

Absolute Indifference: Social Contradictions in the Value Relation

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presented to the International Working Group on Value Theory meeting in conjunction

with the Eastern Economics Association, March 12-14, 1999

[Abstract: Human economic and social relations under capitalism are characterized by their indifference to one another except as they are subject and object as relations of exchange. This is because humans are historically subject and object for one another through divisions of labor and forms of property. Capitalism creates human society as a relation of social production, but does so only through divisions of labor and exchange value which have capital as their object. Capitalism develops, simultaneously, as a relationship of social production and shared social space and as the concentration and centralization of capital. The latter undermines the development of the former as a relation to its own processes of private appropriation. The development of global capitalism is the consequent undermining of national and urban development and the deepening crisis of capitalism as a social and economic formation. This paper examines human mutual social production and the emergence and development of the value relation, discusses the class determination of social production, and the evolution of capitalism and the present global economy.]

Karl Marx characterizes relations among human individuals in capitalist civil society as ones of absolute indifference because individuals appear to be only individuals, subject and object for themselves and one another as self-interested exchange relationships, but otherwise completely indifferent to one another (1986a: 94).ⁱ In the same way that feudal social relations once made human relations appear as a natural hierarchy of personal dependencies, so capitalism makes its own social form of individualism appear as the only form of human individual existence.

But, as Marx also demonstrates, the separateness, isolation, and indifference of individuals under capitalism arises from its relations of value determination and exchange of commodities which make both the products and services necessary to life appear, like human individuals themselves,

in fetishized forms: external, alien, antagonistic (1986b, vol. I: 77). At the same time, Marx shows that capitalism evolved as a fully social system of production where humans could at last achieve the promise of individual independence and shared social needs and relationships through socialism (1986b, vol. III: 250). It is for this reason that Marx says that socially necessary labor time, the basis of value determination, become more, not less, important under socialism (1986a: 109).ⁱⁱ

This paper explores the contradiction between exchange value as the basis for private appropriation, ultimately institutionalized in capital, and social production, which evolves through the exchange value relation and which ultimately becomes the basis simply for human social and individual existence and life. In this latter relation, divisions of labor and relations of exchange value for private appropriation become increasingly limiting to and destructive of social production and the human potential. In order to grasp these relations, I will examine humans as subject and object for one another, the relations of theoretical and practical activity, the class determination of economic relations, the evolution of capitalist social production, and the dangers and possibilities of present-day economic and social life in global capitalism.

Humans as Subject and Object Through Divisions of Labor and Property

Humans produce their existence and life activity by making themselves subject and object for one another through divisions of labor. Each division of labor provides the human subjects involved with a form of property which is necessary to that subject for the reproduction of the other. In other words, each division of labor provides each of the subjects with what he or she is lacking in that form and which is necessary to their reproduction of one another (Marx and Engels 1968: 8-10). The first division of labor, as Marx and Engels establish in *The German*

Ideology, is the sexual act itself for the purpose of procreation, survival of the human species (ibid: 20-1). Slavery grows out of patriarchal relations involved with the family and tribal patriarchs. The relative social independence of tribal patriarchs is possible through the agricultural products increasingly supplied to them by slaves. And tribalism and slavery represent the social organization of production for the reproduction of the patriarchs. The social organization of property supplied to slaves for the organization of production takes the forms of patriarchal authority and war, urban space as the center of social existence of several tribes, and, finally, the state as the social organization of political authority by a master class. This class organization is built upon divisions of labor between town and country and the creation of new divisions of labor and forms of property in both rural and urban space and the increasing interdependence of these forms in the development of human productivity.

Humans are only subject as they are made subject by being object for others. And they are made object only across divisions of labor as they have the products of these divisions of labor available for their subjective activities. For example, slavery and feudalism are essentially divisions of labor as forms of personal dependence of humans upon one another. Slavery is, especially at first, a limited form of human existence which relies upon their direct reproduction as a relation of authoritarian force to labor. But, as early as the evolution of urban space under slavery, urban forms of property become the object for the slaves as well as for the masters. By the time of feudalism, personal dependence takes the form of production within social units in both town and country. This indicates that as humans are made object across ever more numerous and wider divisions of labor, their subjective labor activity becomes more personal and individual to themselves and dependent upon the production, distribution, exchange, and

consumption of commodities. Capitalism is essentially individual labor activity through divisions of labor which have as their object the creation of various forms of private property. Capitalism replaces divisions of labor as personal dependence with divisions of labor which are dependent upon things.

