'Notes’ on Adolph Wagner

(1) Herr Wagner’s point of view is the ‘socio-legal point of view’. On that [he] finds himself in ‘accord with [the political economists] [Johann Karl] Rodbertus, [Friedrich Albert] Lange, and [Albert Friedrich Eberhard] Schäffle’. For the ‘main, fundamental points’ he refers to Rodbertus and Schäffle. Herr Wagner himself speaks of piracy as ‘illegal acquisition’ by whole peoples, and says that it is only robbery, if ‘a true international law [jus gentium] is assumed to exist’.

Above all he is seeking the ‘conditions of economic life in a community’, and he ‘defines, according to the same conditions, the sphere of the economic freedom of the individual’.

‘The “drive for satisfaction” . . . does not and should not operate, as a pure force of nature; rather it stands, like any human drive, under the guidance of reason and conscience. Any act resulting from it is consequently an accountable act and is always liable to a moral judgement, but that is itself, to be sure (!), subject to historical change.’

1 In this text Marx quotes extensively from Adolph Wagner, Allgemeine oder theoretische Volkswirthschaftslehre [General or Theoretical Economics], Erster Theil, Grundlegung [Foundations], 2nd edn, Leipzig and Heidelberg, 1879; issued as vol. i of Karl Heinrich Rau, Lehrbuch der politischen Ökonomie [Political Economy], new edn, ed. Adolph Wagner and Erwin Nasse. These quotations are enclosed in single quotes, whether in Marx’s own text or set off as a separate paragraph. Marx used extensive emphasis, represented below with italic type. Words in neither English nor German, which were italicised in the original texts for emphasis, appear as foreign words in roman type for emphasis. Marx’s insertions are in parentheses. Editorial insertions are in square brackets. The text here has been slightly adapted and simplified compared with the 1975 edition.
Under ‘labour’ Herr Wagner does not distinguish between the concrete character of each [type of] labour, and the expenditure of labour-power common to all those concrete types of labour.

‘Even the mere administration of assets for the purpose of drawing revenue always necessitates activities which belong under the concept labour, and it is the same with the utilisation of the income obtained, for the satisfaction of needs’.

The historico-legal [categories] are, according to Wagner, the ‘social categories’.

‘In particular, natural monopolies of location have an effect, especially in urban relations’ (! A natural monopoly – location in the City of London!) ‘then, under the influence of climate, [there are,] for the agricultural production of whole countries, further natural monopolies of the specific fertility of the land, e.g. in especially good vineyards, and, indeed, even between different peoples, e.g. with the sale of tropical products to the countries of the temperate zone’ (‘Export duties on products in some sort of natural monopoly form a contribution – they are imposed in many countries (southern Europe, tropical countries) [Wagner’s parentheses] in the safe assumption of throwing them on to foreign consumers’. If Herr Wagner deduces export duties in southern European countries from this, it indicates that he knows nothing of the ‘history’ of those duties) – ‘[such] that goods at least partially free by nature are, on acquisition, required in the highest possible degree for purely economic [goods]’.

The domain of regular exchange (sale) of goods is their market.

[Wagner includes] under economic goods: ‘Relations to persons and things (incorporeal things), whose objective isolation [in political economy] is based on an abstraction: (a) out of completely free commerce: the cases of goodwill, firms, and the like, where profitable relations to other men, which are formed through human activity, can be acquired and sold for payment; (b) on the basis of certain legal restrictions on commerce: exclusive trading rights, real equities, privileges, monopolies, patents, etc.’.

Herr Wagner subsumes ‘services’ under ‘economic goods’. What he really succumbs to here is his desire to present Privy Councillor Wagner as a ‘productive labourer’; for he says

‘the response is prejudicial for a judgement on all those classes which exercise personal services professionally, hence on servants, on
members of the liberal professions, and consequently even on the state [service]. Only if service is reckoned as an economic good, are the [above] mentioned classes productive in the economic sense.'

The following is very characteristic of the manner of thought of Wagner and associates:

[Karl Heinrich] Rau had remarked: it depends on the 'definition of assets, and, in the same way, on the definition of economic goods', whether 'services also belong there or not'. Then Wagner: 'such a definition of assets' - would have to 'be adopted, which includes services under economic goods'.

But the 'decisive reason' would be 'that the means of satisfaction could not possibly consist only in material goods, because needs are not merely related to such [things], but to personal services (in particular, those of the state, like legal protection, etc.) [Wagner's parentheses]'.

Assets:

1. '[taken] purely economically... the supply of economic goods to hand at a moment in time, as real stock for satisfying needs', 'assets as such', 'parts of the total or national assets or the assets of a people'.

2. 'As an historico-legal concept... in the possession of, respectively, the property of one person, a fixed supply of economic goods', 'possession of assets'. The latter is an 'historico-legal, relative concept of property. Property gives only a certain authority for disposal and a certain authority for the exclusion of others. The extent of this authority changes' (i.e. historically). 'Every asset in the second sense is an individual asset, the asset of a physical or legal person.'

Public assets, 'principally the community-controlled economic assets, hence particularly the state, district, [and] communal assets. These assets [are] defined for general use (like roads, rivers, etc.) and... property therein is assigned to the state, etc. as to the legal representative of the whole (people, inhabitants of a locality, etc.) or it is state and communal assets proper, particularly administrative assets, which serve for the establishment of state services, and financial assets, which are used by the state for the acquisition of revenue, as means for the establishment of its services'.

Capital, capitale, is a translation of κεφαλαιον, by which the debt of a sum of money was designated, in contrast [to the debt] of
interest (τὸκος). In the middle ages capitale, caput pecuniae came into use as the main thing, the essential, the primary [thing]. In German the word Hauptgeld was used.


Circulating and fixed capital.

Value. According to Herr Wagner, Marx’s theory of value is ‘the cornerstone of his socialist system’. Since I have never promulgated a ‘socialist system’, this is a fantasy of Wagner, Schaffle, and all such. Furthermore: Marx

‘finds the common social substance of exchange-value, which is solely what he has in mind here, in labour, [and he finds] the quantitative measure of exchange-value in socially necessary labour-time’, etc.

Nowhere do I speak of ‘the common social substance of exchange-value’, but [I] say, rather, that exchange-values (exchange-value does not exist unless [there are] at least two of them) represent something common to them [commodities] which is wholly independent of their use-values’ (i.e. here, of their natural form), namely ‘value’. This means: ‘The common something, which is represented in the exchange-relation or the exchange-value of commodities, is therefore their value. The course of the inquiry will take us back to exchange-value as the necessary mode of expression or form of appearance of value, which is to be considered, at first, however, independent of that form.’

Therefore I do not say that the ‘common social substance of exchange-value’ is ‘labour’; and since I deal extensively in that particular section [of Capital] with the value-form, i.e. the development of exchange-value, it would be strange to reduce that ‘form’ to a ‘common social substance’, labour. Also, Herr Wagner forgets that neither ‘value’, nor ‘exchange-value’ are my subjects, but the commodity.

Further:

‘This’ (Marxian) ‘theory is, however, not so much a general theory of value as a theory of costs, connected to [that of] Ricardo.’

Herr Wagner [could] have acquainted himself with the difference between me and Ricardo from Capital, as well as from [Nikolai
Notes' on Adolph Wagner

Ivanovich] Sieber's work (if he knew Russian); in fact, he [Ricardo] concerned himself with labour only as the measure of the quantity of value and for that reason found no connection between his theory of value and the nature of money.

