

Contributions to the discussion on the German version of the video "What is wrong with labor value theory - How the value is really formed" - english

In general, it must be emphasized at this point that this video is an extremely shortened representation of my accompanying book „Was ist falsch an der Arbeitswerttheorie? Wie der Wert wirklich gebildet wird“, in English “What is wrong with the labor theory of value? How the value is really formed”, published in 2019 by Grin-Verlag, is.

Remark: The English version of the book is available at grin publisher only in this time.

Die folgenden Kommentare wurden zu dem Video geschrieben, von mir kompakter als Thesen formuliert und beantwortet.

The following comments were written on the video, formulated here more compactly as theses and answered.

Thesis 1: Distinctions between use value, value and exchange value omitted.

A clear distinction is made between use value, value and exchange value.

* Use value and relative utility in the economic sense

- The use value is actually not directly mentioned in this video.

- In economics, it is not directly about the use value, but about the usefulness, specifically the relative usefulness of the product under consideration compared to other products that should also be exchanged in an economic sense.

- The use value is contained in the usefulness - Usefulness for people usually requires a use value: If someone make a mistake when buying and discover after buying that the goods he have bought are not useful at all or not sufficiently enough, then that would also relate to the use value of these former goods for the specific buyer – the labor value is the relevant one for the economy of the society.

- The use value according to Marx is not a direct criterion for the value: If a car manufacturer produces 1,000 cars and can only buy 800 of them, all 1,000 cars have a use value, but only 800 of them are relatively useful in an economic sense compared to others, also economically products to be distributed.

- Without question, it could be formulated that with the 800 cars sold, the use value becomes the use value for others (than the original owner, i.e. the entrepreneur) - according to Max, the criterion for socially useful and thus value-creating work (better labor) that is expended on the products sold has been.

The use value for others is therefore given with the 800 products that could be sold, and the use value of the 200 unsold cars, on the other hand, does not become the use value for others. As a result, the work done on the 200 unsold cars was not socially useful (the results of the work remain the property of the entrepreneur, i.e. in the entrepreneur's private sphere and are not useful for society) and thus it was also not value-creating.

The term use value is less meaningful in this context than the relative usefulness of the work products for others (than the entrepreneur), because the 200 unsold cars undoubtedly have an absolute use value, but are not useful in an economic sense relative to other goods.

So, I think, the term 'relative usefulness in the economic sense' is better suited as a criterion for value than use value.

* Exchange value and value

2 – Contributions to the discussion on the German version of the video

- The exchange value, on the other hand, does not have to be distinguished from the value, because both are identical. This is made clear in the video.
- Marx distinguishes between value and exchange value because he regards value as produced. However, since different assessments of what is produced come about on the market than those made by the entrepreneur himself for his products, it was also clear to Marx that the value allegedly produced does not correspond to what is realized on the market. Consequently, he had to distinguish between the (allegedly) produced value and that realized one on the market.
- But with this he contradicts himself: According to Marx, only socially useful work should be value-creating work. But social usefulness cannot be produced as such. According to Marx, what is socially useful is what becomes of the things produced for others to use. But this is not only decided by the producers of the products, but also by the buyer. Consequently, only the requirements for social utility are produced and thus only the requirements for value.

Marx also contradicts himself with this associated formulation:

Marx, K., Capital, Vol. I, p. 52 (this location relates to the German version of the Capital and the text has been translated from German):

"... If we abstract from its use value, then we also abstract from the physical components and forms that make it use value. It is no longer a table or a house or thread or any other useful thing. All of its sensual properties are obliterated no longer the product of carpentry, or construction, or spinning, or any other particular productive labor.

With the useful character of the work products, the useful character of the works represented in them disappears; they no longer differ, but are all reduced to the same human work, abstract human work. Let us now consider the residual of the labor products. There is nothing left of them but the same ghostly objectivity, a mere jelly of indiscriminate human labor, i.e. the expenditure of human labor without regard to the form of its expenditure. These things only show that human labor is expended in their production, human labor is accumulated. As crystals of this social substance shared within them, they are values - commodity values. "

- At this point, Marx makes a mistake: He abstracts from the usefulness of the works presented and even makes the usefulness disappear.
- But when usefulness disappears, value also disappears, because, according to Marx, value is only created through socially useful work.
- Marx can abstract from all the concrete forms of utility, but not from utility in general - utility must be preserved.
- But if he had put it this way, he would have created a different problem for himself: Social utility (use value becomes use value for others, i.e. for society) cannot be produced as such. Only the prerequisites for social utility can be produced.
- The buyers / non-buyers decide on the social usefulness of the work, not the producers.
- Had Marx in the above Quotation abstracted only from the concrete forms of usefulness, but allowed their abstract form to exist as a given for value, he would have made it clear that value formation only takes place on the market, while on the production side of the commodity society only the prerequisites for value in the economic sense can be created.

Conclusion: The accusation according to thesis 1 - lack of distinction between use value, value and exchange value - is baseless or meaningless.

Thesis 2: The dual character of the work depicted in the goods appears to the author to be irrelevant.

The dual character of work according to Marx is not related to production in this video, as in Marx, because the decision about abstract work / no abstract work is only made on the market.

The main aim of this video is to show that value as a social relationship is only formed (not produced!) on the market. And then the work can be called abstract work, but it doesn't have to be - socially useful is completely sufficient.

According to Marx, abstract work is socially useful work. However, the term is too narrow, because Marx, and with him his followers, see the abstract work as already being carried out in production. Moreover, they only relate this work to work carried out by people, so that I am more confused when using this term than would provide clarity.

The term "abstract work" is added. "Socially useful work" makes what is to be expressed more understandable from my point of view.

So-called abstract work was important for Marx because he viewed value as produced. For him, through abstract labor, the value of the labor force is objectified as value in the labor products. Marx uses the term "abstract work" for precisely these representational works.

Since, in my opinion, in the production sphere of the commodity society neither value is objectified nor connected with the work products, the term "abstract work" is not only superfluous, but even disturbing.