Marx states that all economies are essentially human organizations as relations to time (1986a: 109). This means time in production as the quantity and quality of goods and services which can be produced through the divisions of labor involved in a given form of organization. And it means time in consumption, as the products of various divisions of labor make possible varieties of consumption, labor activities, and leisure. Time defines social organization as urban space and increasingly subordinates all forms of production and consumption to urban requirements. This begins with the subordination of agricultural products to urban requirements and proceeds through the development of the capitalist metropolis where industrial production becomes organized into monopoly corporations which have urban requirements as their content for production. This means that time increasingly limits productive organization and economic activity to urban forms and objects. This means, also, that the objects of production and consumption become self-evident as the requirements of human life activity within urban space and that new products and services can be inferred from the needs for greater individualization and personalization of those urban products and services. Divisions of labor and the private exchange relations which they necessitate, for the private appropriation of those goods and services, become destructive not only of the shared space and the urban whole. Divisions of labor and exchange relations also undermine capitalism itself as the objects of private appropriation, exchange, money, and private incomes become increasingly insufficient to sustain

the urban space, social relations, and economy which capital itself called into existence.

Exchange in early human history is, at first, as Marx shows, little more than cheating among tribes (1986a: 107). But, as exchange develops into commodity forms, it becomes a basis for individual judgement and choice beyond simple and immediate use value. And exchange becomes the primary means for the circulation of products across divisions of labor and, thus, the means to consume the products of multiple divisions of labor for individual subjective activities. But exchange is always subordinate to the divisions of labor which create the products and services for exchange. And, therefore, exchange and commodities always exist within and presuppose a given social formation of classes, ruling class appropriation, and the reproduction of the classes to their respective social positions. Commodity production and exchange under capitalism mystifies these forms because their fetishized existences makes them appear independent of the individuals and the social relations which create them (Marx 1986b vol. I, 77). Capitalist economics ratifies the practice of commodity production and exchange by making this the object of its investigations and theoretical developments.ⁱⁱⁱ

Humans as Subject and Object for Theoretical and Practical Activity

Part of the confusion which surrounds economics regarding commodity production and exchange value arises from misunderstanding the relations between human theoretical and practical activities. Humans create their world. They build upon their relationships to one another to preserve the existing and create the new. Humans are not simply their world and its repetition. Thought concepts are derived from this activity and are, therefore, determined as humans are subject and object for themselves and one another. Thought concepts are reflections on self-activity as that activity exists for the individual self. But it exists for individual reflection

because it exists between and among people in mutual activity. For example, Aristotle reflects on value as it exists for him, in his thought concept of value, in searching for a definition. Aristotle found himself unable to imagine the value of beds being expressed by a house because of the lack of a socially developed concept of value (Marx 1986b, vol. I, 80). Value does not exist individually, separately, but only as a relation among people. This is true whether we are speaking of use value or exchange value or value simply as an expression of qualitative comparison.

Aristotle exists for himself only through others. Aristotle's development as an individual is limited by the lack of development of exchange relationships. All of the forms of property and divisions of labor upon which he depends for his existence are only made object for him by the labor of slaves. *In other words, the form and content of his subjectification is limited to the form and content of his objectification.* The more property of an individual has at his/her disposal, from urban and rural forms of personal dependence through exchange relationships, the more he or she is subject through those forms. And those forms of property exist as objective relations to other humans, mutual objectification through logical historical relations to property created as the products of divisions of labor.

Individuals are only object for one another and subject for themselves through divisions of labor. This means that they are object and subject only through some form of social production. The more extensive the form of social production, the more individuals are subjects for themselves within those forms. Individuals objectify one another directly as individuals only in primitive forms of social production. Sexual objectification and patriarchy exist in present-day society, as previously, because they are divisions of labor, which capital reproduces and extends.