When Herr Wagner says that that would not be a 'general theory of value', then in his sense [of the term] he is quite right, since he understands by a general theory of value a musing over the word 'value', which enables him to stick with the traditional German academic confusion of 'use-value' and 'value', since both have the word 'value' in common. But when he says further that it is a theory of costs', then either he runs to a tautology: commodities, so far as they are values, only represent a social something, labour, and, in particular, so far as the quantity of value of a commodity is specified, according to my account, through the quantity of labour-time contained in it, etc., then [it is specified] through the normal amount of labour which the production of an object costs, etc.; and Herr Wagner proves the opposite by asserting that his theory, etc. of value is not 'the general [theory]', because this is not Herr Wagner's view of the 'general theory of value'. Or else he says something false: Ricardo (following [Adam] Smith), lumps value and costs of production together; I have already in A Contribution to the Critique of Political Economy [1859] and likewise in the notes to Capital [German edns, 1867, 1872; French edn, 1872–5] expressly pointed out that values and prices of production (which merely express costs of production in money) do not coincide. Why not? I have not said [what he says I said] to Herr Wagner.

Moreover, I 'proceed' 'arbitrarily', if I

'reduce these costs only to the so-called productivity of labour in the strictest sense. That always presupposes a demonstration, which is lacking up to now [in Marx's work], that the process of production would be possible wholly without the mediating activity of private capitalists forming and utilising capital'.

Instead of burdening me with such future proofs, Herr Wagner would, on the contrary, have first to verify that a social process of production, to say nothing of the process of production generally, did not exist in the numerous communities which did exist before the appearance of private capitalists (the ancient commune of India, the family-commune of the southern Slavs, etc.). Besides, Wagner
'Notes' on Adolph Wagner

could only say: the exploitation of the working class by the capitalist class, in short, the character of capitalist production, as Marx presents it, is correct, but he errs by considering this economy as transitory, while, on the contrary, Aristotle erred by having considered the slave economy as non-transitory.

'So long as such a proof is not established' (alias, so long as the capitalist economy exists), 'then in fact' (here the club-foot or ass's ear makes its appearance) 'capital profit is also a “constitutive” element of value, not merely a deduction or “robbery” on the labourer, as the socialists understand it'.

What a ‘deduction on the labourer’ is, a deduction of his hide, etc., cannot be made out. In fact, in my presentation, capital profit is not 'merely a deduction or “robbery” on the labourer'. On the contrary, I present the capitalist as the necessary functionary of capitalist production and show very extensively that he does not only ‘deduct’ or ‘rob’, but forces the production of surplus value, therefore the deducting only helps to produce; furthermore, I show in detail that even if in the exchange of commodities only equivalents were exchanged, the capitalist – as soon as he pays the labourer the real value of his labour-power – would secure with full rights, i.e. the rights corresponding to that mode of production, surplus value. But all this does not make ‘capital profit’ into a ‘constitutive’ element of value, but only proves that in the value not ‘constituted’ by the labour of the capitalist, there is a portion which he can appropriate ‘legally’, i.e. without infringing the rights corresponding to commodity-exchange.

‘That theory considers too one-sidedly only this one value-defining [conceptual] moment’ (1. Tautology. The theory is false, because Wagner has a ‘general theory of value’ with which it does not agree; his ‘value’ is defined through ‘use-value’, as is proved by the academic salary in particular; 2. Herr Wagner substitutes for value the actual ‘market price’ or the commodity-price diverging from it, which is something very different from value), ‘[it considers] the costs, not the other [conceptual moment], the usefulness, the uses, the [conceptual] moment of demand’ (i.e. it [Marx’s own account] does not lump ‘value’ and use-value together, which is so desirable for a born muddle-head like Wagner).
'Notes' on Adolph Wagner

'Not only does it not correspond to the formation of exchange-value in present-day commerce'

(he has in mind the formation of prices, which alters absolutely nothing in the specification of value: after all, the formation of exchange-value certainly takes place in present-day commerce, as any speculator, swindler, etc. knows; it has nothing in common with the formation of value, but has a sharp eye on value [already] 'formed'; anyway, I proceed, e.g. with the specification of the value of labour-power, from this [assumption], that its value is actually paid for, which, as a matter of fact, is not the case. Herr Schäffle is of the opinion, in [his book] Capitalism, etc., that it would be 'magnanimous' [to pay labour-power at its real value] or something similar. He only refers to a scientifically necessary procedure),

'but also, as Schäffle in the [books] Quintessence and particularly in the Social Body proves to perfection and indeed conclusively (!), [it does] not [correspond] to the relations, as they would necessarily have to take shape, in the Marxian social state'.

(Hence the social state which Herr Schäffle was so kind to 'shape' for me, is transformed into 'the Marxian' [social state] (not the 'social state' falsely attributed to Marx in Schäffle's hypothesis).)

'This may be strikingly demonstrated, particularly in the example of grain and the like, whose exchange-value would necessarily have to be regulated other than merely according to costs, even in a system of "social assessment" ["Socialtaxen"], because of the influence of variable harvests with much the same demand.'

(So many words, so much idiocy. First, I have nowhere spoken of 'social assessment', and in the inquiry into value I deal with bourgeois relations, not, however, with the application of that theory of value on the 'social state' never constructed by me, rather by Herr Schäffle for me. Secondly: if the price of corn rises after a bad harvest, then, in the first place, its value rises, because a given quantity of labour is realised in less product; in the second place, its selling price rises still more. What has this to do with my theory of value? To the degree that corn is sold above its value, other commodities, whether in their natural form or in their money-form, are, to the same degree, sold below their value, and, to be sure, even if their
own money price does not fall. The sum of values remains the same, even if the expression of that total sum of values were to grow in money [terms], hence the sum of ‘exchange-value’ rises, according to Herr Wagner. This is the case, if we assume that the fall in price in the sum of the other commodities does not cover the over-valued price (excess price) of corn. But in that case the exchange-value of money has, to the same degree, fallen below its value; the sum of values of all commodities not only remains the same, it even remains the same in monetary expression, if money is reckoned among the commodities. Furthermore: the rise in the price of corn, as a result of the bad harvest, over its rise in value, is, in any case, smaller in the ‘social state’ than with present-day profiteering in corn. Then again, the ‘social state’ will direct production from the outset so that the yearly grain supply depends only to the very minimum on the variations in the weather; the sphere of production – the supply- and the use-aspects thereof – is rationally regulated. Finally, what is ‘social assessment’ to prove for or against my theory of value, supposing Schaffle’s fantasies on that score were realised? As little as the rule of force encountered in the struggles for the means of life on board ship, or in a fortress, or during the French revolution, etc., which pay no attention to value; and how ghastly for the ‘social state’ to infringe the law of value of the ‘capitalist (bourgeois) state’, and hence also the theory of value! Nothing but childish twaddle!

This same Wagner cites, with approval, from Rau:

‘In order to eliminate misunderstandings, it is necessary to set down what is meant under value pure and simple, and it is in conformity with German usage to choose use-value for this.’

Derivation of the concept of value.

According to Herr Wagner, use-value and exchange-value are to be derived at once from the concept of value, not as with me, from a concretum, the commodity, and it is interesting to pursue this scholasticism in its latest ‘Foundations’ [i.e. Wagner’s book].