The accusation in thesis 2 is therefore also unfounded.

Thesis 3: The author does not use the term work at all

Oh! If you write a comment on a video, you should at least have viewed the video.

Already in the introduction it can be seen that the current interpretation of the labor theory of value presented here not only shows that human work creates conditions for value relationships, but also machine work and also processes carried out under certain conditions in nature, which are also referred to as work resp. labor can be. However, the term work / labor in connection with processes in nature is unusual.

I already formulated in the introduction that parts of nature contribute to value creation in the same way as labor as human labor.

Usually workers are expected to do work. In addition, it is not the work as such that is paid, but the values of the workforce for a certain working time.

This is dealt with several times in the descriptive text.

I also see the accusation of thesis 3 as unfounded.

Thesis 4: It should be noted that the Labor value theory (LTV) is not Marx's invention

In my first book "With Marx to the market economy?" I briefly explain that he took over Ricardo's labor theory and developed it further.

This did not seem important to me in this brief description, since the term labor theory of value is usually associated with Marx and he has also made a significant contribution to the expansion of LTV (surplus value; capitalist exploitation).

I accept the criticism of thesis 4. I would briefly mention this in a new edition.

Thesis 5: According to Marx and Engels, value appears as a thing - the author ignores that.

No, the author doesn't overlook that. On the contrary, the author actually refers to the fact that value is a social relationship and not an objective. It is precisely for this reason that the author chose the

4 – Contributions to the discussion on the German version of the video

quotation from Engels in order to have evidence that at one point in their works Marx and Engels also do not regard value as something objective. However, they are not consistent here either:

A contradiction in Marx arises among others in the quote from Marx on thesis 1

"... Objectivity, a mere jelly of indiscriminate human labor, i.e. the expenditure of human labor without regard to the form of its expenditure. These things only represent that human labor is expended in their production ..."

Marx describes the work results as things. In my opinion, this statement leads to many errors, because human labor creates, among other things, also the basics of intellectual values in the economic sense (patents, literature; art ...), artistic forms of expression (music performances) etc.

I see the criticism according to thesis 5 as unfounded.

Thesis 6: The author explains that the value works concretely between exchange partners and cannot be produced as a singularity; the entrepreneur has a product manufactured and offers it as a potential commodity - that should already be a social relationship

A social relationship is not sent down from heaven but is formed by people. Since buyer and seller do not meet in a predetermined manner, there is always an initialization of a value relationship. This usually (not always!) comes from the provider, i.e. by the entrepreneur who has the corresponding products manufactured or by the commercial establishment that offers the product.

A potential buyer can get involved after the initiated value relationship (in wholesale, department store, bazaar). It does not yet say whether both will successfully end the value relationship with the exchange.

A distinction must be made between a value relationship in instantiation, execution and completion. This is equivalent to the creation of a value relationship of the property type:

A potential house seller offers his house in an advertisement (by the way, when selling a house, it is not the value of the house that is given, but the expected value. In some cases, the realized value will deviate significantly from the expected value. Should no buyer be found at all, the expected value would remain, and an economically relevant value based on a value ratio would not be achieved).

Assuming a potential buyer looks at the house together with an architect and the architect then assesses the real condition of the house compared to the expected value. The buyer, in turn, estimates the location of the house based on his or her individual ideas about peace and quiet, air, access to means of transport, supply, schools, health care, etc. Both together determine the acceptable value equivalent and thus the value for the house from their point of view. The next step is to negotiate with the owner of the house.

All of this takes place within the framework of a social relationship, because what the potential buyer wants to take on can only be achieved via the social level, purchase with a sales contract and other social necessities. A purchase would successfully end the social relationship.

In my video I go into the initiation, continuation and conclusion of a value relationship.

I see the criticism according to thesis 6 as unfounded.

Thesis 7: expected value; Value - a singularity?

The author explains that value is a social relationship or works between people and that value works specifically between exchange partners and cannot be produced as a singularity. But his expected value is a singularity.

* Expected value

Oh! Neither on the slides nor in the spoken text do I say anything about a value that would already be given on the production side.

In my opinion, there is only one expected value on the production side of the commodity company, in this case € 220. This is linked to the potential goods as the offer price.

The expected value is not a real value in the economic sense, but a one-sided expectation of a value!!!

Note: According to Marx, a work product (a potential commodity - the author) only becomes a commodity if it becomes a use value for others through sale.

Consequently, according to Marx, there could also be no value on the production side of the commodity society, because there it is not at all known whether the labor expended on the labor product was socially useful and thus value-building. This is also a contradiction in Marx.

The real and socially relevant value is formed on the market.

The prerequisites for this were created with production.

* Singularity?

A value that would be created through production alone would be a singularity, because it would be created in the property of the entrepreneur and not between people who face each other on the social level.

For such a "value" there would have been no driving force for development in society, because in order to achieve a "high value" through production, many expensive materials with a high labor requirement would have to be used.

The value as a social relationship as I describe it, on the other hand, counteracts the unnecessary waste of resources on the production side and the unnecessary accumulation of resources on the buyer side (without being able to prevent both) - this is why this value was developed in society.

I see the criticism in thesis 7 as unfounded.

Thesis 8: Labor products as results of production and owned by the entrepreneur - these are already social conditions.

Correct. The work products are part of the entrepreneur's property and are therefore not freely available. The owner does not tie his work products to his person with steel chains, but uses the social relationship of property, with which the society supports him to a certain extent in the assignment (legally yes, but no theft protection, but support in the event of theft by the police, the judiciary, through insurance, etc.).

But the social relationship of property is not identical with a value relationship.

However, property does not lead to free availability, which in turn is a prerequisite for value relationships.

I see the criticism in thesis 8 as unfounded.

Thesis 9: The offer price presupposes the value because it describes a value

This is a repetition. The expected value is different from the value and does not even necessarily have to lead to a real value.

