

RECONSTRUCTING VALUE-FORM ANALYSIS 1:
THE ANALYSIS OF COMMODITIES AND MONEY

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The preceding remarks by Helmut Reichelt may indicate why it is that we undertake a reconstruction of the Marxian capital-analysis. More detailed arguments for such a reconstruction and its political relevance have been provided elsewhere in the pages of this journal.¹ Some results of reconstruction have also been published by two of us.² In that paper a presentation of the analysis of commodities and money has been included as well as detailed arguments against Marx's corresponding presentation in *Capital* Volume 1, Chapter 1. Here we give a new presentation of the same analysis which streamlines the previous one and which improves³ it in a number of respects, in particular, in the transition from the premonetary level of the analysis to money. Although the conceptual analysis presented here is complete, the reader may nevertheless find that the lengthier exposition in the earlier paper elucidates some aspects of the conceptual development. The critique of the Marxian analysis of commodities in *Capital* and of other of its interpreters (Mandel, Rosdolsky, Elson, Engels, Rubin) is not repeated here. The treatment of the magnitude of value in *A Contribution to the Critique of Political Economy* — which, as Backaus has shown,⁴ more successfully and more consistently gives a dialectical form of argument — is criticised here, however, in an addition (§8A). We have also taken the opportunity to investigate two more recent interpretations of the value theory in *Capital* by Kozo Uno and by Cutler, Hindess, Hirst and Hussain. Both works we find sadly deficient in their consideration of the Marxian form-analysis. Because the latter authors attribute significance to the problem of theorising the various types of money, a sketch of the subsequent development of types of money other than gold-money is provided in an addition (§9Aa).

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§1

A characteristic of our present form of society is that an overwhelming proportion of products are produced industrially and assume the form of commodities. The systematic analysis of the bourgeois form of society and, in particular, of the capitalist economy, begins by focussing on the industrial commodity products of labour.

“The wealth of those societies in which the capitalist mode of production dominates appears as an ‘enormous collection of commodities’, the single commodity as its elementary form. Our investigation begins therefore with the analysis of the commodity.” (CI 43 mod.; KI 49). We see the systematic significance of Marx’s analysis of commodities and money in a conceptualisation of the *value-form*. It thus seems misleading to us to mark off “the single commodity” as the starting point of the analysis. “Where is the analysis to begin? At the beginning of the analysis of capitalism, ‘the whole’ must be referred to, but at the beginning it can only be referred to as it appears: capitalist wealth as a collection of commodities. Starting from this, Marx can articulate his first task as the analysis of the commodity.”⁵ How wide is the circle of industrial commodities which constitute the start of the analysis drawn? It comprises objective products (e.g. a jet plane), processual products (e.g. a ferry trip), raw materials (e.g. oil) and processed products (e.g. plastic bags) as well as products of modern agricultural industry which employs machinery (cf. RVfA2).

§2

We restrict our focus to those industrial commodities which are actually saleable. Mediated by these potential sales, the industrial commodities stand in exchange-relation. The first step of the analysis is to reflect on the universal exchange relation of commodities. The mediation of exchange by money is thus blended out (*ausgeblendet*) and only the combination of sale and purchase relations is at first considered, through which the commodity shows its membership of the world of commodities. The commodities are thus at first viewed systematically as *premonetary commodities*. This relation of commodities to one another can be written as the *expanded exchange schema*:

		y_1 Commodity B_1
		y_2 Commodity B_2
	is in exchange	.
X Commodity A	relation	.
	with	.
		.
		y_n Commodity B_n

For a given Commodity A, the rest of the world of commodities for which it can be exchanged (Commodity B_1 , Commodity B_2 . . .) are its *exchange-values*. x, y_1, y_2 . . . denote quantities, measured in suitable units, of commodities A, B_1, B_2 . . . respectively. For the analysis of the value-form, however, these definite quantities of commodities are of no import and the exchange relation could, for convenience, just as well be written without them.

In §1, together with the theoretical operation of *incorporating* objects of everyday consciousness into the presentation, there occurred a *restriction* of the analytic focus, namely, to industrial commodity products of labour. *Omnis determinatio est negatio*. Similarly, those commodities which are actually saleable are incorporated, while at the same time blending out the mediation of exchange by money, to arrive at the first *concept* of the

analysis: the *exchange-relation*. The systematic origin of the concept 'exchange-relation' (via the blending out of money) means that this concept diverges from the everyday (often historicising) understanding of exchange. In the everyday understanding of exchange, the things which are exchanged reciprocally change their possessors. The everyday notion of exchange thus includes the relation of two definite exchangers throughout the whole exchange process. The exchange is so to speak a fixed two-place and, in particular, symmetrical relation between exchangers. This understanding does not, however, apply to the systematic concept of exchange:

1. An exchange relation is not constituted via a fixed pair of exchangers but systematically via money. This means, in particular, that the exchangers are without significance for this relation (indifference vis-a-vis the commodity guardians) and that
2. it is never simply two commodities which stand in such a (conceptual) exchange relation, but always all simultaneously saleable commodities.

The exchange relation thus refers firstly to the totality of the commodity world and secondly also – and this justifies the use of the concept 'exchange' – to the structure of this totality, which in regard to each single commodity belonging to it, is encompassed in a two-place relation, the expanded exchange schema. This two-place relation determines a social relation in which every member of the (premonetary) commodity world appears on each side of the relation either as the single commodity A on the one side or as one of the many commodities B on the other side. This relation is, however, in no way symmetrical. The membership of the commodity world for a given commodity is always expressed through all other commodities. Conversely, in an isolated position, the single commodity can never express the membership of the other commodities to the commodity world. This asymmetry, which Marx treats on the one hand as the difference value/exchange-value and, on the other, as the difference relative value-form/equivalent-form, is the foundation of the value-form analysis (cf. § 5).

§ 3

The specific character of the labour embodied in the commodities which is stamped upon it by the universal exchange relation has now to be determined. The various kinds of commodities are produced by different kinds of *concrete labour* performed in productive units which are independent and therefore *dissociated* from one another. The *associating* of these dissociated labours is first accomplished through the universal exchange relation. The exchange relation is, however, an *abstract* relation between commodities in that the products of qualitatively different concrete labours are practically set equivalent to one another. By virtue of the *universality* of the exchange relation *all* the products of labour are associated with one another in the same abstract relation, no matter what the concrete labour may be. We can speak of an *abstract associating* of concrete dissociated labours through the universality of the exchange relation.