Divisions of labor and property are always class relations because they arise as extensions of class appropriation in a certain form. Therefore, divisions of labor and property extend to the limits and in increasing opposition to that form of class appropriation. This is because humans are always and only personified through divisions of labor and forms of property and the point of any class appropriation is the reproduction of the subjectivity of the dominant class. For example, slavery cannot adapt itself to relations of exchange and can only develop money relations in limited forms because it relies upon the physical extension of slavery. The socially destructive concentration of wealth in the ownership of Roman property arose from this contradiction within slavery.

The Class Determination of Social Production

Tribal patriarchy, slavery, and feudalism are all forms of mutual reproduction through personal dependence upon other human beings. Each develops as it involves ever more divisions of labor and exchange relationships. By the time of feudalism, labor activity is increasingly personalized to individuals so that social production is carried on within town and country as social units. Exchange between these is a major source of the antagonism between town and country under feudalism. The evolution of commodity relations under feudalism increasingly makes private labor activity and private property the objects of mutual human reproduction.

Within each of these economic relationships, humans are object for one another as they are subjects for their own activity. Direct and immediate personal dependence under tribal patriarchy and slavery is increasingly mediated by divisions of labor and forms of property which make humans subject for themselves as individuals. Tribal patriarchy, slavery, feudalism, and capitalism are all mutual objectification of human beings by one another across divisions of

labor. Each of these forms of economic relations is a universal mediation of human objectification across divisions of labor. These are universal in the sense that each has a universal identity arising from all of those human beings connected, in that way, across those divisions of labor. In other words, each of these economic relationships has its characteristics and identity because it involves mutual objectification across divisions of labor as a product or result of the limitations of human subjectivity in that form. Mediation of subjects through particular forms determines the form of universal objectification. Tribal patriarchy and slavery are limited to relatively direct dependence of humans upon one another for their existence. Feudalism involves greater mediation in these relationships through increased division of labor and forms of property. And capitalism is the mediation of human objectification through commodity exchange relations as the sources of individual labor and life activities.

Each of these economic relationships is, then, the sum of all of the particular mediations through which subjects are object for one another and corresponds to the limit of subjectivity in that form. Each of these economic relationships produces divisions of labor and forms of property only to its own limits. Tribal patriarchy, slavery, and feudalism, for example, cannot fully incorporate and develop the exchange relationship because it involves divisions of labor which are beyond the class forms of appropriation involved. Tribal patriarchy and slavery are the more or less direct appropriation of the products of some human beings by other human beings. These only develop as the appropriation of the master class by the ever further extension of the enslavement of other human beings. It is this limit and incapacity which eventually necessitates slavery giving way to feudalism. But feudalism is direct appropriation through labor within social units and it is the antagonism of these social units for one another that initially restricts

exchange relations both by custom and law. Capitalism is a system of social production, but it is limited to exchange relations because capital, which depends upon money and exchange, is the form of ruling class appropriation. Class rule, within each universal form of mutual objectification, always strives to limit the particularization of divisions of labor and forms of property to forms consistent with its own means of appropriation.

Individual human beings are subject for themselves as object through particular divisions of labor: as those particular divisions of labor exist as the basis for their consumption and, therefore, also, for their participation in production in a particular form. This means, in other words, particular mediated subjective determinations within and across divisions of labor. Within each of the economic relations mentioned above, the general divisions of labor correspond to tribe-family, master-slave, lord-serf, capitalist-worker. Particular forms of subjectivity are the product or result of the forms of divisions of labor by which individuals can be subject for themselves within particular divisions of labor, as activities of production and consumption.

The universal forms of mutual objectification which each of these economic relations determines the particular forms of mediation among particular human subjects and the form in which they are subject as object for themselves, i.e., that they have particular objects as divisions of labor and forms of property as objects for their subjective activities. As I indicate above, also, further particular divisions of labor within these general class divisions, because they are the bases for greater individual labor activity and personalization, always represent a movement against the limits of the dominant class rule and its forms of appropriation. Particular divisions of labor and forms of property, then, always move against the limits of the dominant form of

universal objectification.