The offer price is not the sales or purchase price. It only reflects an expected value. Whether this expected value can be achieved depends on the potential buyers in the market and on the seller. If the product is sold there, it would be at the selling and buying price (both identical; however, they can be different from the offer price). The € 220 therefore does not describe a real value, but only an imaginary value of the provider.

6 – Contributions to the discussion on the German version of the video

I see the criticism in thesis 9 as unfounded.

Thesis 10: Value relationship - one-sided initiation cannot be - that would be a contradiction to the dual nature of value

Repetition from above: A value relationship is initiated, continued and in many cases successfully brought to a close.

Without question, a relationship cannot be one-sided.

But the initiation does: Take a love affair as an example: In only a very few cases, both future partners will approach each other at the same time. Usually one of the partners begins to attract attention. In doing so, he initiates a love affair, which, without question, cannot work one-sided later.

We also have a process when it comes to the social relationship between property: E.g. a king wanted to take over a certain area as property. It doesn't happen all at once. He had to consult about whether he could wage a war, he had to provide funds, soldiers and logistical resources or have them provided. The outcome of all his activities was never really certain. In many cases, however, after the initiation (just described), he was able to successfully conquer the desired land and take it over into his own property - a social relationship.

It is therefore quite normal that neither circumstances nor things have the desired state from the start, but that they get the desired state or not in the course of their life cycle. This also applies to a value relationship.

I see the criticism in thesis 10 as unfounded.

Thesis 11: The goods have no value - but a price - how and why this should be possible remains unexplained

Repetition.

According to Marx, the labor product on the production side of the commodity society is not yet a commodity. It only becomes a commodity when it becomes a use value for others through an economic exchange.

The transformation of the labor product into a commodity takes place within the framework of a value relationship in which the value is also formed.

As a result, the work product has no real value before it is sold, but only an imagined, expected value. It cannot have a real price that reflects its real value either, because the value is only formed on the market.

The price of the (not yet sold) work product is merely an offer price, with which the potential buyer is shown what the provider (in many examples the entrepreneur) expects in return. In many cases he will be offered the consideration, but not in all, so that a very good distinction can be made between the offer price and the sales price.

According to Marx, the price cannot reflect the real value either, because if the work products are not sold at all, then the work involved was not socially useful and therefore not value-creating. The price that Marx sees on the production side of the commodity society is consequently also only an offer price and cannot reflect any real value.

I see the criticism in thesis 11 as unfounded.

Thesis 12: Buyer sees goods; owns enough money; Well, where does the money suddenly come from? The potential buyer also has other wishes - he must weight his purchasing decisions.

Obviously, a very big problem is being addressed here: a potential buyer has money in property. Perhaps there is an explanation for this: In this example, the buyer faces the entrepreneur. This is meant to suggest that he is not an entrepreneur himself (which, without question, only reflects one possibility). The potential buyer who is not an entrepreneur will usually have to sell his labor and receive wages for it. In this way the secret of ownership of money can be revealed.

Usually, people's wishes are more extensive than their ability to satisfy them. This is true even of the richest billionaires.

Consequently, the needs for different goods must be weighted, since it is usually not possible to satisfy all needs for goods that are not freely available.

Marx does not speak of needs and weighted needs directly. He orients towards an "objective value" in which people play as little role as possible.

But his example with the 10 (?) Yards of linen versus a skirt is also based on weighted needs: Instead of a skirt or 10 yards of linen, the buyer at Marx could e.g. also swap for a pocket watch, a trip on the train, for a pair of shoes, etc. But in the example of Marx, the exchange for linen or a skirt is decided (weighted) for him.

I see the criticism in thesis 12 as unfounded.

Thesis 13: With the € 180 the buyer contributes to the value relationship, which cannot exist yet; there is hardly a bazaar left

Repetition

The issue of the life cycle of a value relationship has already been addressed twice.

I see the criticism in thesis 13 as unfounded.

Thesis 14: Bazaar has only folkloric significance

The bazaar is no longer of great importance, but what happens in the bazaar does: Practically all manufacturers negotiate the sales prices of their goods (which then reflect the real values) with retail chains and retailers.

Negotiating prices is still very common.

The second part is repetition (the life cycle of a value relationship).

I see the criticism in thesis 14 as unfounded

Thesis 15 In the department store the buyer has to adhere to the retail price, but still both form a common value? The author would have to explain that first.

Here the commentator gives himself the answer: In the department store, the potential buyer has to consider whether to buy the (initially also potential) goods.

If he decides to do so, he has to adapt his idea of equivalent value to that of the seller, i.e. he has to hand over exactly the sum of money for the goods that the seller wants for it.

8 – Contributions to the discussion on the German version of the video

Should he not adapt to his ideas, and e.g. instead of offering € 210 only € 200, he will not be successful - the value ratio would not be able to be concluded successfully.

If, on the other hand, he pays the required sum of money (e.g. € 210), he has necessarily adapted to the ideas of the seller, because he does not hand over € 210 when he only wants to hand over € 200. Both have agreed on a common value - the seller has given his view of the value to be created (whereby he will usually think that he is already pricing out the real value of the product) and the buyer adapts unilaterally and brings this adjustment socially relevant by submitting € 210 for printing - as described in the video. In this way both arrived at the common value.

Only the sum of money that the buyer gives to the seller is socially relevant, i.e. if the buyer himself thinks that € 200 should be enough, but he hands over € 210, then he has adapted on the social level. What he thinks individually is not socially relevant - the buyer would objectively transfer € 210 purchasing power to the seller, objectively the sum of money would be € 210 in the sales contract or on the invoice, for the company VAT would be quite objectively € 210 and not be charged for € 200 etc.

I see the criticism in thesis 15 as unfounded.

Thesis 16: What is supposed to have an effect between people in the department store, i.e. what should first and foremost establish a common WV, is incomprehensible

* Department store

Usually, customers in the department store do not simply take the products that seem sensible to them and leave the "large warehouse".

The products offered in the department store are not freely available - they are part of the property of the commercial establishment (usually a department store chain).

In order to receive the desired products, buyers have to hand in a value equivalent (the required amount of money).

