

# THE MOVING CONTRADICTION

## THE SYSTEMATIC DIALECT OF CAPITAL AS A DIALECTIC OF CLASS STRUGGLE

Capital itself is the moving contradiction, [in] that it presses to reduce labour time to a minimum, while it posits labour time, on the other side, as sole measure and source of wealth...[1](#)

### THE ACCUMULATION OF CAPITAL AND THE CLASS STRUGGLE

The theoretical critique of capitalist social relations proceeds from the actuality of these relations, i.e. from the relation of exploitation between capital and proletariat. This theory is practically reflexive: it locates itself within and is produced by the class struggle.[2](#) As such, it is *immanently critical*: it is the theoretical expression of the contradictions immanent within the totality of capitalist social relations.

The internal contradictions in the dynamic of capitalist accumulation can be theorised at different levels of abstraction: as contradictions between use-value and value; between concrete and abstract labour; between necessary and surplus labour; between the accumulation of value and the tendential de-essentialisation of that which is posited as its source; and most concretely, between capital and proletariat. If the totality of capitalist social relations must be theorised as a complex, contradictory totality, as the “moving contradiction”, then the contradictions at a simpler, more abstract level must be grasped as determinate moments of that same totality. Each of these moments can only be efficacious within the totality of relations which constitutes them; thus the contradiction immanent within the commodity-form between use-value and exchange-value, for example, is a determinate moment of the capitalist class relation: there is no exchange value without generalised commodity production, and no generalised commodity production without the exploitation of a proletariat by capital.

Similarly it follows that the class contradiction and the contradictory course of the accumulation of capital cannot be sharply opposed to each other. The immanent tendencies within the accumulation of capital are determinate moments of the class relation. At a certain level of abstraction it is possible to show that the internal contradictions within capitalist accumulation tend to undermine its basis. At a more concrete level, the historical course of the accumulation of capital is nothing other than the contradictory development of the relation of exploitation between capital and the proletariat; its history is the history of the class struggle.

The capitalist drive to produce surplus value is paradoxically both the drive to exploit labour-power and, simultaneously, to expel it from the production process. Capital is impelled by its own dynamic, mediated through the competition between capitals, to reduce necessary labour to a minimum, yet necessary labour is the basis on which it is able to pump out surplus labour. Necessary labour is always both too much *and* too little for capital.

The relation of exploitation is intrinsically antagonistic from the outset. There is a secular tendency in this already antagonistic relation for capital to produce more proletarians than it can profitably exploit. As it accumulates, capital both exploits tendentially fewer workers, expelling labour-power from production (both relatively and, ultimately, absolutely), and it attempts to raise the rate of exploitation among the relatively diminished work-force. Proletarians are forced to struggle against both aspects of the tendency.

It is apparent from this that there is no abstracting from the class struggle to yield the “ordinary process of accumulation”. Likewise there is no *external* or causal relation between capital accumulation and

class struggle: the dynamic of capitalist accumulation *is* a dynamic of class struggle. Proletariat and capital stand in a relation of reciprocal implication with each other: each pole reproduces the other, such that the relation between the two is self-reproducing. The relation is asymmetric, however, in that it is capital which subsumes the labour of proletarians.

The movement of economic categories is the reified expression of the class relation. Thus the power of the approach of some of the theorists associated with *Open Marxism*, for example, is their understanding of economic categories — money, interest rates, and so on — as mediated forms of the class struggle.<sup>3</sup> These self-moving economic categories are reified forms of the class' own activity, become autonomous (“rearing themselves up on their hind legs”) and constituting themselves *qua* capital — as the antagonistic pole to the proletariat in the relation of reciprocal implication. The accumulation of capital proceeds through the relation of exploitation which is *always already* a relation of struggle; conversely, the class struggle is *always already* a determinate relation according to the exigencies of the valorisation of capital.

This is all to undermine the dualistic conceptions of capital accumulation on the one side, and class struggle on the other, that characterised most variants of Marxism in the 20th Century.<sup>4</sup> If we grasp the moving contradiction as the singular movement of the totality of capitalist social relations — the historical development of the relation of exploitation between capital and the proletariat as simultaneously the historical course of accumulation *and* course of the class struggle — then it is this contradiction which ultimately determines the revolutionary action of the proletariat *as a pole of the contradiction*.<sup>5</sup> The action of the proletariat in abolishing capitalist social relations is the *immanently* produced supersession of the relation of exploitation. Equally there are no “lines of flight”, no “exodus” from the capitalist class relation. Even if the relation of exploitation produces its own outside through the tendency to produce surplus capital and surplus population, these increasing numbers of proletarians whose labour-power is surplus to accumulation remain *within* the capitalist class relation.<sup>6</sup>