The revelation of the secret of the exchange-relation for us does not consist in pointing out that the commodities are simply products of labour. This is indeed presupposed. (Marx, too, implicitly makes the same presupposition.) It consists rather in the grasping of the specific character of this labour. The capitalist social synthesising of the product of labour in the exchange relation cannot be reduced by any 'simple' concept of labour but rather reveals a double-character of the same which we can initially uncover in the differ-

ence of the form of production and the form of the product. To be on the one hand dissociated concrete labour and on the other abstract associated labour constitutes the specific character of capitalist form-determinate labour. This double character manifests itself, however, not only in the difference between production and product, but also in production as well as in the relation of production to consumption. The former is the theme in the investigation of the capitalist production process as valorization process (cf. RVfA2), the latter in the analysis of the social reproduction process (cf. RVfA4). In our view – as opposed to Marx – it is first in connection with the investigation of social material reproduction that the significance of the character of the commodity to be on the one hand value and on the other object of consumption (use-value), can be grasped.

§4

As an objectification of *abstractly associated labour*, the commodity is constituted by virtue of the universal exchange relation as a *value*. Value is the specific *social form of labour* in the bourgeois epoch. As a product of abstractly associated labour, the commodity is referred to as a *universal*, as a member of the universe of industrial commodity-products of labour. By contrast, the commodity as a product of dissociated concrete labour is a *particularity*.

(a) The concept of value developed here results from posing the question: 'What takes place in exchange relations?' This question is to be distinguished from that singled out by the orthodox interpreters of Marx, both marxist and non-marxist, as to the quantitative proportions of the exchanging commodities and their causes: 'In what relation do the various commodities exchange?' These two questions point up the difference between the value-form analytic way of proceeding and the traditional labour theory of value, which latter can be designated as (classical or neo-) Ricardian. Even where the neo-Ricardians explicitly reject the (Ricardian) labour theory of value (e.g. Steedman), they cannot make anything out of Marx's form-analysis. Although Marx, especially in his dispute with Bailey and Ricardo (cf. TSV2 164; TM2 169), criticises Ricardo for not investigating the form of value-producing labour, he himself in *Capital* attempts to retain both questions and offers answers to both. Our reconstruction results in the first place from dismissing the second question and concentrating on the first. In our view, it is the unsatisfactory treatment of this second question which is a principal weakness of the Marxian capital-analysis.

(b) A queer paradox! To the qualitative question as to what comes to pass in universal exchange relations comes the answer: "social (value-creating) labour". But is not labour performed in production and not a ready result when products are exchanged? In our present form of society social labour is not given as living labour but as dead, coagulated labour. Society on this abstract level of the presentation is nothing other than the world of commodities. If there were *really* social labour, however, then there would be no commodities.

(c) *Cutler et. al.*, in their two volume work, *Marx's Capital and Capitalism Today* (RKP London 1977 and 1978), claim to make "a radical departure from all previous interpretation of Marx's *Capital*". Here we shall restrict ourselves to an investigation of their refutation of Marx's value theory and the theory of money (§9Ab) which is based upon it. The authors admit that "there is no simple, comprehensive treatment of 'value' or of the 'law of value' . . . in *Capital*" (Vol. 1, 9f) and therefore restrict themselves to criticising "a definite conception of value and the law of value which is present in the discourse of *Capital*" (ibid 10). From the *restriction* of their focus to one value theory drawn from the ambiguous treatment of value in *Capital*, they conclude: "In consequence we regard a comprehensive review of Marx's references to value . . . redundant." (ibid) A strange logic.

If it is admitted that in Marx there is more than one line of argumentation, and even that contradictory versions of the value theory can be distinguished, then a critique of only one version, the orthodox labour theory of value, by no means disposes of the potentialities of Marx's value theory for reconstruction. By and large, we can agree that Cutler et. al. have picked on a sore point of Marx's presentation of the value theory, namely, the assertion that in the exchange of commodities equal quantities of labour are equated, the so-called quantitative 'law of value'. Cutler et. al. understand by value something purely quantitative, that is, amounts of labour-time, and therefore entirely conflate the Marxian concept of value with that of magnitude of value. This conflation leads to a total misrepresentation of Marx's value theory, culminating in the absurd statement that "labour-time is the substance of value" (ibid 35). At another place they speak of "labour or labour-time as the measure of 'value'" (ibid 20), thus confusing "labour" with "labour-time" and "substance" with "measure". The Marxian category of "abstractly universal labour" (*abstrakt allgemeine Arbeit*) which constitutes the "value substance" is given no discussion whatever. The authors see the sole use of the value theory "as a theoretical device to analyse the distribution of the social product between the agents" (ibid 11f) and hence overlook that the concept of value is the theoretical foundation for concepts of money and capital. They only see that a "concept of value . . . is necessary to the theory of *surplus value*" (ibid 16) where both are conceived in purely quantitative terms.

In their discussion of classical political economy and Marx's relation to it (ibid 20ff), Cutler et. al. claim that "Ricardo concentrates exhaustively on the *magnitude* of value and ignores the question of why the distribution of the product takes this *form*" (ibid 25). Marx's analysis of the value-form, however, cannot be viewed as an investigation of the form of "distribution of the product", as the following quote from the *Theories of Surplus-Value*, itself cited by Cutler et. al., shows:

But *Ricardo does not examine* the form – the peculiar characteristic of labour that creates exchange-value or manifests itself in exchange-values – the *nature* of this labour. Hence he does not grasp the connection of *this* labour with *money* or that it must assume the form of *money*.

(TSV2 164 quoted in ibid 26)

The authors must have read this passage with complete incomprehension, for they interpret it as a criticism of Ricardo which complains that "he does not explain *why* the exchange of goods in ratios proportional to the labour-times necessary for their production should be the form of regulation of the distribution of the social product" (ibid). The form-analysis is thus (mis) interpreted in the following way:

In *Capital* the form of value (value-in-exchange) is one particular type of solution to a universal economic problem, the allocation of social labour in proportions necessary for a certain composition(?) of the product.(ibid 27)

This "incomprehension on the part of Marx's interpreters" (as Backhaus puts it) is all the more bewildering, since the passage explicitly states the significance of the value-form analysis: "the connection of *this* labour with *money*". Cutler et. al. concern themselves neither with the specific "*nature* of this labour" nor with the claim of the Marxian theory "to inaugurate a specific theory of money". (Backhaus)

A further misinterpretation of Marx follows from the authors' purely quantitative interpretation of the value theory as a theory of distribution of the social product. In this they attribute the Engelsian interpretation of "the first part of the first volume of *Capital*" (CIII 899 mod.; KIII 908) as an "explanatory mirroring in thought" (CIII 895 mod.; KIII 905) of "an historical process" (ibid) of the "transformation of simple into capitalist commodity production" (CIII 900; KIII 909) to Marx. It was Engels who introduced the notion of "simple commodity production" into marxism, not Marx. Cutler et. al. thereby

perpetuate a widespread misinterpretation of Marx when they speak of "Marx's concept of simple commodity production" (Cutler et. al. Vol. 1, 32), a misinterpretation moreover which blocks off access to the logically conceived value-form analysis of the *Critique*.