* Money and social level

Money, in turn, only matters on a societal level - the department store building, furnishings, etc. are not interested in money. In particular, the meaning of money and the amount of value printed on it can only be understood as a social assignment of a right to goods (the amount of value printed on it reflects a corresponding percentage entitlement to all goods that can be economically distributed, which is also only important in human society).

* Purchase - physical process (there are exceptions) with additional social significance

When a buyer pays for a desired product, it is a physical process. The great importance of this process, however, lies on the social level: property is exchanged for property. Property does not exist outside of human society; it is a social relationship. The process of transferring ownership from seller to buyer (concerning the goods) and from buyer to seller (concerning money as equivalent in value) are also processes that are of great importance only in human society, with other words. there are processes on the social level (while the physical process does not directly need the social level, but often indirectly, since e.g. a TV set must be supplied with electricity to operate, which is physically provided in the social environment).

The amount of the value equivalent in each specific case of each purchase process can only be explained on the social level and is only of importance there.

* Exchange and value ratio

For this exchange, the exchange partners enter into an exchange relationship with one another, the owner of the goods (or his agent) on the one hand and the buyer as owner of the value equivalent (or his agent) on the other.

Visible expressions of the value relationship are the transfer of ownership, the purchase contract or the invoice with the declared value, the VAT payment to the company, etc.

This makes it clear that buying goods in a department store is a process that takes place physically, but is of additional importance on a social level. For the exchange to be carried out properly, both exchange partners must therefore enter into a relationship with one another, the importance of which lies largely on the social level - thus they primarily enter into a social relationship with one another.

* Exchange ratio, value ratio, mutuality

Such an exchange relationship is represented in economics as an economic exchange.

In my opinion, this always represents a value relationship and, also in my opinion, is always equivalent in value, since everything that is seen on one of the two sides as being above or below the exchange value is not part of the exchange and value relationship between the exchange partners is. It would be one-sided values that would lack the socially relevant recognition, but which would be important for a real value - value is not a singularity:

"A product of labor, considered in isolation, is therefore not worth, any more than it is a commodity. It only becomes worth in its unity with another product of labor, or in the ratio in which the various products of labor, as crystals of the same unity, the human one Work that are equated with each other."
" Karl Marx: MEGA II / 6, 31 (quoted from Wikipedia)

Addition: Marx is also imprecise with this statement, because in value-equivalent exchange not any human labor is equated, but only socially useful - no one will exchange money for something that appears useless to him just because human labor was expended on it.

But if the usefulness of the work is taken into account, then the market is again included in the value formation.

I see the criticism in thesis 16 as unfounded.

Thesis 17: The seller specifies a value and, on the other hand, the value already relates to the value - so the value is assumed again

* Expected value

In my opinion, this statement is based on Marx's mechanistic conception of value, according to which value is created with production (objectified, socially useful work). In reality, in the sphere of production, only one expected value can be established for a product (which is still potential at this point in time).

If values were to be produced directly, they would be worthless for society, because it would make absolutely no difference what would be produced in the factories, the main thing would be expensive (in terms of production costs) and a lot, because that way the amounts of value could be maximized. The exchange would play no role for such values, i.e. it would be irrelevant whether the products of labor were relatively useful to society in an economic sense (relative to other products offered) - there would be no social recognition of the usefulness of what has been created.

I have already discussed this above in connection with the driving force for the development of value.

* Social utility cannot be produced

Marx also contradicts himself at this point when he assumes that work would directly create values and that the market has no meaning in value creation, because at another point he says that only socially useful work is value-creating.

Here, too, a repetition: Social usefulness cannot be produced. Conditions for social usefulness can be produced. Whether products are bought by members of society and their use values thus become use values for others (according to Marx, the criterion for the conversion of a labor product into a commodity and thus also for the labor expended on it into socially useful, i.e. value-creating) cannot be determined by the Production to be set.

* Marx contradicts himself with "produced value"

Consequently, even according to Marx, there can be no such thing as "produced values".

10 – Contributions to the discussion on the German version of the video

The “produced values” described above can only be expected values, since the criterion of social usefulness for socially relevant values is still missing.

If a seller specifies a value in the form of an offer price, it can only be a matter of pricing out the expected value and not the representation of a socially relevant value. The seller consequently only prizes the expected value of the products in the form of offer prices, but not their real values.

I see the criticism in thesis 17 as unfounded.

Thesis 18: In both examples - bazaar and department store - the author cannot explain what the value is - ... a circular argument.

* There are many social conditions

Not only value is a social relationship. Ownership is also such, an employment relationship as well, drafting into army service, etc.

The value as a social relationship was developed (in society) with the urge to conserve resources (author's assumption): Everything that is scarce (due to the necessary human work to design the things in question or due to only limited compared to human needs available natural resources), but where strong human needs are directed for the purpose of use, was only made available in the course of time (author's assumption) on the basis of a consideration.

This counteracts the waste of resources on the producer side and the unnecessary use of resources on the recipient side.

* On the significance of the value relationships

Everything that has been produced can be offered, but that does not say whether there will be buyers for all of these things.

When exchanging within a value ratio, the value is formed. However, this only happens in those cases in which the exchange goods appear relatively useful compared to other possible exchange goods.

The principle of value creation is the same everywhere, regardless of whether it is in a department store, at the bazaar, in wholesaling or in contract production.

* A possible value creation queue

There are also orders:

1) An entrepreneur sells e.g. 2,000 devices produced to a wholesaler. This happens within the framework of a value relationship with a common value variable between the exchange partners.

2) Wholesalers, in turn, sell the products to retailers with different value ratios (on different terms) - with different values per device per retailer.

3) The retailers, in turn, create further value relationships with the “end consumers”, also with different values.

In principle, it is not certain for any value relationship in front of the end consumer that all products purchased can also be resold. There is no inevitable value creation just because something is offered. Every value relationship is inevitably a process that can only be transferred to other value relationships with a certain probability.