‘It is a natural tendency of man to bring the relation in which intrinsic and extrinsic goods stand to his needs, into clear consciousness and understanding. This happens through the assessment (the assessment of value), whereby value is ascribed to goods, with respect to things in the external world, and is measured’, and this signifies: ‘All means for the satisfaction of needs are called goods.’
If in the first sentence we insert for the word 'good' its Wagnerian conceptual content, then the first sentence of the quoted passage reads:

'It is a natural tendency of "man" to bring the relation, in which the intrinsic and extrinsic' means for the satisfaction of his needs 'stand to his needs, into distinct consciousness and understanding.' We could simplify this sentence somewhat by dropping 'the intrinsic means', etc. as Herr Wagner does 'with respect to' in the sentence which immediately follows.

'Man'? If the category 'man' is meant here, then he has, in general, 'no' needs; if it is man who confronts nature as an individual, then he is to be understood as a non-herd animal; if it is man situated in any form of society – and Herr Wagner implies this, since, for him, 'man', even if he does not have a university education, has language at any rate – then the specific character of this social man is to be brought forward as the starting point, i.e. the specific character of the existing community in which he lives, since production here, hence his process of securing life, already has some kind of social character.

But with a schoolmaster-professor the relations of man to nature are not practical from the outset, that is, relations established by action; rather [for Wagner] they are theoretical relations, and two relations of that sort are interlocked in the first sentence.

First: since in the following sentence the 'external means for the satisfaction of his needs' or 'external goods' are converted into 'things of the external world', then the first interlocked relation takes the following form: man stands in relation to the things of the external world as means for the satisfaction of his needs. But on no account do men begin by 'standing in that theoretical relation to the things of the external world'. They begin, like every animal, by eating, drinking, etc., hence not by 'standing' in a relation, but by relating themselves actively, taking hold of certain things in the external world through action, and thus satisfying their need[s]. (Therefore they begin with production.) Through the repetition of this process, the property of those things, their property 'to satisfy needs', is impressed upon their brains; men, like animals, also learn to distinguish 'theoretically' from all other things the external things which serve for the satisfaction of their needs. At a certain stage of this evolution, after their needs, and the activities by which they
are satisfied, have, in the meantime, increased and developed further, they will christen these things linguistically as a whole class, distinguished empirically from the rest of the external world. This happens necessarily, since they stand continually in the production process – i.e. the process of appropriating these things – in active association among themselves and with these things, and soon have to engage in a battle with others over these things. But this linguistic designation only expresses as an idea what repeated corroboration in experience has accomplished, namely, that certain external things serve men already living in a certain social connection (this is a necessary presupposition on account of language) for the satisfaction of their needs. Men assign to these things only a particular (generic) name, because they already know that they serve for the satisfaction of their needs, because they get hold of them through activity which is repeated more or less often, and they also seek to retain [them] in their possession; perhaps they call them ‘goods’, or something else which expresses the fact that they need these things practically, that these things are useful for them, and they believe that this useful character is possessed by the thing, although it would scarcely appear to a sheep as one of its ‘useful’ properties that it is edible by man.

Therefore: men begin, as a matter of fact, by appropriating certain things of the external world as the means for satisfying their own needs, etc. etc.; later they also come to designating them linguistically as what they [the things] are for them [men] in practical experience, namely, as means for satisfying their needs, as things which ‘satisfy’ them. If one calls this circumstance, that men do not only deal with such things practically as the means of satisfying their needs, but also that they designate them in ideas, and moreover in language, as things that are in themselves ‘satisfying’ of their needs (so long as the need of man is not satisfied, he is in conflict with his needs, hence with himself); if one calls this ‘ascribing’ a ‘value’ to them ‘according to German usage’, then one has proved that the general concept ‘value’ arises from the behaviour of men towards the things found in the external world which satisfy their needs, and consequently that this is the generic concept of ‘value’ and that all other sorts of value, as e.g. the chemical value of the elements, are only a subspecies.
It is ‘the natural tendency’ of a German professor of political economy to derive the economic category ‘value’ from a ‘concept’, and he achieves this by re-christening what in political economy is commonly called ‘use-value’ as ‘value’ pure and simple, ‘according to German usage’. And as soon as ‘value’ pure and simple has been found, it serves in turn for deriving ‘use-value’ again from ‘value pure and simple’. For that, one has only to replace the fragment ‘use’, which has been dropped, in front of ‘value’ pure and simple.

In fact, it is Rau, who says plainly that it ‘is necessary’ (for German schoolmaster-professors) ‘to establish what is meant under value pure and simple’, and who naively asserts: ‘and for this it is in accordance with German usage – to choose use-value’. (In chemistry, the chemical value of an element means the number in which one of its atoms can be combined with the atoms of other elements. But the compound weight of the atoms also signified equivalence, the equivalent value of different elements, etc. etc. Hence one must first define the concept ‘value pure and simple’, etc. etc.)

If man relates himself to things as ‘means for satisfying his needs’, then he relates himself to them as ‘goods’, witness Wagner. He ascribes to them the attribute ‘good’; the content of this operation is in no way altered by Herr Wagner’s re-christening this in [the phrase] ‘to ascribe value’. His own addled consciousness comes forthwith ‘to understanding’ in the next sentence:

‘This happens through the assessment (the assessment of value), by which value is ascribed to the goods, with respect to the things of the external world, and is measured.’

We do not want to waste words on Herr Wagner’s derivation of value from the assessment of value (he himself adds to the word assessment the [phrase] ‘assessment of value’ in parenthesis, in order ‘to bring’ the matter ‘to clear consciousness and understanding’). ‘Man’ has the ‘natural tendency’ to do this, to ‘assess’ goods as ‘values’, and this permits Herr Wagner to derive the result, promised by him, of the ‘concept of value in general’. Wagner does not smuggle in ‘with respect to’ the ‘things of the external world’, under the word ‘goods’ for nothing. He sets out from this: Man ‘relates’ himself to ‘things of the external world’, which are the means for satisfying his needs, as ‘goods’. He assesses these things just by
relating himself to them as ‘goods’. And we have already had the earlier ‘paraphrase’ for this ‘assessment’, reading, for example:

‘Man stands as a needy being in continuous contact with the external world around him, and discovers that in that external world lie many conditions of his life and well-being.’

This means nothing more than that he ‘assesses the things of the external world’ so far as they satisfy his ‘needy being’, so far as they are the means for satisfying his needs, and for that reason, as we heard earlier, he relates himself to them as ‘goods’.

