriching and that humanity could exert greater control over its fate. This double-sided development is rooted in the alienated structures of capitalist society and can be overcome, according to Marx's dialectical analysis, which should not, then, in any way, be identified with a faith in linear scientific progress and/or in social progress.

Marx's analysis thus implies a notion of overcoming capitalism that neither uncritically affirms industrial production as the condition of human progress nor romantically rejects technological progress per se. By indicating that the potential of the system of production developed under capitalism could be used to transform that system itself, Marx's analysis overcomes the opposition of these positions and shows that each takes one moment of a more complex historical development to be the whole. This approach grasps the opposition of faith in linear progress and its romantic rejection as expressing a historical antinomy that, in *both* of its terms, is characteristic of the capitalist epoch (Marx 1996: 568–9, 798ff.). More generally, Marx's critical theory argues neither for simply retaining nor for abolishing what was constituted historically in capitalism. Rather, his theory points to the possibility that what was historically constituted in alienated form could be appropriated and, thereby, fundamentally transformed.

According to the interpretation very briefly outlined here, the *Grundrisse* allows us to see that Marx's critique in *Capital* extends far beyond the traditional critique of bourgeois relations of distribution (the market and private property). It not only entails a critique of exploitation and the unequal distribu-

tion of wealth and power, although it, of course, includes such a critique. Rather, it grasps modern industrial society itself as capitalist, and critically analyses capitalism primarily in terms of abstract structures of domination, the increasing fragmentation of individual labour and individual existence, and a blind runaway developmental logic. It treats the working class as the basic element of capital, rather than the embodiment of its negation, and implicitly conceptualizes socialism not in terms of the realization of labour and industrial production, but in terms of the possible abolition of the proletariat and the organization of labour based on proletarian labour (as well as of the dynamic system of abstract compulsion constituted by labour as a socially mediating activity). This approach reconceptualizes a postcapitalist society in terms of the overcoming of the proletariat – the self-abolition of the proletariat and the labour it does – that is, in terms of a transformation of the general structure of labour and of time. In that sense it differs both from the traditional Marxist notion of the ‘realization’ of the proletariat, and from the capitalist mode of abolishing national working classes by creating an underclass within the framework of the unequal distribution of labour and of time, nationally and globally.

Although the logically abstract level of analysis outlined here does not immediately address the issue of the specific factors underlying the structural transformations of the past 30 years, it can provide a framework within which those transformations can be grounded socially and understood historically. At the same time it could provide the basis for a critical theory of ‘actually existing socialist’ countries as alternative forms of capitalist accumulation, rather than as social modes that represented the historical negation of capital, in however imperfect a form. Inasmuch as it seeks to ground socially, and is critical of, the abstract quasi-objective social relations and the nature of production, work, and the imperatives of growth in capitalism, this approach could also begin to address a range of contemporary concerns, dissatisfactions and aspirations in ways that could tie them to the development of capital, if not necessarily in traditional class terms.

This reading of Marx, then, attempts to contribute to a critical understanding of the overarching transformations of our social universe in ways that get beyond the weaknesses of post-Marxist discourse while avoiding the pitfalls of traditional Marxist approaches.

Notes

- 1 I would like to thank Robin Bates and Jake Smith for critical feedback.
- 2 To avoid misunderstandings that could be encouraged by the term ‘categorical’, I use ‘categorial’ to refer to Marx’s attempt to grasp the forms of modern social life by means of the categories of his mature critique.
- 3 Some of the arguments presented here were developed in Moishe Postone, *Time, Labour, and Social Domination: A Reinterpretation of Marx’s Critical Theory* (Postone 1993).
- 4 See, for example, G.A. Cohen, *History, Labour and Freedom* (Cohen 1988: 209–38); Maurice Dobb, *Political Economy and Capitalism* (Dobb 1940: 70–8); Jon Elster, *Making Sense of Marx* (Elster 1985: 127); Ronald Meeks, *Studies in the Labour*

Theory of Value (Meeks 1956); John Roemer, *Analytical Foundations of Marxian Economic Theory* (Roemer 1981: 158–9); Ian Steedman, ‘Ricardo, Marx, Sraffa’ (Steedman 1981: 11–19); Paul Sweezy, *The Theory of Capitalist Development* (Sweezy 1968: 52–3).