§5

How does a commodity express itself as value? This is equivalent to the question: How does concrete, dissociated labour manifest itself as social labour, i.e. as abstractly associated labour? The answer is already provided by the preceding development: The expanded exchange schema (§2) simultaneously *constitutes* and *expresses* the commodity as a value. The expanded exchange schema can thus be designated as the *expanded expression of value*. In this value-expression, the commodity on the left plays a different role from the commodities on the right-hand side of the expression. The former is the commodity whose value is being expressed and is in the position of the *relative value-form*; Commodity A expresses itself as value relative to the commodity world in commodities different from itself, in its exchange-values (§2). The value expression consists in the *potentiality* possessed by Commodity A to exchange against *any* other commodity. The other commodities, by serving as the material in which Commodity A's value is expressed, are in the position of the *equivalent form of value*. They are Commodity A's equivalents.

In the appendix to the first edition of *Capital* (1867), "The Value-Form",⁶ Marx discusses extensively the two perspectives from which the "value-expression" can be viewed. He distinguishes various value-expressions and uses 'value-expression' (*Wertaussdruck*) synonymously with value-form (*Wertform*) in the terms 'simple value-form' (*einfache Wertform*), 'expanded value-form' (*entfaltete Wertform*). Two further types of value-expression, the 'universal value-form' (*allgemein Wertform*) and 'money-form' (*Geldform*) are also introduced. The two Marxian premonetary value-expressions, the simple and the universal, we do not regard as value-expressions, since the *entire* residual commodity world must stand in the equivalent form in order to express the value of a commodity. With this we emphasise that value is only constituted by the universality of commodity exchange relations.

Up until the publication of works by Rosdolsky, Backhaus, Krahl and Reichelt, these distinctions were regarded as pedantries or "roccoco ornaments" (Luxemburg) which, if they were not rejected out of hand, were only to be trusted to advanced Marxists. In this context it is enlightening to read again Marx's letter of 30th November 1867 to Mrs. Kugelmann and Engels' letter of 16th July 1867. Althusser's foreword to a French edition of *Capital* Vol. 1 reads: "The greatest difficulties, theoretical or otherwise, which are obstacles to an easy reading of *Capital* Volume One are unfortunately (or fortunately) concentrated at the very beginning of Volume One, to be precise, in its first Part, which deals with 'Commodities and Money'. I therefore give the following advice: put THE WHOLE OF PART ONE ASIDE FOR THE TIME BEING and BEGIN YOUR READING WITH PART TWO: 'The Transformation of Money into Capital'. In my opinion it is impossible to begin (even to begin) to understand Part I until you have read and re-read the whole of Volume One, starting with Part II."⁷ So much for Marx's attempt, even in the first edition of *Capital* Vol. 1, to popularise the analysis of the commodity "as much as possible" (CI 18 mod.: KI 11). Marx further writes: "With the exception of the section on the value-form therefore, one will not be able to complain about this book because of the difficulty in comprehending it." (CI 19 mod.: KI 12)

In the expanded expression of value, the universality of a commodity is expressed through commodities themselves, but always only through *all* other commodities. A commodity's membership of the commodity world is nothing other than its *practical potentiality* of exchanging against any other commodity. If it actually exchanges against a definite commodity, then the possibility of exchanging with all the remaining commodities and thus its universal character, is lost. For, the other particular commodity is not the commodity world. The universality of the commodity however obtains a valid existence in an exchange relation with a single commodity when its property of standing in relation to all other commodities is preserved in its exchange with a special commodity with additional determinations. This special commodity which brings the universality of a commodity to expression is *money* in the form of *commodity money* (*Warengeld*). Systematically, a *doubling* of the premonetary commodity (§2) into a *price-determinate commodity* and (commodity) money takes place in which the premonetary commodity's particularity (§4) is preserved and crystallised in the price-determinate commodity, and its universality (§4) is projected onto money. Money is initially to be conceptualised as a particular commodity which simultaneously represents the universality of the commodity world. As this unity of particularity and universality, money is a *singularity* (*Einzelheit*). The commodity's universality is expressed in its price, i.e. in its ideal relation to money. The exchangeability of a commodity against money, or its *saleability*, is the *money expression of value*. This expression supercedes the expanded value-expression; the commodity stands in the position of relative value-form (§5), and money stands in the position of equivalent form of value (§5). In place of the (premonetary) single form of value, we now have the *commodity-form* of value as well as the *money-form* of value.

"The commodity's exchange-value is its immanent property as money: this its property as money is set free from it as money and wins a universal social existence apart from all particular commodities and their natural mode of existence; the relation of the product to itself (?) as exchange-value becomes its relation to a money existing alongside it . . ." (GE 147 mod.: G65) "Out of the contradiction of the universal character of value with its material existence in a definite commodity etc. — these universal characteristics are the same as those which appear later in money — results the category of money." (Marx to Engels 2nd April 1858) (cf. Appendix for an alternative view on the development of the money-form.)

The particular money-commodity can only represent the universality of commodities if it is distinguished from all other commodities by additional determinations (§6). These determinations are firstly, that it is *excluded* from the world of commodities and secondly, that it is, at the same time, *immediately exchangeable* against any particular commodity. These two determinations constitute the premonetary money-commodity — for convenience taken to be

gold — as money. What do they mean more precisely? i) Exclusion from the commodity world is expressed by the fact that the money-commodity is not a price-determinate commodity. Money itself has no price; it always stands in the position of equivalent form and only *expresses* the value of all (price-determinate) commodities. As a premonetary commodity however, the money-commodity was, in the position of relative value-form, related to all other commodities as its exchange-values. In the transition to money, the money-commodity is then systematically excluded from the world of commodities. ii) Immediate exchangeability signifies that the money-commodity is exchangeable directly, *without mediation* against all price-determinate commodities. Correspondingly, the price-determinate commodities are only exchangeable with one another through the mediation of money. Money in this determination is thus *means of circulation*, mediator of commodity exchange. Buying means the descent from universality to particularity, whereas sale is the ascent of the particular commodity to value-universality. Precisely because commodity-money as singular commodity represents the universality of value, it is *absolute value*, which contains within itself the universality of the commodity world and which through particularisation can transform itself into any commodity.