Now, one can, particularly if one feels the ‘natural’ professorial ‘tendency’ to derive the concept of value in general, do this: to ascribe to ‘the things of the external world’ the attribute ‘goods’, even to name [them], [is] to ‘ascribe value’ to them. One could also have said: Since man relates himself to the things of the external world, which satisfy his needs, as ‘goods’, he ‘prizes’ them, hence he ascribes ‘Price’ to them, and then the derivation of the concept ‘price pure and simple’ would be offered ready cut to the German professor through the methodology of ‘man’. Everything that the professor cannot do for himself, he lets ‘man’ do, but he is in fact nothing but professorial man, who thinks to have conceived the world, when he arranged it under abstract rubrics. But so far as ‘to ascribe value’ to the things of the external world is here only another way of stating the expression to ascribe to them the attribute ‘goods’, then, as Wagner wants to insinuate, ‘value’ is certainly not ascribed to the ‘goods’ themselves as a definition different from their ‘goodness’. It is only the word ‘value’ substituted for the word ‘good’. (As we see, the word ‘price’ could also be substituted. The word ‘treasure’ could also be substituted; since ‘man’ stamps certain ‘things of the external world’ as ‘goods’, he ‘treasures’ them and relates himself to them as a ‘treasure’. Hence we see how the three economic categories value, price, treasure can be conjured up at a stroke by Herr Wagner from ‘the natural tendency of man’ to offer the professor his blockheaded conceptual (imaginary) world.) But Herr Wagner has the hidden urge to escape from his labyrinth of tautologies and to obtain a ‘further something’ or ‘something further’ by false pretences. Hence the phrase: ‘by which value is ascribed to the goods, with respect to the things of the external world, etc.’ Since the stamping of ‘things of the external world’ as goods,
i.e. ditto the labelling and fixing of them (in ideas) as the means for satisfying human needs, has been named by Herr Wagner: to ‘ascribe value to things’, then he has just as little excuse to call this ascribing value to ‘the goods’ themselves, as he would have to speak of ascribing value to the ‘value’ of the things of the external world. But the somersault is made in the expression ‘to ascribe value to the goods, with respect to the things of the external world’. Wagner would have been obliged to say: the stamping of certain things of the external world as ‘goods’ can also be called: ‘to ascribe value’ to these things, and this is the Wagnerian derivation of the ‘concept of value’ pure and simple, or in general. The content is not altered through this alteration of linguistic expression. It is always only the labelling or fixing in ideas of the things of the external world which are the means for satisfying human needs; in fact, it is only the perception and recognition of certain things of the external world as means for satisfying the needs of ‘man’ (who as such still suffers in fact from the ‘conceptual need’).

But Herr Wagner wants to make us or himself believe that he, instead of giving two names to the same content, has rather advanced from the definition ‘good’ to a definition ‘value’, [which is] developed and distinguished from it, and this happens simply by substituting the word ‘goods’ for ‘things of the external world’, ‘with respect to’, a process which is ‘obscured’ again by substituting for ‘the goods’, ‘with respect to’, the ‘things of the external world’. His own confusion achieves the certain effect of making his reader confused. He could have reversed this pretty ‘derivation’ as follows: Since man distinguishes the things of the external world which are the means for satisfying his needs from the rest of the things of the external world, the means of satisfaction as such, and labels them, appreciates them, he ascribes value to them or gives them the attribute ‘value’; this can also be expressed [by saying] that he ascribes to them the attribute ‘good’ as a mark of character or considers or assesses them as ‘good’. In that way the concept ‘good’ is ascribed to ‘values’, ‘with respect to’, the things of the external world. And thus the concept ‘[economic] good’ in general is ‘derived’ from the concept ‘value’. With all such derivations it is simply a case of being diverted from the task, the solution of which is beyond us.

But Herr Wagner proceeds in the same breath from the ‘value’ of goods as quickly as possible to the ‘measure’ of this value.
The content remains absolutely the same, were the term value not generally smuggled in. It could have been said: Since man stamps certain things of the external world, which etc., as ‘goods’, he comes by and by to compare these ‘goods’ with one another and, corresponding to the hierarchy of his needs, to bring [them] into a certain rank-ordering, i.e. if we want to call it something, ‘to measure’ them. Wagner may not speak at all of the development of the real measure of these goods here, i.e. of the development of their measure of quantity, since this would remind the reader too easily how little is in question here, [i.e.] what is normally understood under ‘measure of value’.

(Like Rau, Wagner could not only demonstrate from ‘German usage’ that the labelling of (pointing to) things of the external world, which are the means for satisfying human needs, as ‘goods’, can also be named: ‘to ascribe value’ to these things, but: since the Latin word dignitas = worth, merit, rank, etc., which, ascribed to things, also means ‘value’; dignitas is derived from dignus, and this from dic, point out, show, label, indicate; therefore dignus means pointed out; hence also digitus, finger, with which one indicates a thing, points to it; in Greek: δεικ-νυμι, δεικ-τυλος (finger); in Gothic: ga-tecta (dico); in German: indicate [zeigen]; and we could take many more ‘derivations’ into consideration, that δεικνυμι or δεικνυω (make certain, bring to view, point out) has the fundamental stem δεκ (hold out, take) in common with δεχομαι.)

Herr Wagner accomplishes this much banality, tautological muddle, quibbling over words, [and] surreptitious manoeuvres in fewer than seven lines.

After this trick it is no wonder that this obscurantist proceeds with great confidence:

‘the much disputed concept of value, still obscured by many only apparently profound inquiries, is elucidated simply’ (indeed) (rather ‘is complicated’), ‘if one, as was done hitherto’ (namely by Wagner) ‘starts out from need and the economic nature of man, and reaches the concept of [an economic] good, and to that concept – connects the concept of value’.

We have here the conceptual economy, whose alleged elucidation by the obscurantist runs to the ‘connecting’ and, so to speak, to the ‘disconnecting’ [i.e. a hanging].

Further derivation of the concept of value:
Subjective and objective value. Subjectively and in the most general sense of the value of the [economic] good = the significance, which 'is ascribed to the good on account . . . of its usefulness . . . not a property of thing in itself, even if it [value] has for a presupposition the objective usefulness of a thing' (hence [it] has 'objective' value for a presupposition) ' . . . In the objective sense we understand by "value", "values" [and] then also value-bearing goods, where (!) good and value, goods and values become in essence identical concepts.'

After Wagner has designated what is usually named 'use-value' as 'value in general', the 'concept of value', pure and simple, he cannot fail to recall that 'the derived' (!) 'value' 'is therefore' (well, well!) 'use-value'. After he has first designated 'use-value' as the 'concept of value' in general, as 'value pure and simple', he reveals that he has only drvelled on about 'use-value', hence he has 'derived' it, since for him drivelling and deriving are 'in essence' identical thought-operations. But at this point we learn what subjective content there is with the previous 'objective' conceptual confusion of pp. Wagner [i.e. Rau]. In particular, he [Wagner] reveals a secret for us. Rodbertus had written a letter to him, to be read in the Tübinger Zeitschrift for 1878, where he, Rodbertus, explains why 'there is only one kind of value', use-value.

'I' (Wagner) 'have endorsed this point of view, whose significance I had already stressed in the first edition.'

On what Rodbertus says, Wagner says:

'This is completely correct, and necessitates an alteration in the customary illogical "division" of "value" into use-value and exchange-value, as I had proposed it in §35 of the first edition',

and this same Wagner places me among the people according to whom 'use-value' is to be completely 'dismissed' 'from science'.

All this is 'drivelling'. In the first place I do not start out from 'concepts', hence I do not start out from 'the concept of value', and do not have 'to divide' these in any way. What I start out from is the simplest social form in which the labour-product is presented in contemporary society, and this is the 'commodity'. I analyse it, and right from the beginning, in the form in which it appears. Here I find that it is, on the one hand, in its natural form, a useful thing, alias a use-value; on the other hand, it is a bearer of exchange-value, and from this viewpoint, it
is itself ‘exchange-value’. Further analysis of the latter shows me that exchange-value is only a ‘form of appearance’, the autonomous mode of presentation of the value contained in the commodity, and then I move on to the analysis of the latter. ‘When at the beginning of the chapter [in Capital] it was said in the customary way: the commodity is use-value and exchange-value, then this was, strictly speaking, false. The commodity is use-value or a useful object, and “value”. It is presented as double what it is, as soon as its value possesses a form of appearance proper, that of exchange-value, different from its natural form’, etc. Hence I do not divide value into use-value and exchange-value as antitheses into which the abstraction ‘value’ splits, rather [I divide] the concrete social form of the labour-product; ‘commodity’ is, on the one hand, use-value, and on the other hand, ‘value’, not exchange-value, since the mere form of appearance is not its proper content.