In general, human society evolves against the limits to exchange. Exchange is the most flexible form of mutual objectification for private appropriation, in some form, in that the limits of mutual objectification can be extended through exchange. And exchange is the most flexible form of particular subjective activity, insofar as subjective activity which has particular objects can have those objects available through exchange. Tribal patriarchy and slavery begin the exchange relation, but extend it only to their own limits. Feudalism ultimately breaks down as lord-serf relations become dependent upon exchange. Capitalism extends the exchange relation through its system of social production, but only to the limits of its own private appropriation through the production of capital.

The Evolution of Capitalism

Capitalism evolves out of feudalism as increasingly personal forms of labor activity make possible the production and exchange of commodities which replenishes and sustains that labor activity. This is what Marx refers to as “labor in general,” meaning that labor as personal activity for commodity production and exchange makes it possible to move among a great variety of jobs and also creates labor activity as social production in that individuals are essentially producing for and sustaining one another within shared social spaces (1986a: 41). But, as is inherent in commodity production, this labor activity takes place only on the basis of private property and forces those who do not have property in the means of production to sell their labor power to those who do.

Production is carried on according to socially necessary labor time so that they can be exchanged for money prices which more or less correspond to their value. Without value,

commodities cannot be exchanged, at least not for very long. Value is the point of capitalist production because it allows the exchange of commodities for returns that are greater than the wages paid to workers in production. The exchange of goods at value has inherent in it exchange for monetary returns that are vastly greater than the value of the labor power that created them. One has only to imagine the productivity of workers in daily production and the values of the goods that they create, as compared to the value of their labor power, to see that this is true. Once all components of commodity production, distribution, exchange, and consumption in a society respond to the investment of money, that society is capitalist because capital accumulation is then the objective of all of these activities. But there is no capital without the production and exchange of commodities at their value because there is no surplus value over and above workers' wages as the basis for capital accumulation.

It is essential to understand that capitalism is a system of social production which is mediated by commodities, exchange value, money, and the accumulation of capital. These mediations become ever more destructive of the system of social production and the people within it. Capitalism is not primarily a system of value creation and exchange. It is primarily a class system in which the point of capital and wages is to return the capitalist and the worker to their respective social class positions. As Marx demonstrates throughout *Capital*, these mediations mean that capital combines personal labor activity into ever more social forms (Everling 1997: 24-41). The value relation requires the combination of labor into ever more socially connected and efficient forms of production. Commodity production moves from individual workshops, to cooperation in factories, and then to industrial production where the technologies that are really extensions of the workers themselves stand over and above the

workers' labor activities or displace them entirely from those activities.

But what is at work here in capitalism and its development is the increasingly social definition of human individuals as subject and object for one another. In other words, the mediations of commodities, exchange value, money, capital, and labor activity interconnect the mutual reproduction of human beings by one another. Each is made ever more an individual whose labor activity is the form of their participation in social production. And their individual labor activity depends upon their consumption of the products of social production and the increasingly common social space which is both premise and result of that social production.

My goal in sketching the evolution of capitalist society is to observe both the mutually defining social production among individuals and the contradictions which exchange value, and capital generally, pose for that social production. If we imagine, for example, the English colonies in America, it is evident that they are dependent upon commodities. But these take the form primarily of raw materials. The production and exchange of commodities is moderated or even negated by the ability to rely upon personal labor on the land. At a certain point, American production requires either continued dependence on England at unfavorable rates of exchange or domestic production. And the more domestic workshops arise, the more the countryside itself is required to produce commodities for exchange. The exchange between town and country increasingly refines agricultural commodity production, centralizes production in urban factories, and provides sources of labor activity by those separated from the land. By the early 19th century, factory towns are already making themselves objects for the production of increasingly common urban requirements. Urban housing becomes an object for production around the 1830s as factory owners move to new neighborhoods to escape the increasingly

working class areas that now surrounded their factories.