Kozo Uno's Principles of Political Economy: Theory of Purely Capitalist Society (Harvester, Sussex, 1980) is a book worthy of a much more detailed commentary than can be provided here. We focus only on Uno's reconstruction of the value theory and of the analysis of commodities and money. Although he possesses thoughtful insights into the Marxian theory and is one of the very few authors who do not dismiss or ignore the value-form analysis, it is appropriate only to discuss the contentious issues in Uno's proposed reconstruction. It need hardly be mentioned that deviations from the Marxian theory cannot in themselves be a ground for criticism. The major issue is indeed Uno's proposal that a concept of value be developed independently of its substance, which latter is reserved in his presentation to the investigation of the capitalist production process.

Value, as determined in the eleventh paragraph, at the beginning of the analysis of commodities "refers to its quality of homogeneity to other commodities" (Uno, 5). He thus refers to the *universal* character of a commodity as member of the commodity world. The value of a commodity "can be made apparent only insofar as it becomes the means whereby to acquire" (ibid 8) another commodity. In place of the Marxian connection between value and labour, Uno introduces a new element into the value theory, namely, the *subjectivity* of the commodity holder: "the owner of a commodity regards its value as the active agent of trade that fetches him other desired commodities" (ibid 5). Similarly, the *exchange-value* of a commodity is determined as "a unilateral expression of a commodity's value by its owner in terms of the use-value of another commodity that he wants" (ibid 5f). In this sense, Uno constructs a subjective theory of value based on the "subjective evaluations on the part of the (owners EHKR)" (ibid 6). In a way analogous to Marx's value-form analysis, Uno develops simple, expanded, general and money expressions of value but with the twist that now these value-expressions are expressions of the subjectivity of commodity holders, and not expressions of the labour objectified in commodities as social labour. His discussion of money likewise runs parallel to Marx's theory in *Capital* Vol. I Chapter 3. In the transition from simple circulation to capital the argument starts to reveal some hitches. The concept of surplus-value (*m*) is at first defined in a formal way as surplus *money* resulting from a circuit of the form $M - C - M' = M + m$ (ibid 14). Uno then attempts to argue in Paragraph 24 that both merchant's capital and

money-lender's capital ($M - M'$) possess "no real power . . . to generate an increased value" (ibid 15). Since *no value substance* has been determined at this stage of the analysis, it cannot be seen why such forms of capital, which in any case conform to the formal definition given of surplus-value, do not create surplus-value. The conclusion drawn therefore, that "only the form of *industrial capital*" can "earn a surplus value" (ibid 15), is ill-argued. Why on the basis of Uno's value theory, should only the production of commodities be capable of increasing value?

Both the labour and the production process, in contrast to Marx, are treated by Uno as transepochal categories (Paras. 30, 31). For Marx, the production process is the form-determinate valorization process of capital. In this transepochal discussion, i.e. not tied to the form-determinate production of *commodities* Uno introduces the "dual character" of labour. Concrete labour produces the concrete definite product, and abstract labour is grasped purely quantitatively as "total labour-time" (ibid 24). Consistent with this conception, he concludes that "Labour in all societies possesses this property (of duality EHKR) in common"; "the concrete aspect of labour produces a specific use-value and the abstract aspect a magnitude of value" (ibid 32). The clear divergence from Marx is presented merely as the correction of a misunderstanding: "it has often been misunderstood that only the labour that produces a commodity is endowed with this duality" (ibid). In a letter to Engels dated 8.1.1868, Marx expressly emphasises the specificity of his commodity-analysis:

Without exception the simple fact escaped the economists that, if the commodity has to possess the twofold character of use-value and exchange-value, the *labour represented in the commodity* must also possess a double character, whereas the mere analysis of labour sans phrase a la Smith, Ricardo etc. must come up everywhere against things inexplicable. This is indeed the *whole secret* of the critical conception. (B158)

Uno's reinterpretation of Marx at this point reduces the conceptual distinction between concrete and abstract labour to a transepochally valid distinction between qualitative and quantitative aspects of labour. In view of the lack of determination of the substance of value at the beginning of Uno's presentation, it has to be asked how it is that in the above-quoted passage from Uno, abstract labour crops up as the determinant of the magnitude of *value*. If value initially only manifested itself as the potential of a commodity to exchange for other desired commodities, why now should amounts of labour give the commodity this power? Uno in fact simply introduces the assumption that "commodities are traded at prices proportional to the labour-time required for their respective production" (ibid 25). The ground for this assumption is that, under conditions where the capitalists derive no surplus-value, this condition is necessary if the labourers are to "get the means of livelihood necessary for the reproduction of labour-power" (ibid 26). Why should capital not derive surplus-value? Even on this latter assumption, the argument is by no means cogent. This "law of value" (ibid) is then the basis on which the "formation of value by labour" (ibid 27) can be deduced. Thus in the end we come back to an assertion of the value theory as a law of exchange proportionalities in terms of labour contents. The initial determination of the concept of value in connection with the subjectivity of the commodity holders has been extinguished in the course of the argument. We thus have a subjective and an objective theory of value, with no inner conceptual link between the two. Although Uno develops the "law of value" in the context of the production process, similar objections can be raised against it as against Marx's defective deduction of the labour theory of value in the first chapter of *Capital*. All in all, Uno's reconstruction of Marx, at least as far as concerns the value and money theory, introduces more new antinomies than it resolves. Furthermore, the critical aspect of the value concept as the grounding of the socialisation of dissociated labours through the commodity form is neglected in favour of a form-independent transepochal notion of abstract labour.

In the *price-expression* of value, the commodities obtain a unified value expression which makes them comparable with one another. Their sole possible differences are, in this regard, of a quantitative kind. And differences in the amount of prices refer to different quantities of money. Whatever the units are in which gold money is standardised and counted, all these units can be reduced to weights of gold. The first (*quantitative*) *measure of value* thus arises systematically with commodity-money; all commodities obtain their *magnitude of value* in the price expression of value. (Gold-)Money is the material which measures the amount of abstractly associated labour constituting the substance of value. All further derivative kinds of money must be grasped in their conceptual relation to this commodity-money measure of value (cf. §9Aa).