Secondly: Only an obscurantist, who has not understood a word of Capital, can conclude: Because Marx, in a note to the first edition of Capital, overthrows all the German professorial twaddle on ‘use-value’ in general, and refers readers who want to know something about actual use-value to ‘commercial guides’ – therefore use-value does not play any role in his work. Naturally it does not play the role of its opposite number, of ‘value’, which has nothing in common with it, other than that ‘value’ appears in the term ‘use-value’. He could just as well have said that ‘exchange-value’ is put aside by me, because it is only the form of appearance of value, but not ‘value’, since for me the ‘value’ of a commodity is neither its use-value nor its exchange-value.

If we have to analyse the ‘commodity’ – the simplest economic concretum – we have to withhold all relationships which have nothing to do with the present object of analysis. What is to be said of the commodity so far as it is use-value, I have said in a few lines, but on the other hand, I have emphasised the characteristic form in which use-value – the labour-product – appears here; namely: ‘A thing can be useful and be the product of human labour, without being a commodity. Whoever satisfies his own need through his product, does create use-value, but not a commodity. In order to produce a commodity, he must not only produce use-value, but use-value for others, social use-value.’ (This is the root of Rodbertus’ ‘social use-value’.) So use-value itself – as the use-value of the ‘commodity’ – possesses an historically specific character. In primitive community-life, in which
Notes on Adolph Wagner

e.g. the means of life are produced in common and shared out among the communal associates, the common product satisfies the needs of life of each communal associate, of each producer directly; the social character of the product, of the use-value, lies here in its (common) social character. (Herr Rodbertus, on the other hand, converts the ‘social use-value’ of the commodity into ‘social use-value’ pure and simple, hence he talks drivel.)

Thus it would be pure drivel, as issues from the above, ‘to connect’ with the analysis of the commodity – since it is represented, on the one hand, as use-value or [economic] good, on the other as ‘value’ – ‘to connect’ on that occasion all kinds of banal reflections on use-values or goods, which do not fall into the realm of the commodity-world, like ‘state-goods’, ‘communal goods’, etc., as happens with Wagner and German professors in general, or on the [economic] good ‘health’, etc. Where the state itself is a capitalist producer, as with the exploitation of mines, forests, etc., its product is a ‘commodity’, and therefore possesses the specific character of any other commodity.

On the other hand, the obscurantist has overlooked [the fact] that my analysis of the commodity does not stop at the dual mode in which the commodity is presented, [but] presses forward, [so] that in the dual nature of the commodity there is presented the twofold character of labour, whose product it is: useful labour, i.e. the concrete modes of labour, which create use-values, and abstract labour, labour as the expenditure of labour-power, no matter in which ‘useful’ mode it be expended (the later presentation of the production process depends on this); that in the development of the value-form of the commodity, in the last instance, of its money-form, hence of money, the value of one commodity is presented in the use-value of another, i.e. in the natural form of another commodity; that surplus value itself is derived from a ‘specific’ use-value of labour-power which belongs to it exclusively, etc. etc., that hence with me use-value plays an important role completely different than [it did] in previous [political] economy, but that, nota bene, it only comes into the picture where such consideration [of value, use-value, etc.] springs from the analysis of given economic forms, not from helter-skelter quibbling over the concepts or words ‘use-value’ and ‘value’.

For that reason, the definitions of ‘capital’ are not connected straight away with the analysis of the commodity, nor even with the discussion of its ‘use-value’, since it would have to be pure
nonsense, so long as we are only at the stage of analysing the elements of the commodity.

But what worries (shocks) Herr Wagner in my presentation is that I do not do him the honour of following the 'tendency' of patriotic German professors, and of confounding use-value and value. Although German society is far behind the times, it is still, little by little, moving from a feudal, natural economy, or at least from its predominance, towards a capitalist economy; but the professors always stand with one foot in the old muck, which is natural. From serfs of the landed proprietors they have been converted into serfs of the state, in common parlance, the government. Hence our obscurantist, who has not once noticed that my analytic method, which does not start out from man, but from the economically given social period, has nothing in common with the academic German method of connecting concepts ('With words we can in heat debate/With words a system designate' [Goethe, Faust, 1.1997–8]); for that reason he says:

'In agreement with Rodbertus* and Schäffle's point of view, I place the use-value-character of all value [at the head], and emphasise the assessment of use-value to such an extent, because the assessment of exchange-value is positively not applicable to many of the most important economic goods' (What is forcing him to these subterfuges? as the servant of the state he feels obliged to confound use-value and value!), 'hence not to the state and its services or to other economic relations of the community'.

(This recalls the old chemists before the science of chemistry: because cooking butter, which in ordinary life means butter pure and simple (after the Nordic custom), may have a soft state, they called chlorides zinc-butter, antimony-butter, etc., buttery humours; they adhered, therefore, in order to talk with the obscurantist, to the butter-character of all chlorides, zinc, [and] antimony (compounds).) The flummery comes to this: because certain goods, especially the state (a good!) and its 'services' (particularly the services of its professors of political economy), are not 'commodities', then the opposing characters (which also appear explicitly in the commodity-form of the labour-product), contained in the 'commodities' themselves, would have to be confounded with one another! Besides, Wagner and associates find it difficult to profess that they gain more if their 'services' are evaluated by their 'use-value', by their material 'content', than if they are evaluated by their 'salary'
(through ‘social assessment’, as Wagner expresses it), i.e. ‘valued’ by what they are paid.

(The one thing that is clearly at the basis of this German idiocy is that linguistically the words: value or worth were employed at first for useful things themselves, which existed for a long time just as ‘labour-products’, before they came to be commodities. But that has as much to do with the scientific definition of commodity-value as the circumstance that the word salt was employed by the ancients at first for cooking salt, and hence even sugar, etc. figure since Pliny as kinds of salt (indeed, all colourless solid bodies soluble in water, and peculiar in taste), so that the chemical category ‘salt’ includes sugar, etc.)

(Since the commodity is purchased by the buyer, not because it has value, but because it is ‘use-value’ and is used for specific purposes, it is completely self-evident, 1. that use-values are ‘assessed’, i.e. their quality is investigated (just as their quantity is measured, weighed, etc.); 2. that if different sorts of commodities can be substituted for one another in the same useful employment, this or that is given preference, etc. etc.)

In Gothic there is only one word for value and worth: vairths, τιμή (τιμών – to assess, which is to estimate; to specify the price or value; to rate, to value metaphysically, to assess the value, to hold in esteem, to mark. τιμή – assessment, hence: the specification of value or price, an estimate, make an assessment. Then: estimation of value, also value, price itself (Herodotus, Plato), αί τιμαί – expenses in Demosthenes. Then: assessment of value, honour, regard, honorary post, honorary office, etc., Greek–German Lexikon by [Valentin Christian Friedrich] Rost.)

Value, price ([Ernst] Schulze, [Gothic] Glossary) Gothic: vairths, adj[ective], αξίος [worthy], ικάνος [competent];

Old Norse verdhr, worthy, verdh, value, price; Anglo-Saxon: verordh, vurdh; English: worth, adj[ective] and subst[antive] value and worth.

‘Middle High German: wert, gen[itive] werdes, adj[ective] dignus and in the same way, pfenncwert.