* Value relationships and the value formula according to Marx

Incidentally, the value formula of Marx applies to all of these value relationships (which was only made more precise by the author):

$W|_{\text{real}} = c|_{\text{cost replacement}} + v|_{\text{cost replacement}} + m|_{\text{real}}$.

** Entrepreneur

In the case of the entrepreneur, c are the (proportional) costs that are reimbursed by the wholesaler for the production buildings, machines, raw materials, communication, means of transport, cleaning agents, safety devices, etc.; v the costs that are reimbursed by the wholesaler for the labor (for Marx only those for the human labor, for the author also those for the machine and for the labor force nature

(if nature is used as labor force in these processes)) and m | real the surplus value that the wholesaler pays to the entrepreneur.

** The value formula and the mutuality of a value relationship

Note: With this value formula, too, the social relationship, especially its mutuality, becomes clear: It is not only important that c and v are expended and a certain surplus value is expected, but it depends on the social usefulness of the expenses, i.e. that c and v are replaced and that a real surplus value is paid for.

** wholesaler

In the value relationships between the wholesaler and retailer, c reflects the cost of the equipment purchased; the cost of the sales building, the storage costs; Record the cost of the equipment, inventory location, cost, etc. also costs for security equipment (alarm systems, fire alarms, etc.); v the costs for the purchasing / sales staff etc., costs for cleaning and maintenance specialists etc.; m reflects the amount of surplus value that is achieved in each individual value relationship between wholesalers and retailers.

** Retailers

It looks practically the same in the value relationships between retailers and end customers.

There is no circular reasoning when it comes to value relationships - where should it be?

I see the criticism from thesis 18 as unfounded.

Thesis 19: The size of value, i.e. the size of a social relationship; the size of something that works between people when they are exchanged does not mean anything

* Value size and amount of money

The magnitude of value is usually reflected in today's world by the amount of money that is paid for as the value equivalent for a commodity.

This quantity of value or amount of money is not just anything, but the amount of money stands for a right to a percentage of all goods that can be distributed economically.

The buyer takes this right from his property and hands it over to the seller of the goods as compensation. The value quantity consequently describes the percentage of the right to all economically distributable goods that the buyer hands over to the seller. What should be insignificant about it? The value relationship is the social framework for transferring this right in exchange for the desired goods.

With such value relationships, i.a. organized on a social level so that nobody can simply take certain things that they like without doing something in return.

When exchanging goods for goods, the value shows what both exchange partners recognize as value equivalent. This amount of value can vary greatly from what other people see as the value equivalent of each of these goods, since neither of the two goods is so extensively involved in the economy of society as money.

* Value and production

The value relationships that entrepreneurs create with their customers usually have to replace the costs and add value that is estimated to be sufficient in order to be able to continue production and expand or improve it as far as possible. This is expressed by the adjusted value formula:

W | real = c | cost replacement + v | cost replacement + m | real.

However, this does not apply to every individual case, incidentally not even with Marx, because there goods can be sold "below value".

If the entrepreneur should not succeed in the long run in getting his costs c and v reimbursed and in addition to achieve sufficient surplus value, then he has to change something in his production or file for bankruptcy.

12 – Contributions to the discussion on the German version of the video

* Values and areas of society other than production

The updated interpretation of the LTV suggested in the video can also be applied to sales, music and theater performances, etc.

The adapted value formula is used everywhere, with which the real value formation is made visible.

Ultimately, all costs incurred in production, sales, artistic performances, etc. are labor costs as well as costs that owners can raise due to ownership of, in particular, natural resources in the given social environment (the parameter c is reflected in the value formula ultimately such cost).

* The values of the workforce and those of other people with rights to economically distributed goods

The workers are paid according to their values (collectively or individually). The value of a worker reflects their right to subsistence, i.e. their right to a percentage of all goods that can be distributed economically. For the user of the workforce (entrepreneur) these are costs (parameter v in the value formula). The entrepreneur has to combine these costs with the work products (which have to be included in the offer price) in order to get them reimbursed so that he can continue production.

People who for recognized reasons are unable to carry out work are supported by society and they also receive an income. There are other income earners whose income is not based on work / property. The values of the workers (and those of the other income earners) reflect their rights to a percentage of all goods that can be distributed economically and not, as Marx suggests, to a large number of products that contain human labor.

These rights contribute to the creation of value.

At this point, the importance of the market becomes clear again - it's not just about production, but also about the assessment of the production results.

The video makes it clear what problems the view of "produced value" led to.

I see the criticism in thesis 19 as unfounded.

Thesis 20: The relationship between buyers and sellers is related to the goods or their value equivalent - that is, things ... objectified again

In the video I emphasize that the reference points of value relationships can also be ideas, artistic performances, etc. Consequently, the limitation mentioned in this thesis does not exist.

I see the criticism in thesis 20 as unfounded.

Thesis 21: The value results from an appreciation or usefulness of the commodity / value equivalent

* Value and appreciation

Value in the economic sense is a social relationship.

This always exists between people.

** Objective component of value

Since value exists between people, it must contain a component that goes beyond a person's individual ideas about value in a specific case. This is an objective share of the value, an objective component - that concerns the common value quantity.

This objective share is visible and effective for society (purchasing power transfer in this amount; purchase contract or invoice; VAT payment).

** Subjective proportions of the value

Since the value works between people, it must also contain subjective components, because it does not work between the muscles of the exchange partners, but between their processes of consciousness. These ideal shares are the reflections of the objective value in the exchange partners.

These ideal values emerged from needs and, in further development, from weighted needs. The weighted needs are linked to the appreciation of the desired exchange good.

From the initially different values of the exchange partners for the (initially potential) goods and the (initially potential) value equivalent, both exchange partners form a common value in the course of the value relationship - possibility of successfully concluding the value relationship, or they separate without an exchange - unsuccessful termination of the value relationship .

Note: With Marx, the ideal components of the value relationship and value are neglected.

From my point of view, Marx does not adequately portray that certain weighted needs lead to value relationships.