Although Marx develops gold-money as measure of value, he has a second measure of value in labour-time. According to Marx, the magnitude of value consists in the socially necessary labour-time contained in a commodity, although this value magnitude only comes to expression in price. Marx justifiably asks in his critique of John Gray's proposal for money reform through a system of labour-money: "Since labour-time is the immanent measure of value, why is there besides it another, external measure?" (Crit 84 mod.: Z67). The answer is given by means of the distinction between "dissociated independent private labours" and "universal social labour" (ibid):

"The commodities are immediately products of dissociated independent labours which must be confirmed as universal social labour *through their alienation* in the process of private exchange; or labour on the basis of commodity production first *becomes* social labour through the *all-round alienation* of individual labours" (ibid our emphases). Labour thus first becomes social through alienation, i.e. in price, and it is the value which expresses the social, universal character of the commodity. The "dissociated independent private labours" cannot be viewed without ado as value-creating. How then can labour-time, the apparently obvious measure for the dissociated private labours, be the valid measure of *value*? The argument that labour, in a characteristic determination, constitutes the substance of value, and therefore that also the measure of value must have something immediately to do with labour, does not help here. Neither in *Capital* (cf. CI 46: K153) nor in the *Critique* does Marx provide extensive arguments. At least in the *Critique* the question is somewhat problematised, whereas in *Capital* the presentation sails forward, as if the concept of magnitude of value were obvious (cf. RVfA pp. 35ff). We turn to the argumentation in the *Critique*.

"As exchange-values of different magnitudes ("1 ounce gold, ½ tonne iron, 3 bushels wheat, and 5 yards linen") they represent a more or less, a greater or lesser of this simple, homogenous abstractly universal labour, which forms the substance of exchange-value.⁸ How are these quanta to be measured? Or rather, what is the quantitative determinate being (*Dasein*) of that labour itself, since the difference in magnitude of the commodities as exchange-values are only differences in magnitude of the (private or social? EHKR) labour objectified in them. Just as the quantitative determinate being of movement is time, so is the quantitative determinate being of labour *labour-time*" (Crit 29 mod.:⁹ ; Z 17).

This line of argument amounts to saying that, since "the quantitative determinate being of movement is time", then value-creating labour must be measured by time. This argument for time as measure of value is quite general and could be employed for any "movement".

With the magnitude of value, however, it is a matter of a form-determinate *social* quantitative determination, or more precisely, of the quantitative determination of labour as abstractly social. For this reason, we regard labour-time as the measure of labour with regard to its determination as value-creating as inadmissible. Such a claim leads to two distinct measures of value which do not stand in any inner connection to one another. Marx himself develops money as the measure of the labour determined in its form by capitalist commodity production. For him, the first determination of money in the chapters on money in both *Capital* and the *Critique* is to be "the measure of values". Since, in our reconstruction, labour-time is invalid as measure of value, there is *initially* in the argumentation no basis whatsoever for the quantitative relations between the commodities nor their prices lying outside of exchange relations. Initially, the price relations to hand must simply be viewed as value-expressions. On a later level of the analysis, in connection with the investigation of capitalist production (cf. RVfA2), the prices of commodities will be decomposed into components, old value, wages and surplus-value, in order to discuss, among other things, the effects of prices on surplus-value creation.

§9

Commodity-money now has three essential determinations:

- i) Means of circulation (§7)
- ii) Measure of value (§8); the material in which the value of commodities achieves a quantitative form of existence,
- iii) absolute value (§7); as individual, material representation of the value-universality of the commodity world, "the universal wealth as individual" (Crit 125 mod.; Z 103). In this last determination, money can free itself from being only value-form of industrial commodities and enclose in its orb other objects which are not values. This determination thus allows, in the immediately following systematic development (cf. RVfA2), the conceptualisation of the *wage* (and subsequently also of other value-forms). The point of the preceding development, the analysis of the commodity and money forms of value, is to come on its basis to an understanding of the capital-relation.

a) In the conceptual development so far provided, only a single type of money, namely commodity, or gold money, has been derived. As this restriction in the type of money has often been raised as a point of criticism of the Marxian theory, here, by way of anticipation of succeeding levels of the capital-, competition- and state-analysis, it is outlined¹⁰ at which systematic stages further types of money may be articulated.

That the simple circulation of commodities is dependent upon the availability of a particular industrial (premonetary) commodity, gold, to function as *means of circulation*, is already a ground for the replacement of gold-money in this function by *gold symbols*. The depreciation and the cost of maintaining a gold currency are further grounds. As *absolute value* however gold money is initially not replaceable; "for it itself is the adequate reality of exchange-value and it is this in its metallic determinate being" (Urtext G 872). As *measure of value* gold-money is also on the level of simple circulation not substitutable, although its materiality in this function is not of importance. Gold serves as measure of value in that commodities ideally represent their prices in it.

In the circulation analysis (RVfA4), the *bank* is developed as a functioning capital. The bank is characterised by two functions. On the one hand, it is money-dealing capital, which executes the tasks of receiving, paying and storing money not only for other functioning capitals but also for labourers, landholders, and money-capitalists. Insofar as these tasks are performed for other functioning capitals, it executes an essential part of the circulation functions of total social capital. On the other hand, the bank mediates the loan relations between money-capitalists (here comprising all depositors) and functioning capitalists. The sums of gold money which are deposited in the bank are loaned by it to functioning capitalists. The bank pays the depositors, who may comprise labourers, landholders, money- and functioning capitalists, a definite interest, and charges a higher interest for the money-capital loaned by it. (Loans to other figures are here not considered.) With the incorporation of the bank into the presentation we are at once referred to two new types of money, although the conceptual derivation of the bank was performed on the basis of gold-money. On the one hand, every depositor has a *bank balance* with which they effect payments through instructions to the bank. These transferable sums of gold-money are called *giro-money* and arise immediately from the bank's money-dealing functions. Giro-money in itself has nothing to do with interest-bearing capital. For the bank's service of effecting transactions for the depositor, the latter pays a fee. Giro-money is the first concrete form of the gold-money symbol.

On the other hand, the bank emits its own gold symbols as *bank notes*, which are convertible into gold. Since, however, a certain minimum of means of circulation and means of payment¹¹ is required for commodity circulation and revenue-payments, a certain amount of bank notes remains perpetually in circulation and a gold backing is only required for the excess over this amount. Once the banknote and giro-money are the usual means of circulation and of payment, the banks must at intervals settle outstanding balances amongst themselves with gold-money. Since banknotes are convertible, they can be understood as a type of *credit money*, in the sense that they will only be accepted as long as no doubt exists that gold can really be had for them. On this level, the functions of measure of value and absolute value remain the domain of gold-money.