- 5 This would include both dominant strands of more recent critical Marx interpretations – structuralism and Critical Theory. Althusser, for example, formulated an epistemologically sophisticated and trenchant critique of the ‘idealism of labour’ and the related conception of people as subjects; he introduced the notion of social relations as structures that are irreducible to anthropological intersubjectivity. Nevertheless, his focus on the question of the surplus in terms of exploitation, as well as on the physical ‘material’ dimension of production, are related to what ultimately is a traditional understanding of capitalism (Althusser and Balibar 1970: 145–54, 165–82). Lukács and members of the Frankfurt School, seeking to respond theoretically to the historical transformation of capitalism from a market-centred form to a bureaucratic, state-centred form, tacitly recognized the inadequacies of a critical theory of modernity that defined capitalism solely in nineteenth-century terms – that is, in terms of the market and private ownership of the means of production. On the other hand, however, they remained bound to some of the assumptions of that very sort of theory (see Postone 1993: 71–120).
- 6 John Stuart Mill, *Principals of Political Economy* (2nd edn, London 1849), vol. 1, pp. 239–40 (quoted in Marx, 1973: 832).
- 7 Jon Elster provides an example of such an argument. He argues against Marx’s theory of value and surplus value by denying ‘that the workers have a mysterious capacity to create ex nihilo’; he maintains, instead, that ‘man’s ability to tap the environment makes possible a surplus over and above any given consumption level’ (Elster 1985: 141). In addressing the issue of the creation of wealth in this manner, Elster’s argument implicitly takes value to be a transhistorical category, thereby obscuring the distinction Marx makes between ‘value’ and ‘real wealth’.
- 8 The idea that value, for Marx, is not a category of wealth in general, but specifies the form of wealth and of social relations at the heart of capitalist modernity has been misunderstood by thinkers as disparate as Jürgen Habermas, Daniel Bell and Antonio Negri. Both Habermas and Bell maintained in the early 1970s, that the labour theory of value had been superseded historically and that contemporary society requires a ‘science and technology theory of value’. Both thereby obscured Marx’s distinction between value and ‘real wealth’ and, hence, the dialectical dynamic he developed (Habermas 1973: 222–9); (Bell 1973: xiv). Negri argued that Marx’s description of what I have shown is a postcapitalist organization of production in the *Grundrisse* actually describes contemporary capitalism, which no longer is based on the Law of Value, but on the ‘Law of Command’ (Negri 1989: 144ff.). Such positions implicitly substitute a linear view of history for Marx’s dialectical analysis of necessity and superfluity.
- 9 The argument that the primary contradiction of capitalism is, for Marx, structural and does not refer simply to social antagonism also has been made by Anthony Giddens. However, he locates that contradiction between private appropriation and socialized production, that is, between bourgeois relations of distribution and industrial production (Giddens 1979: 135–41).
- 10 For such a position, see G.A. Cohen, ‘Forces and Relations of Production’ (Cohen 1986: 19–22).
- 11 For all of their differences, Georg Lukács, Theodor Adorno and Alfred Sohn-Rethel recognized the subjective/objective character of Marx’s categories, thereby breaking with the base/superstructure schema.
- 12 One of Marx’s many accomplishments in *Capital* was to ground socially the transhistorical projection of categories fully valid only for capitalist society onto all forms of human social life. He does so by grounding such projections in the various fetish

forms of the categories, which are generated by the interplay of the peculiar abstract and concrete dimensions of the forms of social mediation constitutive of capitalist society.

- 13 This point is elaborated in M. Postone, *Time, Labour, and Social Domination* (Postone 1993: 138–44, 267–72).
- 14 See John Patrick Murray, 'Enlightenment Roots of Habermas' Critique of Marx', *The Modern Schoolman*, 57, no. 1 (November 1979), pp. 13ff.
- 15 Roman Rosdolsky pointed out that the existence of developed capital is assumed at the very beginning of Marx's critique (Rosdolsky 1977: 46).
- 16 See Theodor Adorno and Max Horkheimer, *Dialectic of Enlightenment* (Adorno and Horkheimer 2002).

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