At some points in Capital he also indirectly mentions the importance of ideal ideas for value - the assessment of work as socially useful work is not a purely objective process, but is linked to the awareness processes of the buyer: when the buyer buys a commodity, he recognizes the social usefulness of the work involved and thus its value-creating function with the value in the amount of the purchase price. If he does not buy the potential commodity, the work involved has not been socially useful and therefore not value-creating. These assessments are tied to subjective processes of consciousness, which Marx does not explicitly mention as far as I know.

**** Value and Appreciation - Differences**

However, value does not result directly from an appreciation and is also not identical to an appreciation.

Appreciation can be seen as a prerequisite for a value relationship and thus for value. But an appreciation is purely subjective and one-sided. In order for this to lead to a value relationship, a corresponding weighted need for the potential commodity must be formed. In addition, a common value must be found with the provider, and in this case the weighted needs of the exchange partners must continue to have a sufficiently strong effect on the desired exchange so that it can take place.

**** Appreciation and worth - there are several factors at work**

If an entrepreneur offers a TV set for € 1,200 because he has costs of € 700 in area c and costs of € 300 in area v and he also estimates an surplus value of € 200 to be sufficient for him, then the potential buyer can have an appreciation or value proposition of € 1,000 for this TV set. But this concept of value will not lead to a successful conclusion of a value relationship and thus also not to a real value.

It works similarly with providers of artistic performances, of works of art in general, etc.

With different words – appreciation and worth are different things.

The statement in thesis 21 is therefore incorrect.

Thesis 22: The interpretation of the LTV shown in the video corresponds to a subjective theory of values

As written under thesis 21, the subjective values are one-sided values and do not reflect real value relationships.

In addition to subjective factors, primarily objective factors have an impact on the development of the value (under thesis 21, the cost of producing a TV set).

As a result, the video does not present a subjective theory of values, but one that is based on a real social relationship and therefore must include subjective components in addition to the important objective component.

The subjective elements of the value of manufactured goods, music performances etc. can only in individual cases deviate so much from the objective elements that the costs for the products are not reimbursed or even the expected surplus value is not paid (this is described in Marx as a sale "below value"). If production or performances are to be continued, the costs must be reimbursed on average and sufficient surplus value must be paid for.

A complete decoupling of the value from subjective elements would mean a decoupling from humans and thus the property of a social relationship would be lost - the value would exist independently of humans.

14 – Contributions to the discussion on the German version of the video

I see the criticism in thesis 22 as unfounded.

Thesis 23: The market price of a commodity is formed from the interaction of all individual benefit assignments.

As written for Theses 21 and 22: Even from any number of individual benefit assignments, no value relationships are formed.

Value is a social relationship between exchange partners and usually the supplier of a product would like to be reimbursed for the expenses he had for it and an surplus value that appears to him sufficient. This usually only works if the buyer, with all of his individual benefit assignments, agrees with the seller on a value with which the seller reimburses the expenses and with which a seemingly sufficient surplus value is paid.

Deviations from this general rule are possible within limits and are also described in Marx with the phrase “sale below value”.

I see the criticism in thesis 23 as unfounded.

Hypothesis 24: In this concept, of course, the political-economic consequences such as the exploitation.

* Agitation

The formulation that exploitation is circumvented with the concept presented is the typical formulation in discussions with Marxists when one describes the classic interpretation of the LTV as being flawed (Karl Marx Forum; “Marx is must” conference 2018, etc.)

* Marx misrepresents exploitation

At this point it can be clearly stated that Marx misrepresents exploitation in his portrayal of LTV: Marx applies the value formula $W = c + v + s$ to the production side of the commodity society. But there is still no surplus value on the production side. It is only expected surplus value there. The buyer pays the real surplus value in the market.

* What does exploitation mean

Exploitation means that the capitalist earns more by selling the commodity than he has spent on their production and that he keeps this more for himself.

This phenomenon can be represented in such a way that he only pays the workers for part of their working hours. In the unpaid working hours, you develop the more, the surplus value.

The appropriation of surplus value without involving the labor force is called capitalist exploitation.

* Exploitation and value creation

According to Marx, the value of commodities is created with production. According to the value formula $W = c + v + s$, the surplus value m must therefore also be created with production, i.e. the workers already work what is known as unpaid working hours directly in their work in the company.

However, the reality is different: value is not and cannot be produced. An entrepreneur can only determine an expected value on the basis of the costs and the assessment of what surplus value can be expected for the products in the given social and natural environment.

Since no surplus value is paid on the production side of the commodity society, but only costs arise, there is consequently no so-called unpaid working time from the outset.

* How does the exploitation really work

In reality, the workers do not directly create the values during their working hours, and thus also not the surplus value, but only the conditions for value relationships and thus for values and surplus values.

The buyers in the market have to pay for the surplus value. However, this will only succeed if the entrepreneur succeeds in selling the work products with surplus value.

E.g. 1,000 TV sets are manufactured, each with an offer price of € 1,200, the costs for c are € 700, the costs for v € 300 and the expected surplus value is € 200.

However, the entrepreneur only receives the surplus value of € 200 if he succeeds in achieving this surplus value on the market. Surplus value means that the entrepreneur earns more from the sale of the goods than the production cost him.

This can only (!) succeed if buyers completely replace c and v and also pay more, in other words, the surplus value. Only then can the "unpaid working time" worked for this be determined in retrospect.

If the entrepreneur cannot sell any of these TV sets (perhaps because he charges too high a price or because his equipment is no longer up-to-date), then he does not get any surplus value for any of these sets. Consequently there are only costs for the entrepreneur, but no unpaid working time.

If he succeeds in selling 500 of the 1,000 devices produced with the expected surplus value (which requires full reimbursement of the costs for c and v), then there is only the expected unpaid working time for the 500 devices sold.

For the 500 devices, there would be capitalist exploitation, but not for the 500 devices that were not sold.

According to the classic interpretation of the LTV, however, value and surplus value are produced, so that the exploitation would also exist for the 500 unsold devices ("experienced" in the context of the discussions mentioned above).