There still exists the possibility for functioning capitals of creating credit money in the shape of *bills of exchange*, which allows a certain independence from the banking system. With bills, the capitalist can buy means of labour and pay at a later point in time. The receiver of the bill receives a certificate promising payment on the *due date*, on which payment in the form of a bank note or giro-money is received. Since the bill of exchange is a type of credit money proper, arising on the basis of a *commercial credit* transaction, the giver of the bill pays *interest* in addition to the normal cash price of the commodities purchased. In the period until the due date, the bill can further circulate as *means of circulation* in purchasing commodities, which is the sole money-function able to be possessed by bills of exchange. Giro-money and banknotes remain means of payment, and gold-money remains measure of value and absolute value. A bill can be *discounted* by a bank so that the holder of the bill obtains a harder means of payments. In discounting, the bank becomes the creditor to the original emitter of the bill and receives therefore a part of the interest on the bill, calculated according to the time remaining to the due date. Instead of emitting a bill which is subsequently discounted by a bank, a credit buyer can receive direct credit from the bank in the shape of an *overdraft*. The overdraft allows the account holder to dispose of giro-money in excess of the balance he has deposited at the bank. In this determination as overdrawn credit money, the account holder must pay interest to the bank.

On the level of the *outer state*,¹² the concept of the power of the state there developed can be employed to elaborate on money symbols. With the development of the character-masks to subjects in the competition-analysis,¹³ the problem of the *guarantee* of the convertibility of gold symbols arises. Cheques and bills are legal documents of the subjects of competition which *bind* their respective drawers. Banknotes issued by banks are a

promise to pay in gold money on demand. All the various types of gold symbol are guaranteed by the state in that it *forces* the subjects to keep to their legal obligations, and controls and punishes them when they cannot or will not do so. None of the types of paper money must be accepted as means of payment. The multiplicity of types of paper money stands in contrast to the universal acceptability of gold-money as basis of the monetary system. Within the area of its own borders, the state can exercise its power to implement a type of paper money, state issued legal tender, which is proclaimed as legal means of payment and which therefore usurps gold's definitive role in the national economy. The state's legal tender, issued by the *central bank* is *definitive* in that "purchases of goods and services and the settling of debts can only be definitively settled with money issued by the central bank".¹⁴ By regulating the supply of central bank notes, the state is able to influence the buying-power of paper money. This becomes a means of the state's *economic policy* in the special form of *monetary policy* (CCF&S §85). Because of their status as legal tender, central banknotes cannot be forced out of circulation. In contrast to gold-money, which can, as gold, be used as means of production outside of circulation, they can only be hoarded.

Within the state's borders, all commodities express their value in legal tender. This expression of value, which first becomes comprehensible with the analysis of the outer state, is definitively valid, independently of the relation to the gold-commodity, which continues to be available on the market. Gold becomes thereby a *price-determinate* commodity for the first time systematically, in relation to the state's legal tender. Legal tender serves not only as *national measure of value* but also as *national means of preservation of value*. All the national, dissociated commodity-producing labours are socially synthesised through legal tender.

International trade and investment and the relation between states are also treated in the analysis of the outer state. Outside the state's borders, gold-money continues to exist as *world-money* which socialises the plethora of dissociated labour processes strewn throughout the world. "Money, as universal international means of purchase and payment, is not a new determination of money. It is rather the same as a universality (*Universalit t*) of appearance, which corresponds to the universality (*Allgemeinheit*) of its concept: its most adequate mode of existence wherein it is indeed active as universal (*universelle*) commodity" (Urtext G 885).

The special status of gold as world money still holds today for world trade, even when it shares this role with paper money. The commodity now has a double mode of existence, within the national borders on the one hand, and on the world market on the other. In the inner circulation, the value-being of the commodity is fully expressed in its price expression in the national currency. On the world market however, the national price of a commodity must be transformed into a gold-price, so that its membership of the commodity world as world totality is announced.

Can gold-money be replaced as world-money? Just as for the inner circulation, international gold-symbols can be used as means of circulation. As long as national currencies, for the purposes of international trade, maintain a fixed relationship to gold, they can be regarded as mere gold symbols. Otherwise, a national currency can only be employed as international means of payment when the nation has a strong economy. The national currency accepted as means of payment then represents a claim on the material commodity wealth of this nation, and the currency obtains the status of *hard currency*. International credit funds (IMF) can be erected to provide credit in the shape of national currencies and gold pooled in the fund. With both these arrangements for international trade, no new types of money arise, but simply credit relations, and the use of national currencies internationally. These are merely attempts to lubricate international trade without the help of gold-money. The failure of the repeated attempts (Bancor, Unitas, the European Payment Union) to create a supra-national inconvertible paper money, which

with full validity would function as measure of value, means of payment and means of preservation of value, can ultimately be traced back to the non-existence of a world state, to which the *competition* between nations would be subjugated.¹⁵

b) We turn now to the second volume of Cutler et. al.'s work, whose first part is entitled "Money and Financial Institutions". In accordance with their rejection of the value theory, the authors also discard "the notion that money is the measure of value" (Cutler et. al. Vol. 2, 3), although they superfluously add other arguments, such as, that, according to them, only commodity-money can function as measure of value and therefore such a function cannot be taken as a defining function of money in general (ibid 10). The need for "a systematic analysis of money" (ibid 3) is proclaimed, to be distinguished from "a philosophical or an epistemological reading" (ibid). These meta-theoretical categories are employed to exclude certain of Marx's concepts even before one comes to argue with the contents of Marx's text, e.g. "the theme that money represents something e.g. the socialness of exchange" (ibid). There seems no point in taking a position in this meta-theoretical debate. It strikes us as an attempt to fight it out before one has even stepped into the ring. For this reason, only the treatment of the substantive concepts of Marx's presentation will be discussed here. The statement that "money represents . . . the socialness of exchange" is, on our understanding of Marx's texts, in any case a tautology. The category of value, and of money as value-form, can be taken as concepts of social *labour*, not however simply of 'social exchange'. The authors also object to a "conception of the social as interpersonal relation and . . . of the process of circulation as the agency for the socialisation of private producers" (ibid 14). One could improve this formula too: the process of commodity circulation socialises dissociated labours, and then ask, why must such an insight into commodity production be discarded. The value theory is nothing other than the attempt to bring this insight to its concept.

