

EDITORIAL

“USE-VALUE” AND “EXCHANGE-VALUE.”

By DANIEL DE LEON

A CRITICISM of Marx’s law of Surplus Value (which law the critic considers “unsound to the core”) was forwarded to this office by a correspondent with the request for an answer, and runs as follows:

“Marx maintains that, even if the capitalist buys the laborer’s labor-power at its full commodity value, he extracts from it more value than he paid for, and that thus the profits of the capitalist class are derived.”

This theory our critic rejects with the following reasoning:

This reasoning is a veritable kink of confusions of thought, pivoted upon that central confusion of thought that arises from failing to distinguish between “use-value” and “exchange value”—two concepts that Marx has drawn clear and distinct:—

First. The shoes of the man who has shoes to sell have a “use-value” and an “exchange-value”—two attributes without which no commodity can keep its place in the market. The “use-value” of the shoes consists in their specific function, the quality of protecting the feet; the “exchange value” of the shoes lies in the amount of social labor-power crystallized in them, and which determines the quantity of some other commodity that each pair can be exchanged for.

Second. The dealer in shoes has other needs to satisfy than protecting his feet. He needs bread to feed his body; clothes to cover his back; etc. The function of shoes, that is, their quality, or “use-value,” is not that of feeding, or of covering the back. All the shoes of the shoe dealer, over and above those which he needs for his own use, or consumption, are useless to him—that is, useless in so far as they are “use-values”; they are highly useful to him, however, in their capacity of depositories of “exchange-value.” The “exchange-value” contained in the shoes, as explained in No.

1, determines the amount of bread, of clothes, and of other needed “use-values” which the dealer in shoes can obtain for his shoes, in exchange.

Third. The day when the owner of a superabundance of “use-values” had to cart them bodily to some other owners of superabundances of other “use-values,” and exchange his own superabundance for parts of the superabundances of others, now lies far behind the seller of goods. Exchange of goods now is carried on through an intermediary—money.

Fourth. Though a creature of law in some of its functions, money is a commodity in the function of exchange. Like shoes, bread, clothes. etc., the commodity combines two values—“use-value,” which consists in being a convenient and easily portable measure of “exchange value”; and “exchange-value,” due to the social labor-power crystallized in the metal out of which the money is coined, or for which it is exchangeable.

Fifth. Labor-power, under capitalism,—or, to speak more broadly, under the system of the private ownership of the necessaries for production, a system under which production is carried on primarily for sale and not for use,—is a commodity like shoes, bread, clothes, etc. Like shoes, bread, clothes, etc., in the market, the commodity labor-power contains two values. One value is “use-value”; in the instance of the commodity labor-power its “use-value” consists in its quality of yielding more wealth than the socially necessary labor-power to restore it; the other value is “exchange-value”; in this value the commodity labor-power is identical with all other commodities, the same as these are identical with one another in this respect. As with all other commodities, the “exchange-value” of labor-power determines the amount of other useful articles that any of those articles are equal to, hence exchangeable for.

Sixth. The bricklayer stands towards his own commodity, labor-power, in the relation that the shoemaker stands towards his superfluous shoes. As with the shoemaker, the quality, or function, that is, the “use-value” of his superfluous shoes can not meet his other wants (see No. 2), neither can the quality, or function, that is, the “use-value” of his own commodity, labor-power, satisfy the bricklayer’s wants. The first step in the process of acquiring the “use-values” that he needs, that others hold, and that he lacks, is for the bricklayer to sell in the market a portion of

his labor-power.

Seventh. The money in the pocket of the bricklayer is the commodity he received in exchange for his own. As a commodity, the money has its own quality, or “use-value,” that of being a prime intermediary to reach other “use-values” (see Nos. 3 and 4); being a commodity, the money also combines the feature of specifying the amount of other “use-values” it is exchangeable for, the amount of these other “use-values” depending upon the “exchange-value” of the coined metal, which “exchange-value” equaled (normally) the “exchange-value” of the bricklayer’s labor-power that was sold.

Eighth. When the shoemaker and the bricklayer face each other in the former’s shop, each is in possession of a different “use-value”—the shoemaker, feet-protectors; the bricklayer, intermediary of exchange; which different use-values each desires to obtain from the other. The amount of the “use-value” that each will part with depends upon the “exchange-value” of their respective “use-values.”

Ninth. When the transaction has been perfected both, shoemaker and bricklayer, remain just where they were, before the transaction, in point of the amount of “exchange-value” that each owned and continues to own. The shoemaker has the “exchange-value” of his shoes back in the coined metal; the bricklayer has the “exchange-value” of his coined metal back in shoes.

Tenth. What the shoemaker does, “immediately he puts to use his purchase,” is not to enjoy “a greater value than had his shoes”; what he does is to enjoy a “use-value,” to wit, intermediary of change, that was not in his shoes at all. Inversely with the bricklayer. What he does, “immediately he puts to use his purchase,” is not to enjoy “a greater value” than had his coined metal; what he does is to enjoy a “use-value,” to wit, feet-protection, that was not in his coined metal at all.

To say that either of these two, the shoemaker or the bricklayer, let alone both, simultaneously and at once “extracted from the labor-power” of the other “more value than he paid for” is to talk nonsense; and the nonsense is all the more screamingly loud when followed up with the opinion that, if the two traders did not so extract from the labor-power of each other more value than they paid for they “should not have parted with” their respective goods. The nonsense in the notion springs from confusing “use-value” with “exchange-value.”

The exercise of human labor is a fertile exercise. Even if the laborer’s wants were indulged according to the highest standard of civilized life, the yield of his effort would not be consumed: the yield would still be greatly in excess of the consumption. This phenomenon Marx realized, and proudly does he point to the fact that he discovered the “use-value” quality of labor-power, thereby establishing the substantial economic and social identity of labor-power with other commodities—all being “use-values,” each of its kind, and all being measured by the same staff in exchange—“exchange-value.”

The “use-value” of bread is to feed; of shoes to protect the feet; of houses to shelter; etc., etc.; the “use-value” of labor-power is to yield more wealth than it needs to restore itself. Under capitalism, this excess, the surplus value, or surplus wealth produced by Labor, is appropriated by the capitalist as “profits,” with fatal consequences to the seller of the commodity labor-power. Under Socialism the excess remains with the laborer, with the consequences of economic freedom.

The trouble with our critic is that he took Marx “at second hand.” Had he gathered his information “at first hand,” from Marx himself, he would not, after correctly quoting Marx in part as he does, have remained so completely in the dark upon other and correlative matters, light upon which would have saved him from the confusions of thought involved in his criticism.

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