With the growth of urban industry, the merchant and farmer connections which dominate early commodity production and exchange then give way to the development of banking as the mediator of capital circulation. Urban space itself becomes ever more the focus of distribution and services. By the late 1800s, urban space and its requirements are the objects for production as well as consumption. Monopoly corporations which arise at the turn of the 20th century with the production of urban requirements as the content of their production. These monopoly corporations represent a doubling of the opposition between urban social requirements and production based upon exchange value. The concentration and centralization of production and the control over the technologies and forms of value creation which these corporations represent take the form of finance capital. Finance capital is the accumulation of capital arising from its concentrated and centralized production processes. And finance capital is the control of capital to maintain exchange value relations to keep capital investment and production from extending to meet all of the requirements of social production, most specifically the full development of urban space and the economic security of agriculture. This concentration and centralization of capital and the simultaneous limits upon social investment and production necessitate the export of capital.

The 20th century has seen two major oppositions within capitalism and its exchange value relations played out. One side of this opposition is the creation of vast corporate monopolies, the urban factories which compose them, and the urban industrial working class which surround them. This continues to make the production for standard urban spatial and life requirements the focus of production. But this occurs especially during the last quarter of the

century, with a decreasingly domestic orientation. Moreover, urban space as the focus of production never proceeds very far except for certain groups and in certain limited periods. The late 1960s and early 1970s urban fiscal crises, like that in New York City, signal the value and class limits to the production for urban space which underwrote the best of capital's "golden years" of the post 1945 period.

Imperialism, as the overcoming of capital's limits to domestic production and value creation in the monopoly corporate form, is the other side of this opposition as the major development of the 20th century. What begins as the export of investment capital becomes, after the Second World War, the export of financial institutions and productive facilities. This results by the late 1960s and early 1970s, in a globalized system of capitalist finance, production, distribution, exchange, and consumption. Nation states in the post 1945 era became ever more dependent upon export-led growth and this increasingly limits their fiscal and monetary policies to their ability to earn through international exchange, produces international competition for cheap labor, and international competition for value production rapidly erodes new technologies. The core of the Asian and global crises at the end of the 20th century are in the technologies outmoded by international competition for value production and in the ever deeper and more highly competitive reliance upon the US market to which the world is reduced by the steady erosion of domestic production and consumption within nation states.

The specific form and resolution that the concentration and centralization of capital on a global scale takes is the transnational corporation (TNC). Most of the leading TNCs are based in the US. These corporations control production, finance, technology, and, in general, value creation and investment on a global scale. As such, they represent a direct opposition to national

economic development in all nations. In short, capitalist concentration and centralization as the control of value relations now repeats on a global scale the limits to production and consumption centering around urban domestic requirements which it had previously encountered on a national scale at the turn of the 20th century and which has driven the creation of its imperialist forms over the last 100 years.

Conclusion

To summarize the key elements in the evolution of capitalism, capital represents an ever deeper restriction to social production as it reorganizes social production and social relations as a relation to its own ever more concentrated and centralized forms of private appropriation. Once capital makes itself fully global, it then disrupts and distorts social and economic relations on a world scale in its continuous and ever more self-limiting search for profitable investment. From its inception, capitalism is a consistent limiting of social production to its own relations of private appropriation. Capitalism makes production social through the socialization of individual labor activity. But, it does so only on the basis of private property, and thus only as a relation to those who own the means of production. Production is limited to those forms which produce the highest exchange value. And capital seeks to employ only that labor which creates the highest exchange value and the greatest surplus value. Capital makes technology the extension of human labor within social production. But it makes use only of those technologies which increase labor exploitation and displace human labor from employment. Capital achieves social production through the circulation of capital and the management of money as a relation to investment for the production of the highest exchange values and rates of profit. The social circulation of capital concentrates and centralizes this management in finance capital and monopoly corporations. The

development of these institutions, especially through the international export of capital, means that they control ever wider relations of the determination of exchange value creation, technologies, and sources of labor as relations to themselves and their own private appropriation. The globalization of capitalism through imperialism means that national production is ultimately determined through the transnational corporations and banks. National monetary and fiscal policies as mechanisms for national economic and social development are then limited to the nation's ability to produce for and earn international exchange which is consistent with the transnational corporations and banks as the dominant institutions of imperialism.

Global concentration and centralization of capital turns fiscal policy into its opposite and makes it the limit to domestic spending and development. Moreover, global concentration and centralization of capital devastates national divisions of labor as bases for national reproduction and reorganizes national divisions of labor as a relation to itself. Privatization and downsizing are thus result and premise for these reorganizations. They are both the telescoping of economic development within a nation as a relation to export-led growth. National economic development with capitalism develops to the point of urban divisions of labor. This is the limit and opposition within monopoly and imperialism. The 20th century has seen the progressive undermining of urban divisions of labor as the bases for economic development.