Cutler et. al. proceed in their "systematic analysis of money" (Cutler et. al. Vol. 2, 3) by defining money in terms of its function, viz. money is what serves as "medium of circulation" (ibid 5f). The authors claim that "this is how Marx defines money on the assumption that money takes the form of commodity money" (ibid). The definition of money can here be conceived as something entirely different from its concept. Marx's aim in his value-form analysis is to develop the concept of money out of the value-expressions of commodities. Once this concept is won, then, and only then, can the functions of money be investigated. Cutler et. al. are content to give a "definition" of money in terms of its functions. In this way however, one can only arrive at definitions of money which do not go beyond the level of everyday conceptions. 'Means of circulation' is an immediately understood notion requiring no conceptual development. In terms of Cutler et. al.'s positivism, conceptual development is refused on the grounds of being a "rationalist conception of discourse" (ibid Vol. 1, 108).

On page 6 of Volume 2 it is pointed out that although "Marx mentions different forms of money", he "does not systematically analyse" them. In our view, Cutler et. al. are fully justified in pointing out the inadequacy of Marx's analysis of the types of money. Although Chapter 3 of *Capital* and Chapter 2 of the *Critique* discuss 'gold-money signs', there is in the first two volumes of *Capital* no attempt to systematically develop the various forms of money on the basis of commodity-money. With the concept of 'interest-bearing capital' articulated in *Capital* Volume 3, Marx also pays attention to credit money, i.e. bills of exchange, in Chapter 25 'Credit and Fictitious Capital'. The preceding part of this addition is a sketch of how the concepts of the various types of money ("forms of money" for Cutler et. al.) can be systematically articulated at definite stages of the total presentation, not only of the capital-analysis, but also of the competition- and state-analysis. Cutler et. al.'s rejection of systematic conceptual development leads to an inability to provide an adequate theory of the types of money. No matter how much one may want to distance oneself from the authors' curious anti-rationalist epistemological iconoclasm, on the other hand, one has to agree that they show up a weak point in the

'logical-historical' mode of argumentation when the fundamental character of commodity-money argued for by de Brunhoff on the ground of being "the original or the primordial form of money" (ibid 9) is criticised as assigning "the origin an epistemological privilege by assumption" (ibid).

Confronted with the problem of how non-commodity money can have a value (ibid Vol. 2, 10), the authors can only resolve it by concluding that "the measurement of value cannot be regarded as a defining function of money" (ibid 11) and "that there is no way in which non-commodity money can be assigned value without undermining the concept of value as it is defined in *Capital*" (ibid). We can agree with this latter conclusion, but only because we question why it is that non-commodity money must be "assigned value". With our reconstructed concept of value, paper-money is not attributed the character of value, even when it is the value-form of other commodities. All types of money which are convertible into gold are merely signs for gold and therefore can be regarded as representing a definite amount of the money-commodity. This money-commodity, however, cannot be regarded as having a magnitude of value, but only a manifold of exchange-values as *pre-monetary* commodity (§ 2). The only type of non-convertible paper money of interest is the state guaranteed legal tender, which again, has no value nor magnitude of value, because it is not an industrial commodity. Nevertheless it serves as measure of value for the (national) commodity world. The concept of the 'power of the state' is necessary to articulate the suppression of gold-money in favour of the state's legal tender. Cutler et. al. hint at this when they write: "fiduciary money (state guaranteed legal tender EHKR) does not refer to anything beyond itself. Political and legal backing is much more central to fiduciary money than it is to commodity money" (ibid 35).

Here a discussion of Cutler et. al.'s chapters on 'Barter and Monetary Exchange', the 'Circulation of Money' and 'Credit, Financial Markets and Financial Institutions' cannot be entered into. It is not immediately obvious why a treatment of barter is at all relevant for the analysis of a capitalist economy. Credit and financial institutions are topics properly belonging to the circulation-analysis (RVfA4). In the intervening papers the capitalist production process (including ground-rent) will be dealt with (RVfA2), as well as the analysis of interest and the revenue-forms (RVfA3).

APPENDIX

The authors have divergent positions regarding the reconstruction of the money concept. In particular, the determination of money as commodity-money (gold money) in §§ 6ff is disputed. The differences appear to us to be important enough to merit their airing with the reader, with the hope that a further discussion will lead to a clarification of our proposed reconstruction of *Capital*. At first the concept of money shall be presented in an alternative way. Then follows a corresponding commentary to the concept of commodity-money and the other types of money (cf § 9Aa).

On the Concept of Money

With the distinguishing of the two positions in the exchange relation (§ 5), the categorial analysis has proceeded so far as to enable the conceptualisation of money. The blending out of money shall thereby come to an end. How, on the basis of the categories at our disposal and in regard to the fact that money buys commodities, can a concept of money be won? On the background of the ex-

change relation, we can grasp money in the purchase of a commodity A as representative of the commodities which face commodity A in the exchange relation. Money thus assumes, as representative of all these commodities, the position of the equivalent form of value. Money is representative of all these commodities (standing in equivalent forms in §5) precisely because all these commodities are saleable. This means, however, that, in relation to the value of all commodities, money has equivalent form. Money is *universal equivalent, representative of the commodity totality*, and indeed, its *sole* representative. Money is the uniform material through which the commodity's membership of the commodity world is expressed. In this it mediates the circulation of the commodities as *means of circulation*.

The relation of the commodity in relative value-form to the commodities in equivalent form (§5) is now systematically aufgehoben in the relation of commodity and money, which latter becomes conceptually accessible. The value of a commodity is now expressed in its price. With this step, the commodity values are immediately comparable with one another. Quantitative differences in the selling price thus designate differences which relate to the degree of social acknowledgement, i.e. to the proportion which a product as commodity has of the abstractly social labour. Money as *value expression* is thus always simultaneously *measure of value*. Insofar as money always buys, it is in its autonomous existence (as social thing) representative of the commodity totality. It is in this sense *absolute commodity*. This determination is of a purely qualitative kind (there is no more or less in the representation of the commodity totality) and thus is attributable to every money-thing without distinction. In addition, money can also be understood as *absolute value* in the sense that every money-thing, as absolute commodity, can immediately buy and thereby express a definite portion of abstractly social labour, a definite (quantitative) value. Money enables at any time the access to definite objectifications of abstractly social labour. Money, grasped in this sense as absolute value, is thus also quantitatively determinate. It is more or less of the absolute value. The autonomous existence of absolute value is the basis for the price-form also having meaning beyond the realm of the products of capitalist labour.