But that is clearly wrong.

Consequently, the classic interpretation of the AWT leads to a misrepresentation of capitalist exploitation, while the one presented in the video leads to a realistic one.

However, it should be noted that an entrepreneur usually also acts as a worker. But entrepreneurs' incomes are not standardized, i.e. that which can be counted as exploitation is not yet generally recognized by society.

Without question there are no personalities who e.g. are more than 1,000 times better than the average workforce, so that the exploitation is clearly given in very many cases.

In addition, the entrepreneur will usually invest parts of the surplus value in the company or in other productive areas, whereby these parts of the surplus value would have to be deducted from the exploitation.

Not even the purchase of a very expensive luxury yacht can be seen as pure exploitation, because the entrepreneur redistributes surplus value to other workers: to developers, producers, etc. of the yacht, to the operating and maintenance staff, to the port workers, those who keep the waterways operational and provide additional workers.

I see the criticism in thesis 24 as unfounded.

Thesis 25: Value is really a social relationship; What the author fails to do is first and foremost to expose the social relationship, here the value, as such, i.e. reveal the substance. He sees the goods as a fetish.

* The essence of value

The author clearly shows that value is a social relationship, what the driving forces are for the development of such a relationship, what the driving forces are for the development of value in society, what the typical life cycle of a value relationship looks like, what the essence of a value relationship is.

* The commentator does not substantiate his statements

16 – Contributions to the discussion on the German version of the video

The commentator, on the other hand, only states that the author would not be able to show that value is a social relationship.

To confirm it, he adds that the author would not succeed in uncovering the social relationship, showing its genesis, showing its substance.

In doing so, he hides what he understands by the social relationship of value.

According to the comment, it is only about phrases, not about concrete facts.

* Marx and the goods as a fetish

Marx sees the goods as a fetish. Marx assumes a produced value. Consequently, the exchange of the commodity on the market has no special social significance for him, because the value is already given.

* The commodity is not a fetish - it is of great importance

In reality, the value shows with the help of the commodity what is socially and economically relatively useful compared to other offered goods.

The commodity is therefore not a fetish, but a good that is not freely available in the given social and natural environment and is relatively useful in this environment compared to other potential goods.

This will include showed which work is relatively useful for society and which is relatively useless.

"In the given social environment" also includes political specifications related to the "production" of by-products, environmental damage, insofar as these are specified in society, etc.

* Value and goods are due to limited resources

Consequently, the fetish character of the commodity as seen by Marx is not a meaningful description of the commodity. In a society in which resources are limited compared to people's needs, goods are of great social importance.

Infinite resources are unlikely to exist until much of human society has expanded into space. Then values and goods would no longer be important I guess.

I see the criticism in thesis 25 as unfounded.

Thesis 26: the abstraction of the social relationship is made independent of the concept of use value, so that the general concept of value arises from the behavior of people when exchanging things with things found in the outside world.

Repetition!

* The use value is not identical to the value

The above statement is incorrect. The social relationship value is shown in the video as a relationship between buyer and seller. The seller can be an entrepreneur or a dealer, the buyer as well and additionally an "end consumer".

The use value is an individual view of a good, is not in common and does not necessarily lead to a value - the commentator overlooks this.

* The value is formed to replace expenses and to receive even more in return

According to the video, a value relationship can usually only come about if the buyer reimburses the seller's expenses and additionally pays at least one surplus value that is assessed as sufficient.

This only works if the buyer estimates the use value of the desired goods in the given social and natural environment to such an extent that he pays the required value equivalent (base + surplus value).

For the seller, on the other hand, the value equivalent must be estimated accordingly high so that he also agrees to the exchange.

A real value relationship therefore goes beyond individual ideas of use values.

* Use value in Marx

Use-value is important for Marx, too, because for a labor product to become a commodity, it must become a use-value for others for him. Only then was the work involved socially useful and thus also value-building.

The presentation in the video therefore agrees with Marx's view at this point: Social usefulness (transfer of the work product from the property of the entrepreneur via the social level to the property of the buyer) based on the respective assessment of the use value of the exchange good (the Buyer estimates the use value of the goods for himself, the seller the use value of the amount of money that is important to him) and everything in connection with the recognition of the necessary expenses for the provision of the product.

I see the criticism in thesis 26 as unfounded.

Thesis 27: There is talk that the buyer has to weight his needs and the seller has to record the value equivalent. But then the value is derived from a material relationship (reference points!) To useful things.

Repetition!

Material examples are given in the video. But it is also mentioned that the reference points of value relationships can also be ideas (patents), artistic performances, etc.

Note: Patents are indeed printed on paper, but the essential thing about patents is the intellectual content, i.e. something not material - the fees for the use of patents are not paid for the paper.

I see the criticism in thesis 27 unfounded.

Thesis 28: However, the use value as a material relationship is independent of social relationships; hence the value is of course not a thing that is built in somewhere; Marx leaves no doubt about that either

Repetition!

The video assumes that value is not a thing that I think is clearly described. The quote from Engels at the beginning of the video is intended to show that for Marx and Engels, value is not a thing.

However, Marx is not consistent in his remarks:

Karl Marx - Friedrich Engels - Works, Volume 23, "Das Kapital", Vol. I, p. 52

Let us now consider the residual of the labor products. There is nothing left of them but the same ghostly objectivity, a mere jelly of indiscriminate human labor, i.e. the expenditure of human labor without regard to the form of its expenditure. These things only show that human labor is expended in their production, human labor is accumulated. As crystals of this common substance they are values - commodity values.

This statement suggests that value must always be objective. And that is how it is understood by the majority of the classic interpreters of the AWT.

I see the criticism in thesis 28 as unfounded.

Thesis 29: The author fables that Marx relates the value formula to the production side of the commodity society, but there is still no added value there

The rule that is pronounced with the classic interpretation of the LTV is the misrepresentation that the added value is being produced.

18 – Contributions to the discussion on the German version of the video

Correct: the seller usually stipulates a claim for surplus value.