The deepening crisis of capitalism is complicated and made more profound by its limited and relatively weak forms of state and sociality. Capitalism is essentially relations of private activity both with regard to production, distribution, exchange, and consumption, and individual life. The "private sector," as capitalist private property and the private control of wealth, continually wars against the state. Indeed, as Marx and Engels point out, the state is itself a form

of property and, under capitalism, has bureaucracy as its own form of private property and defense against its destruction by capital (1975: 93-193). Human individuals are object for one another through exchange relationships. This limits the sociality of civil society to competitive and antagonistic relations. It limits the family to the reproduction of patriarchal relations. The family itself becomes increasingly limited and obsolescent as a form of sociality. And the antagonisms of individuals within it, whether adults or children, become ever more threatening and destructive. Education, as one of capitalism's chief forms of sociality, has always been itself a form of property and private appropriation in preparation for work. Health care and recreation, always limited as forms of urban development, breakdown further in late capitalism into privatized and socially isolated and isolating forms. In all of these ways, human subjects are limited to these objects and are increasingly at war with themselves and one another in what are really shared forms of social space and activity within an urbanized world.

Marx terms capitalist sociality relations of absolute indifference because social relations among people are carried on as relations among things (1986a: 81-95). Capital carries out the complete reversal of subject and object. It creates society as relations among individuals who should be in and for themselves for common relations to social production and shared social space. Instead, capital makes those individuals subjects for that production and that space only insofar and in the ways that they are objects for capital. Social production and shared social space arise within capitalism as relations to exchange value. But the basis of exchange value is always socially necessary labor time. Social production and shared social space, therefore, open the ways to human emancipation as social individuals. But that emancipation is achievable only through the recognition of that space as no longer dependent upon divisions of labor for

exchange and private appropriation. The ability to produce and develop that space for the sake of human social individuals requires a recognition of a socially necessary labor time which has production for need and use as its objects, as these are guided by humans' life activities.

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Endnotes

i. Marx indicates here that absolute indifference is also absolute interdependence: “The absolute mutual dependence of individuals, who are indifferent to one another, constitutes their social connection. This social connection is expressed in *exchange value* in which alone his own activity or his product becomes an activity or product for the individual himself. He [She] must produce a general product--*exchange value*, or exchange value isolated from itself, individualized: *money*. On the other hand, the power that each individual exercises over the activity of others, or over the social wealth exists for him as the owner of *exchange values*, of *money*. He [She] carries his social power, as also his connection with society, in his pocket.” (1986a: 94)

ii. “Ultimately, all economy is a matter of economy of time. Society must also allocate its time appropriately to achieve a production corresponding to its total needs, just as the individual must

allocate his [her] time correctly to acquire knowledge in suitable proportions or to satisfy the various demands of his activity. Economy of time, as well as the planned distribution of labour time over various branches of production, therefore remains the first economic law if communal production is taken as the basis. It becomes a law even to a much higher degree.”(1986a: 109)

iii. Marx argues that there is no political economy distinct from capitalism itself because political economy takes its categories from capitalism and understands these as simply relations to one another rather than as processes within human social development. Humans who are the owners of commodities appropriate the produce of the labor of others by alienating their own labor. Labor is a joint process of alienation. Marx contrasts this to the assumptions made by Say’s Law. Say’s Law purports to prove that the seller brings his or her buyer to market with him. But sale and purchase are one identical act between persons as opposed to each other as the poles of a magnet. Economic crisis is the extension of this polar opposition. The commodity must be exchanged for money and this indicates a period of rest in its life. Value and money extend this opposition, seemingly infinitely, as a relation to themselves, as a series of transactions. Considered apart from its own absolute categories, Say’s Law is actually an argument concerning social development. It argues that economic and social development are made through private consumption as a consequence of private production and exchange. It is the cornerstone of the notion that economic and social development are simply relationships to prices (1986b, vol. I: 160).