-wert, gen[itive] werdes, value, worth, excellence, aëstitatio, commodity of specific value e.g. pfenwert, pennyworth.

-werde: meritum, aëstitatio, dignitas, valuable quality’. ([Adolph] Ziemann, Middle High German Dictionary.)
Hence value and worth are completely interrelated, according to etymology and meaning. What hides the matter is the inorganic (false) mode of inflection of value which became current in New High German: Werth, Werthes, instead of Werdes, for the High German d corresponds to the Gothic th, not th = t, and this is also the case in Middle High German (wert, genitive werdes, the same). According to the Middle High German rule the d at the end of the word would have to become t, hence wert instead of werd, but genitive werdes.

But this has just as much, and just as little, to do with the economic category ‘value’ as with the chemical value of the chemical elements (atomicity) or with the chemical equivalents or equivalent values (compound weights of the chemical elements).

Furthermore, we notice that even in the linguistic relationship – if from the original identity of worth and value it follows, as from the nature of the thing, that this word is applied to things, [to] labour-products in their natural form – it was later directly transferred, unaltered, to prices, i.e. to value in its developed value-form – i.e. exchange-value, which has as little to do with the matter as [the fact] that the same word was employed extensively for worth in general, for honorary office, etc. Hence there is no linguistic distinction here between use-value and value.

We come now to the obscurantist’s [own] authority, to Rodbertus (whose essay is to be seen in the Tübinger Zeitschrift). What the obscurantist cites from Rodbertus is the following:

In the text:

‘There is only one type of value, and that is use-value. This is either individual use-value or social use-value. The first stands over the individual and his needs, apart from considerations of social organisation.’

(This is sheer nonsense (see Capital), where it is said: that the labour-process as purposeful activity for the manufacture of use-values, etc. ‘is equally common’ ‘to all its’ (human life’s) ‘social forms’ and ‘is independent of any of them’. In the first place, the word ‘use-value’ does not stand over the individual, rather concrete use-values [do so], and which of these ‘stand over’ him (with these men everything ‘stands’; everything is ‘standing’), depends wholly on the level of the social process of production, hence corresponds to ‘a social
organisation'. But if Rodbertus wants to state only the triviality that use-value, which actually stands over the individual as an object of use, stands over him as an individual use-value for him, then this is a trivial tautology or false, since for an individual, the need for a professorial title, or the title of privy counsellor, or for a decoration, not to speak of such things as rice, maize or corn, or not to mention meat (which does not stand over the Hindu as the means of nourishment), is only possible in some quite definite ‘social organisation’.

‘The second is the use-value possessed by a social organism, consisting of many individual organisms (respective individuals)’ [Wagner is quoting Rodbertus].

What fine German! Does it deal here with the ‘use-value’ of the ‘social organism’, or with a use-value found in the possession of a ‘social organism’ (as e.g. land in primitive community-life), or with the specific ‘social’ form of use-value in a social organism, as e.g. where commodity-production is dominating, the use-value which a producer offers must be ‘use-value for others’, and in that sense, ‘social use-value’? We want nothing to do with such windbaggery.

Hence to another proposition by Wagner’s Faust [i.e. Rodbertus]:

‘Exchange-value is only the historical covering and appendage of social use-value from a specific historical period. Since one stands an exchange-value over a use-value as a logical opposition, one puts a historical concept in logical opposition to a logical concept, which is not logical procedure’. ‘That is’, as Wagner exults, ‘that is completely correct’.

Who is the ‘one’ who perpetrates this? Certainly Rodbertus has me in mind, since he has written a ‘great fat manuscript’ against Capital, according to R. Meyer, his servant. Who places in logical antithesis? Herr Rodbertus, for whom ‘use-value’ and ‘exchange-value’ are by nature two mere ‘concepts’. In fact in every price-list every single sort of commodity goes through this illogical process of distinguishing itself from the others as a good, a use-value, as cotton, yarn, iron, corn, etc., of presenting an [economic] good [as] qualitatively different in every respect from the others, but at the same time presenting its price as qualitatively the same, [i.e.] presenting a quantitatively different thing of the same essence. It pre-
sents itself in its natural form for him who uses it, and in the thor-
roughly different *value-form*, ‘common’ to it with all other commodi-
ties, as *exchange-value*. We are dealing here with a ‘*logical*’ antithesis
only in the works of Rodbertus and German schoolmaster-
professors allied to him, who start out from the ‘concept’ value, not
from the ‘social thing’, the ‘commodity’, and let this concept divide
(double) itself all by itself, and then argue about which of the two
fantasies is the real Jacob!

But what lies in the murky background of these pompous phrases
is simply the immortal discovery that in all circumstances man must
eat, drink, etc. (one cannot go further all at once: to clothe himself,
or to have a knife and fork, or bed and lodging, since this is not
the case *under all circumstances*); in short, that he finds in all circum-
stances external things ready in nature for the satisfaction of his
needs, and must take possession of them or must prepare them
from what is found in nature; in this his actual conduct he always
relates himself practically to certain external things as ‘use-values’,
[i.e. he always deals with them as objects for his use; hence use-value
is, according to Rodbertus, a ‘*logical*’ concept; therefore, since man
must also breathe, ‘breath’ is a ‘*logical*’ concept, but certainly not
a ‘*physiological*’ concept. Rodbertus’ complete vapidity comes forth,
however, in his antithesis of ‘*logical*’ and ‘*historical*’ concepts! He
understands ‘value’ (the economic value, in contrast to the use-value
of the commodity) only in its form of appearance, in *exchange-value*,
and because this only arises where at least some part of the labour-
products, the objects of use, function as ‘*commodities*’ – however,
this does not happen at the beginning, but only in a certain period
of social development, hence at a specific level of historical develop-
ment – then *exchange-value* is a ‘*historical*’ concept. If Rodbertus –
I will say further below why he has not seen it – had analysed the
exchange-value of commodities further – for this exists simply
where the *commodity* comes in the plural, [where there are] different
sorts of commodities – then he [would have] found ‘value’ beneath
this form of appearance. If he had inquired further into value, then
he would have found that here the thing, the ‘use-value’, serves as
the mere *objectification* of human labour, as the *expenditure of equal human labour-power*, and hence that this content is presented as an
*objective* character of the thing, as [a character] which pertains to it
materially, although this objectivity does not appear in its natural
form (but [this is] what makes a special *value-form* necessary).
'Notes' on Adolph Wagner

Hence he would have found that the 'value' of a commodity only expresses in a historically developed form, what exists in all other historical forms of society as well, even if in another form, namely, the social character of labour, so far as it exists as the expenditure of 'social' labour-power. If 'the value' of the commodity is only a specific historical form of something which exists in all forms of society, then so is the 'social use-value', as he characterises the 'use-value' of the commodity. Herr Rodbertus takes Ricardo's measure of the quantity of value; but just as little as Ricardo has he grasped or explored the substance of value itself; e.g. [he does not explore] the 'mutual' character of the [labour-process] in primitive community-life as the community-organism of labour-powers that belong together and hence that ['mutual' character] of *their labour*, i.e. the expenditure of those powers.

At this point further discussion of Wagner's twaddle is superfluous.

*Measure of the quantity of value.* Herr Wagner has included me here, but finds to his regret that I have 'eliminated' the 'labour of capital formation'...