This should also be the case with Marx, because his value formula $W = c + v + s$ clearly shows this.

He expects the buyer to pay for this surplus value. In many cases, the buyer will too.

At the bazaar (or between entrepreneur and wholesaler, between wholesaler and retailer), however, the surplus value is negotiated intensively, so that the desired surplus value is only achieved with a certain probability.

In the department store, “negotiation” is usually carried out indirectly: If a product is not sold anywhere near the desired extent, the retailer tries in some cases (if it makes sense to him) to lower the price and thus first of all his expected surplus value. In certain cases it has to go further down with the price so that it doesn't even get c and v completely replaced.

In any case, the surplus value is not produced, but paid for by the buyer. The term surplus value already makes this clear: With the surplus value, the seller gets back more than he has spent on the goods delivered. He cannot pay this extra for himself, the buyer has to do that. To do this, however, the buyer must first completely replace c and v and then pay more - otherwise there is no surplus value.

The accusation from thesis 29 is therefore not applicable.

Thesis 30: However, this violates the principle of the equivalent exchange prevailing in the sphere of circulation - seller and buyer exchange the same value. The buyer voluntarily gives more - the added value, so that there would be unequal exchange.

In addition, labor does not receive any added value from the entrepreneur.

The principle of the exchange of equivalents is violated by Marx when he postulates that goods can be exchanged above and below their value!

The video is only related to the value equivalent exchange.

Please look again at Marx's value formula: $W = c + v + s$.

The value contains the surplus value - without the surplus value in the value capitalist exploitation would not work.

The value equivalent for a commodity must therefore also include the surplus value.

The fact that the buyer gives up the surplus value voluntarily should still be true in the majority of the exchange transactions, because involuntarily he would only pay it under duress. However, in most cases, goods are purchased voluntarily.

The fact that the provider of labor is employed at the value of his labor and should not get any surplus value from the capitalist is probably a phenomenon, but not a fact: the labor is paid according to its means of existence. This includes the costs for c (rent, water, electricity, health care, etc.) and v (food, necessary training, etc.). There are certainly workers who are kept at the subsistence level, but most of them are not: they can afford luxury items in the food and beverage sector, non-essential travel, cars with unnecessary extras, etc. All of this is only possible if these special goods are also paid for with surplus value.

I see the criticism in thesis 30 as unjustified.

Thesis 31: Non-equivalent exchange - if all capitalists would sell their goods for more than their value

* If, for example, all capitalists would sell their goods above their value ...

As stated in some of the comments on these theses, the capitalists do not sell their goods above value. In the economic field there is only exchange that is equivalent in value.

In doing so, they can achieve the expected surplus value, in some cases even more, in other cases less, in critical cases they can only sell their goods below the production costs of $c + v$, i.e. without surplus value and with a loss.

But in all cases the exchange is equivalent in value.

A non-equivalent exchange would presuppose the value as a singularity, because the value equivalent would deviate from the value.

The video shows that anything that deviates from the common value of a value relationship is not part of the value relationship and thus only reflects a one-sided individual value concept, i.e. no real value share.

The share of value that would not be covered by the value equivalent would be assessed as not socially useful and the work involved would consequently not be assessed as value-creating.

* The totality of capitalists can neither enrich themselves by redistributing existing values nor by changing the relation to surplus value. Such actions can at most change the face value of the money, but not the amount of goods and services (at least not by and large; in individual cases an increase in the circulation of money can lead to certain goods being subject to exchange without the increase in the amount of money would not have been traded).

* In order to increase GDP significantly, productivity increases, expansion of existing production facilities and the creation of new production facilities (not only for material goods) are important.

* I am not sure at which point in the video this should be explained differently.

I see the criticism in thesis 31 as unjustified.

* Supplement to the value as a social relationship

I know that Marx tried to find the place of social relation value in produced value. But what he identified as the place of the value relationship cannot correspond to reality.

According to his "produced value", which he traces back directly to the working time expended for it, the value relationship between the various production facilities of different entrepreneurs should be developed in the form of different time expenditures for product manufacturing.

So if one capitalist has 10,000 devices manufactured, he cannot sell 2,000 of them, another manufactures 15,000 devices and cannot sell 4,000 of them, then, among other things, the time spent on the non-deductible products are included in a value relationship, but such a value is likely to be worthless to society.

On the other hand, the entrepreneurs all produce in their private sphere. There are no social relationships between the private areas of companies.

Everything that was necessary for production, the purchase of raw materials, energy, water, etc., the buildings and machines, etc., were bought by means of value relationships that were successfully concluded.

Should machines etc. be leased, there are still value relationships, but not between the various producers, but between the producers and the lessors.

It is only possible retrospectively to statistically record which entrepreneur and with what time expenditure for which value formation, but these statistical statements would on the one hand not reflect any value relationships and on the other hand could not only be traced back to the working hours.

* Complement to the value as a social relationship

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20 – Contributions to the discussion on the German version of the video

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Phrases

Taken together, the author doesn't seem to have really dealt with any of this. Rather, he starts from the already finished phenomena and tries to make sense of them. He proceeds with it like a "vulgar economist, who instead of exploring the inner connection of the bourgeois production relations, only hangs around within the apparent context, for a plausible understanding of the coarsest phenomena, so to speak, and the bourgeois household needs, the material that has long been supplied by the scientific economy over and over again re-chewed, but otherwise limited himself to systematizing the banal and self-satisfied notions of the bourgeois production agents of their own best world, (...).

"MEW23 / 95 footnote 32

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REPLY

From all of the comments I wrote about the theses on video criticism, it becomes clear to me that the author of these theses appropriated Marx's statements without criticism and merely retells them without worrying about whether the content is really be right.

In the GDR it was also customary not to question Marx's statements but to pray for them.

This led to the decline of the economy, because the economy of the GDR was based on Marx's theory of value and the correctness of his statements should not be questioned. Thus the economy of the GDR was made inefficiently. The video shows how this worked.