According to Marx’s theory, money is the necessary form of appearance of abstract labor. Thus, abstract labor is indeed inseparable from money, but it nonetheless exists as __________

Thanks for comments. Below I treat the misunderstandings only. Chris

1. Quantitative determination of prices

Chris argues that Marx made a mistake in trying to determine simple prices in Volume 1.

CA: Not true. I accept Marx’s derivation of simple prices. My suggestion was that it should have been held back until after the General Formula for Capital so that the issues of form could be separated from those of magnitude. CA

Chris seems to suggest that prices of production are determined in some way by “competition”. However, Marx argued (in his critique of Smith and others) that the explanation of prices of production by competition is no explanation at all. Competition can explain why the rate of profit tends to be equalized across industries, but competition cannot explain the level or the magnitude of the general rate of profit, to which all individual rates of profit tend to converge. In order to explain whether the general rate of profit is 10% or 1000%, a quantitative theory of profit and the rate of profit is required, and Chris does not provide such a theory.

Therefore, I argue that Marx’s theory is superior to Chris’ theory, because Marx’s theory provides a quantitative theory of profit and the rate of profit and prices of production, and Chris’ theory does not. Chris says it might be argued that the “numbers” in his theory of prices of production are the same as the usual approach (p. 19). But I don’t see how Chris’ theory determines any numbers at all.

I determine them in the usual way. I interpret the meaning of the procedure differently. And I would not be worried if there were lack of conservation of measure. CA

2. “Assume productivity doubles”

I am very surprised by Chris’ example on p. 12 of the effects of a doubling of productivity. Chris, why do you assume that “prices are unchanged” when productivity doubles and labor is cut in half? What theory of prices are you implicitly assuming, according to which prices are not affected by a doubling of productivity and a reduction of labor by half?

My assumption of commodity money means that absolute doubling of productivity leaves relative LTs unchanged; hence prices unchanged. Cutting labour (to compensate for the doubling) means cutting output and leaving total price unchanged.

It would appear that, on this basis of this theory, it is not possible to derive technological change as an inherent feature of capitalism, nor to explain relative surplus-value. Marx’s explanation of these all-important phenomena was based on the assumption that a reduction of the labor-time necessary to produce the means of subsistence would reduce the price of the means of subsistence, which in turn would reduce variable capital and necessary labor and increase surplus labor.

This is another issue CA

3. Examples from Physics of “indirect measures”

Chris’ examples from Physics of “indirect measures” – the spring balance and a mercury thermometer – do not work. Both of these measures are ultimately comparisons with the same property or the same thing. Chris acknowledges as much for the spring balance (“we equate different types of forces”), but
he seems to suggest that a mercury thermometer is not a comparison. But a mercury thermometer measures the temperature of an environment by comparing it with the temperature of mercury, on the assumption that the two temperatures will tend to equalize (we could say: “we equate different temperatures”).

*We are trying to compare but we cannot compare directly. What we observe is the expansion of the mercury. We do not observe a corresponding expansion of the environment.* CA

So these examples from Physics seem to suggest that the measurement of some property (like temperature) or some thing (like force), is ultimately (directly or indirectly) a comparison with the same property or the same thing. I don’t know if there are genuine counter-examples from Physics, and I would be interested in learning about any possible counter-examples. But even if there are no counter-examples in Physics, this does not necessarily mean that abstract labor can be measured only by another commodity that contains the same property, abstract labor. Abstract labor is a social property, not a natural property, and the laws that apply to natural properties do not necessarily apply to social properties. *{My point exactly CA}*

4. “Only money makes value actual”

Chris emphasizes that “only money make value actual”. But it is not clear (to me at least) exactly what is meant by “actual”. If actual means “observable”, then I would agree, as just discussed. Only money makes value observable. However, if actual means that abstract labor does not exist as an entity distinct from money, then I disagree.

According to Marx’s theory, money is the necessary form of appearance of abstract labor. Thus, abstract labor is indeed inseparable from money, but it nonetheless exists as a distinct entity, as something that is different from money. If abstract labor is not something distinct from money, then the sentence “money is the necessary form of appearance of abstract labor” would make no sense.

Chris says on p. 3 that “essence must appear” and that, if essence doesn’t appear, then it “lacks actuality”. I certainly agree that essence must appear, but it seems to me that the essence must be a distinct entity from its form of appearance. Otherwise, the form of appearance would be a form of appearance of itself.

In sum, abstract labor is distinct, but inseparable from money.

*Exactly my point (but with great stress on inseparable) CA*