'In commerce regulated through social organs, the specification of assessed values, with respect to assessed prices, must proceed under the appropriate consideration of this [conceptual] moment of cost' (so he calls the quantum of labour expended, etc. in production), 'as also happened in principle in earlier assessment by authority and assessment through trade, and would happen again with a possible new system of assessment' (he means socialist!). 'However, in free commerce the costs are not the exclusive basis for specifying exchange-values and prices nor could they be in a conceivable social condition. For independent of costs, there would always be fluctuations of use-value and demand, whose influence on exchange-value and prices (contract-prices, like assessed prices) then modifies the influence of costs and must modify', etc. 'For the' (especially this!) 'penetrating correction of the socialist teaching on value . . . we are indebted to Schäffle' (!), who says: 'No kind of social influence on demands and productions can avoid the fact that all demands stay qualitatively and quantitatively each in balance with productions. But if that is so, then the social quotients of cost-value cannot at the same time function proportionally as social quotients of use-value.'

That this only amounts to the triviality of the rising and falling of market-prices over or under the value [of a commodity] and to the presupposition that his [Marx's] theory of value, developed for
bourgeois society, prevails in the ‘Marxian social state’ — this is attested by Wagner’s words:

‘They’ (the prices) ‘will from time to time more or less diverge’ (from costs), ‘will rise with the goods whose use-value has become greater, fall with those whose use-value has become less. Only in the long run could costs be made continuously applicable as the deciding regulator’, etc.

Law. One passage suffices for the fantasy of the obscurantist on the economically creative influence of law, although he patters on and on about that inherently absurd viewpoint:

‘The individual economic system has at its head, as the organ of technical and economic activity . . . a person as the legal and economic subject. Again it is not a purely economic phenomenon, but it is, at the same time, dependent on the form of law. For this defines who counts as a person, and who can stand at the head of an economic system’, etc.

Communication and transportation

Where the ‘exchange in the (natural) components of the mass of goods’ (of an enterprise, alias with Wagner [it is] christened ‘exchange of goods’, for Schäffle’s ‘social exchange of material’ — at least one case of that is clarified; I have employed the word, however, for the ‘natural’ process of production as the material exchange between man and nature) [i.e. this term] is borrowed from me, where the material exchange appears at first in the analysis of C–M–C [commodity–money–commodity], and the interruptions of the formal exchange are later designated as interruptions of the material exchange.

Moreover, what Herr Wagner says on the ‘inner exchange’ of the goods found in a branch of production (as he says, in an ‘individual economic system’), partly in respect of their ‘use-value’, partly in respect of their ‘value’, I discuss with the analysis of the first phase of C–M–C, namely C–M, the example of the linen-weaver, where this is the conclusion: ‘Hence our commodity-possessors discover that the same division of labour, which makes them into independent, private producers, [also] makes the social process of production and their relations in that process independent of them themselves, [and] that the independence of persons from one another is completed in a system of all-round material dependence.’

250
Contracts for the commercial acquisition of goods. Here the obscurantist gets mine and his upside down. With him there is, first, the law, and then commerce; in reality it's the other way round: at first there is commerce, and then a legal order develops out of it. In the analysis of the circulation of commodities I have demonstrated that in a developed trade the exchangers recognise each other tacitly as equal persons and owners of the goods to be exchanged respectively by them; they do this while they offer their goods to one another and agree to trade with one another. This practical relation, arising through and in exchange itself, only later attains a legal form in contracts, etc.; but this form produces neither its content, the exchange, nor the relationship, existing in it, of persons to one another, but vice versa. On the contrary with Wagner:

‘This acquisition’ (of goods through commerce) ‘necessarily presupposes a specific legal order, on the basis of which’ (!) ‘commerce is carried out’, etc.

Credit. Instead of giving the development of money as the means of payment, Wagner makes the process of circulation, so far as it takes place in the form that the two equivalents are not opposed simultaneously in C–M, directly into the ‘practice of credit’, whereby there is ‘connected’ [the fact] that this is frequently combined with ‘interest’–payment; [this] also serves to establish the ‘giving of trust’ and hence ‘trust’ [itself] as a basis of ‘credit’.

On the legal understanding of ‘assets’ of [Georg Friedrich] Puchta [the authority on Roman law], etc., whereby debts also belong there as negative constituents.

Credit is ‘consumptive credit’ or ‘productive credit’. The former is dominating in the lower level of culture; the latter, in the ‘higher’.

On the causes of indebtedness (causes of pauperism: fluctuations in the harvest, war service, competition of slaves) in ancient Rome [Rudolph von] (Jhering, Concept of the Roman State).

According to Herr Wagner ‘consumptive credit’ rules in the ‘lower level’ [of culture] among the ‘lower, servile’ classes and the ‘higher, prodigal’ classes. In fact: in England, [and] America, ‘consumptive credit’ is generally dominating with the formation of the deposit-bank system!

‘In particular, productive credit . . . is proved to be an economic factor of the national economy adhering to free competition, [and]
based on private property in real estate and on movable capital. It is connected with the possession of assets, not with the asset as a purely economic category, hence it is only an 'historico-legal category' (!).

Dependence of the individual economic system and of assets on the effects of the external world, especially on the influence of particular circumstances in the national economy.

1. Alterations in use-value: improved in some cases through the course of time, as a condition of certain natural processes (wine, cigars, violins, etc.). ‘Worsened in the great majority [of cases] . . . [use-values are] resolved into their material constituents, accidents of all kinds.’ The ‘alteration’ of exchange-value in the same direction, ‘raising’ or ‘lowering in value’, corresponds [to this]. See the leasing of houses in Berlin.

2. Altered human knowledge of the properties of goods; hence ‘increased assets’ in the positive case. (Use of hard coal for the smelting of iron in England about 1620, as the clearing of forests already threatened the continuation of iron works; chemical discoveries, as that of iodine (use of iodised sources of salt). Phosphorus as a means of fertilising. Anthracite as fuel. Material for gas lighting, for photographs. Discovery of dyes and pharmaceuticals. Guttapercha, india rubber. Vegetable ivory (from Phytelephas macrocarpa). Creosote. Paraffin-wax candles. Use of asphalt, of pine-needles (pine-needle wool), of gas in blast furnaces, hard coal tar for the preparation of aniline, woollen rags, sawdust, etc. etc.) In the negative case, the diminution of usefulness and hence of value (as with the discovery of trichina in pork, poisons in colourings, plants, etc.). Discoveries of mineral products in the earth, of new useful properties in its products, discovery of new employment for them increases the assets of the owners of landed property.

3. Particular Circumstances.

Influence of all the external ‘conditions’, which ‘essentially co-define’ ‘the provision of goods for commerce, their demand and supply’ . . . hence their ‘exchange-value’, also that ‘of the single finished good’; [this is] ‘wholly or primarily independent’ of the ‘economic subject’, ‘with respect to the owner’. Particular circumstances become the ‘decisive factor’ in the ‘system of free competition’. The one
[person] – ‘by means of the principle of private property’ – gains by ‘what he has not earned’, and thus the other suffers a ‘forfeiture’, ‘economically undeserved losses’.

On speculation. Price of housing. The coal and iron industry. Numerous alterations in technology reduce the values of industrial products, as of instruments of production.

With the ‘national economy advancing in population and well-being there prevail ... favourable prospects, even if there are also occasional temporary and local setbacks and fluctuations in landed property, especially in cities (great cities)’.

‘So particular circumstances effect gains, particularly for the landed proprietor.’ ‘These, like most other gains in value from particular circumstances ... [are] only purely speculative gains’, to which correspond ‘speculative losses’.

Ditto on the ‘corn trade’.