On Commodity Money and the Various Types of Money (Anticipation)

The alternative conceptual development of money makes no statements about the type of money, whereunder we initially understand simply the money material. It leaves open whether money consists of gold, copper or paper. This question only arises in connection with the production of money. If money is conceived as commodity-money, then this implies a definite statement about the production of money. Money as commodity-money is not a commodity, but it is supposed to be the product of a capitalist (industrial) labour process, indeed of a valorization process. This production of money however cannot be stamped with the double character which characterises capitalist labour because, firstly, money, as absolute value, itself has no value — it has no value expression — and therefore, does not participate in the abstractly social labour.

Secondly, money cannot as social thing be the product of a concrete dissociated labour. Insofar as the-production process of money can be identified at all as labour process, this labour cannot be grasped as capitalist but as concretely social. The social production process of money separated from the society refers to the state as social subject of this process. The question of the shape of money therefore can first be treated in connection with the state's monetary policy. The *material* of the production process of money is, to be sure, product of capitalist labour, but the production of the material is to be distinguished from the creation of the type of money now explicated as formed material, even though the latter may have scarcely any material significance but is exhausted in an essentially performative act (minting). A large and perhaps the principal part of a money theory is thus bound up with an analysis of the bourgeois state. The fixing of the type of money is only one of many important questions. Here the problem of the factual validity of money (which not only presupposes functioning market relations but also conditions these), which crops up in connection with the treatment of subjectivity, shall be briefly gone into. The question of the factual validity is linked to the question of the type of money insofar as, for example, a means in the attempt to implement a type of money is without doubt gold backing. Through gold backing, the state underlines (through the appropriate institution) that money is absolute value, i.e. is able to purchase a commodity at any time, even though this be only gold. Gold-backed money is thus not understood here as a commodity-money replaced by a money symbol. It is therefore not surprising that precisely in times in which the absolute value of (goldbacked) money, i.e. money as representative of the commodity totality, is endangered through a collapse of this totality, that the run on gold is *no* transformation of the type of money into its 'original' shape as gold.

As we have seen, the analysis of money is in no way finished with the setting down of the concept of money. This is not only a reference to a money theory in connection with a theory of state, but refers also to the economic analysis itself. Besides money as capital, giro-money and credit money must be investigated in the analysis of the circulation of capital. Giro and credit money we understand as *forms* of money as opposed to *types* of money. No matter what the type of money in the form of *cash*, it is to be contrasted with the derived forms of money.

ABBREVIATIONS

Marx

- CI, CII, CIII : *Capital* Volumes I, II, III Moscow 1954, 1956, 1959.
CI(P) : *Capital* Volume 1, Penguin Harmondsworth, 1976.
KI, KII, KIII : *Das Kapital*, Bd. I, II, III in *Marx-Engels Werke*, Berlin Bd. 23, 24, 25.
Crit : *A Contribution to the Critique of Political Economy*. Moscow, 1970.
Z : *Zur Kritik der Politischen Oekonomie* in MEW13.
GE : *Grundrisse* trans. Nicolaus, Penguin Harmondsworth, 1973.
G : *Grundrisse der Kritik der politischen Oekonomie (Rohentwurf) 1857-1858*, Berlin DDR 1953.
TSV1, 2, 3 : *Theories of Surplus Value* Parts 1, 2, 3, Moscow, 1975.
TM1, 2, 3 : *Theorien ueber den Mehrwert*, Bd. 26.1, 26.2, 26.3 MEW.
B : *Briefe ueber das 'Kapital'*, Berlin DDR, 1954.

Other

- DgV : Roth/Kleiber/Hanlon/Eldred, *Die gedoppelte Verdopplung : Zum Ausbau des Marxschen Systemfragments*, forthcoming.
RVfA : Eldred/Hanlon 'Reconstructing Value-form Analysis' in *Capital & Class* No. 13, Spring 1981.
RVfA1 - 4 : Eldred/Hanlon/Kleiber/Roth 'Reconstructing Value-form Analysis' Parts 1 - 4 to appear in *Thesis Eleven*.
CCF&S : Eldred *Critique of Competitive Freedom and the State : Outline of an Extension to Marx's Uncompleted System*, unpub. typescript 1981.

NOTES

1. Cf. Eldred 'Material Dialectics and Socialist Politics' in *Thesis Eleven* No. 2, 1981.
2. Eldred & Hanlon, RVfA.
3. A number of typographical errors unfortunately also crept into the published version. The cross references within the text are all wrong. The title was inadvertently altered, which makes the reference to the "numeral 1" on p. 52 meaningless. Other errors are :

p. 32 12 lfb "expanded" for "universal"

p. 45 Diagram: "M + AM" for "M + M"

2 lfb insert after "a process of" : "valorizing value, and further developments be made in the presentation. The consideration of the case where"

p. 49 21 lfb "M ≠ M^A" for "M = M^A".

4. Cf. esp. Backhaus 'On the Dialectics of the Value-form' *Thesis Eleven* No. 1 1980; 'Materialien zur Rekonstruktion der Marxschen Werttheorie 4' (unpub. typescript) and 'Zur Problematik des Verhaeltnisses von 'Logischem' und 'Historischem' in der Marxschen Kritik der Politischen Oekonomie' in Spanish translation in *Nuova Politica Mexico*, 1980.
5. Mike Rot *Kernstruktur unserer Kapitalistischen Gesellschaft*, Athenaeum, Frankfurt a.M. 1972, 11.
6. See the translation by Roth/Suchting in *Capital & Class* No. 4, 1978.
7. *Lenin and Philosophy and Other Essays*, London 1971, 81.
8. Note that in the *Critique*, Marx had not yet developed the conceptual distinction between value and exchange-value.
9. Warning : the translation is here completely unusable.
10. The following outline is a modified and considerably abridged version of the appendix to DgV 'Zum Begreifen der Geldgestalten'.
11. The function of money as means of payment is first developed in the wage-labour relation (RVfA2) and then extended to the loan-relations between revenue-source loaners and borrowers (RVfA3). The loan price is first paid at the end of the loan period.
12. Cf. DgV Abschnitt VIII or CCF&S Part IV.
13. Cf DgV Abschnitt VII or CCF&S Part II.
14. Obst/Hintner *Geld- Bank- und Boersenwesen* Stuttgart 1980, 7.
15. O. Veit *Reale Theorie des Geldes* Tuebingen 1966 245ff, 272ff contains an enlightening discussion of the failed attempts to create a supra-national money.