Thus it must ‘obviously be recognised: ... the economic condition of the individual or family’ is ‘in essence, too, a product of particular circumstances’, and this ‘necessarily detracts from the meaning of personal economic responsibility’.

Hence the ‘present organisation of the national economy and the legal basis’ (!), ‘for it, hence private property in ... land and capital’, etc., ‘counts’ ‘as an arrangement, mainly unalterable’, so after a lot of waffle, there is no means ‘for combating ... the causes’ ([and] the evil conditions arising therefrom, as ever, stagnation of the market, crises, sacking workers, reduction of wages, etc.) ‘hence not [a fight against] the evil itself’, while Herr Wagner intends to combat the ‘symptoms’, the ‘consequences of the evil’, since he hits ‘speculative gains’ with ‘taxes’, [and] the ‘economically undeserved’ ‘losses’, the product of particular circumstances, with a ‘rational ... system of insurance’.

This, says the obscurantist, is the result, if one takes the present mode of production with its ‘legal basis’ to be ‘unalterable’; his investigation, however, which goes deeper than socialism, will go to the heart of the ‘thing itself’. We shall see, eh?

The individual, principal [conceptual] moments which form the particular circumstances.

1. Fluctuations in the harvest yield of the principal means of nourishment under the influence of the weather and political relations, like
disturbances of cultivation through war. Producers and consumers influenced thereby. (On grain dealers: [Thomas] Tooke, History of Prices; for Greece: [August] Bückh, Public Economy of the Athenians; for Rome: Jhering, Concept. Increased mortality of the lower orders nowadays with each small rise in prices, ‘certainly a proof of how little the average wage for the mass of the working class exceeds the amount absolutely necessary for life’.) Improvements in the means of communication (‘at the same time’, it is called ‘the most important presupposition of a speculative corn trade which equalises prices’), altered methods of agriculture (‘rotation of crops’, by means of the cultivation of different products, which are differentially increased or decreased through different weather conditions’); hence the smaller variations in the price of grain within a shorter space of time compared ‘with the middle ages and antiquity’. But the fluctuations now are still very large.


3. Alterations in the means of communication and transport, which influence the geographical movement of men and goods: In that particular way . . . the value of the land and of articles of a lower specific value [are] affected; whole branches of production [are] pressed into a difficult transition to other methods of management. (Rise in the value of land in the vicinity of good communications, on account of the better sale of the products produced here; facilitation of increased population in cities, hence the enormous rise in the value of land in cities and of value in the vicinity of such places. Facilitated export from regions with hitherto cheap prices for grain and for other agricultural and forest raw materials, [and] for mineral products, into regions with higher prices; hence the straitened economic condition of all elements of the population with fixed incomes in the first regions, against protection of the producers and particularly of the landed proprietors there. For the contrary effect, the facilitated supply (import!) of grain and of other material of a lower specific value. Protected consumers, disadvantaged producers in the country where it is delivered; necessity to transfer to other productions, as in England, from growing corn to producing meat in the 1840s, on account of the competition of cheap East European corn in Germany. Difficult conditions for (present-day) German farmers on account of the climate, then [also] on
account of the recent steep rise in wages which they cannot slap onto products as easily as industrialists, etc.)

4. Alterations in taste! Fashions, etc., often quickly carried out in a short time.

5. Political alterations in national and international commerce (war, revolution, etc.); trust and mistrust thereby [become] ever more important with the growing division of labour, improvement of international commerce, etc., effects of the credit factor, terrible dimensions of modern warfare, etc.

6. Changes in agrarian, industrial and commercial politics. (Example: reform of the British corn laws.)

7. Alterations in the geographical distribution and in the total economic condition of the whole population, like the emigration from the countryside into the cities.

8. Alterations in the social and economic condition of the individual strata of the population, as through the granting of freedom [for labourers] to combine, etc. (The French 5,000,000,000 franc reparations paid by France to Germany after the Franco-Prussian War of 1870–1).

Costs in the individual enterprise. Under ‘value’-producing ‘labour’, into which all costs resolve, ‘labour’ must particularly be taken in the correct broad sense, in which it ‘comprises all that is necessary to human activity consciously directed towards securing a return’, particularly also ‘the mental labour of the director, and the activity through which capital is formed and employed’, ‘hence’ the ‘capital gain’ repaying this activity belongs to the ‘constitutive elements of cost’. ‘This point of view is in contradiction to the socialist theory of value and costs and the critique of capital.’

The obscurantist falsely attributes to me [the view] that ‘the surplus value produced by the labourers alone was left to the capitalist employers in an improper way’. Well, I say the direct opposite; namely, that commodity-production is necessarily, at a certain point, turned into ‘capitalist’ commodity-production, and that according to the law of value governing it, ‘surplus value’ is properly due to the capitalist, and not to the labourer. Instead of yielding to such sophistry [i.e. the ‘law of value’ governing capitalist production], the character of the obscurantist as an academic socialist is proved by the following banality, that the
‘unconditional enemies of the socialists’ ‘overlook the numerous cases of exploitative relations in which the nett profit is not divided rightly (!), the employers’ costs of production for a single enterprise are diminished to the great disadvantage of the workers (also, of the loan capitalist) and to the advantage of those who provide work’.

**National income of England and France.**

**The gross annual product of a nation:**

1. Totality of the goods newly produced in a year. *Domestic raw materials* to be set down in entirety, according to their value; the objects derived from such and from foreign material (in order to avoid the double accounting of raw materials) [to be set down] for the amount of the increase in value achieved by factory work; the raw materials and semi-manufactured [goods] shifted and transported in trade, [to be set down] for the amount of the increase in value effected thereby.

2. *Import of money and commodities from abroad*, from the title to the income [received] from secured claims of the home country, from extending credit, or by the capital investments of citizens resident in foreign countries.

3. The carrying of freight by the domestic shipping business in external trade and mutual commerce, paid for in real terms by means of the importation of foreign goods.

4. *Cash or commodities from abroad imported as remittances for resident foreigners.*

5. *Importation of uncompensated gifts*, as with continuing tribute from a foreign land to the home country, continuing immigration, and hence regular [import of the] assets of immigrants.

6. *A surplus of value from the import of money and commodities, resulting from international trade* (but then to be deducted, 1. export[s] to foreign countries).

7. *Amount of value [received] from the utilisation of useful assets* (as of dwelling houses, etc.).

To be deducted for the nett product among other things, the ‘export of goods as payment for the carrying of freight by foreign ships’. (The matter is not so simple: The price of production (domestic) + freightage = selling price. If the home country exports its own commodities in its own ships, then the foreign countries pay the costs of freight, if the market price prevailing there, etc.)
'Regular payments to foreign subjects abroad, to be reckoned as part of continuing tribute' (bribery, as from the Persians to the Greeks, salaries of foreign scholars under Louis XIV, Peter's pence).

Why not the subsidies which the German princes regularly derive from France and England?

See the naive sorts of divisions for the income of private persons, which consist of 'state and clerical services'.

Individual and national assessment of value.

In his Researches into the Mathematical Principles of the Theory of Wealth, 1838, [Augustin] Cournot calls the distribution of a part of a stock of commodities, in order to sell the rest more dearly, 'a true creation of wealth in the commercial sense of the word'.

Compare the decline of stocks for consumption by private individuals, or as Wagner calls it, their 'use-capital', in our cultural period, especially in Berlin; for that, [there is] too little money or proper working capital in the business of production itself.

Relatively greater significance of foreign trade nowadays.