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If capital is the reified form of the proletariat's activity which confronts it in the relation of exploitation — its own activity which is *abstracted* from it, appropriated as capital and subsumed under the form of self-valorising value — then even the most concrete level of the class relation is under the sway of the abstract. The capitalist mode of production is characterised by the “rule of abstractions.”<sup>7</sup>

As self-valorising value, capital is a *real abstraction*. One pole of the relation of exploitation is self-moving real abstraction. Its self-movement is of course mediated by its relation to the other pole of the relation, the proletariat, *and* through the material interests of its agents and beneficiaries in human shape, the bearers of the capital relation. In the course of its self-valorisation capital assumes variously the shapes of money capital (including the plethora of forms of finance capital), productive capital and commodity capital. Thus if at times in the course of its circuit it is materially embodied, it remains in its concept a self-moving real abstraction; the self-expansion of abstract wealth.

Thus if the immanent (i.e. *practically situated*) critique of capitalist social relations proceeds from a phenomenological beginning — the chaotic lived experience of these relations and the class struggle — it is immediately confronted by the real abstractions governing these relations. The theoretical critique of the capitalist class relation must therefore reproduce the movement of practically abstract forms which constitute this relation. The commodity-, money- and capital-forms of value are forms which mediate capitalist social relations — their critique is a critique of *social form*. An immanent critique of these forms retraces their contradictory movement from the abstract to the concrete, reconstituting the complex totality of the capitalist class relation: the moving contradiction.

## THE ARCHITECTONIC OF THE SYSTEMATIC DIALECTIC OF CAPITAL

It has been necessary to make the above prefatory comments because the architectonic of the systematic dialectic of capital is built on a very abstract foundation with respect to the totality of capitalist social relations: the value of the commodity. As we will see, however, value proves itself to be a totalising category, such that its movement is the contradictory movement of the totality of capitalist social relations — i.e. the capitalist class relation.

The reconstruction of the Marxian systematic dialectic of capital which we present here in many respects follows that advanced by Chris Arthur.<sup>8</sup> In Arthur's elaboration, value is a provisional foundational category in a progressively self-concretising and retro-actively self-grounding dialectic, where internal contradictions generate the movement from one category to the next. We proceed from the surface of capitalist society — i.e. from the sphere of circulation and the exchange of commodities. Notably it is not until chapter 7 of volume 1 of *Capital* that Marx descends into the "hidden abode of production" to solve the mystery of the origin of surplus-value. Indeed Arthur argues that Marx introduces labour as the content or substance of value too early in the dialectic — in Arthur's reconstruction, the dialectic of forms of value is one of pure forms generated by the generalised exchange of commodities, regardless of the content which these forms acquire in the production process of capital in its totality.<sup>9</sup> From the generalised exchange of commodities there is a dialectic of value, abstract wealth, which proceeds in abstraction from the content or substance of value — i.e. in abstraction from labour. This is the dialectic of the expansion of abstract wealth. However to ground itself, the expansion of abstract wealth has to posit itself as the truth of the material world of human social practice — i.e. it must prove itself to be the truth of that world by the subsumption of labour under capital.

The dialectic of pure forms arises in the sphere of circulation out of the exchange of commodities. In terms of the totality of the production process of capital as unity of the spheres of production and circulation of commodities, production is teleologically oriented to exchange — or, more specifically, to the valorisation of value. Labour is subsumed under the capital-form of value; production is form-determined as capitalist production — i.e. as the valorisation process of capital. Of course it is a truism to say that there is no exchange without prior production; but labour cannot be said to be constitutive of the dialectic of pure forms of value. In the reproduction of capitalist relations of production the logic of capital *qua* form of value assumes a priority over the labour process — it subsumes this process under itself and posits itself as its truth. With the subsumption of labour under capital, the labour process is form-determined as the production process of capital. The logic of capital accumulation imposes itself on production for human needs. Capital is the alpha and the omega of this process. It is the perverse imposition of its logical/ontological priority over productive activity, such that the producers are not reproduced (or are not able to reproduce themselves) as an end in themselves.<sup>10</sup>

The systematic dialectic of capital is the logical interrelation between categories which form-determine social practice in the capitalist mode of production. Arthur's approach reproduces the logical/ontological priority of capital, as a logic of pure forms, over the social practice form-determined by it. However in the systematic dialectic of capital, to assert its truth-claim — i.e. its claim to be the truth of social practice — capital must not merely subsume labour under itself, but reproduce the separation between capital and labour-power — i.e. it must posit its presuppositions. There is no systematic dialectic of capital without this prior separation. The systematic dialectic of capital is only able to realise itself as a self-grounding (if internally contradictory, and ultimately self-undermining) process when capital posits its presuppositions in this way. In articulating the immanent critique of capitalist social relations, then, reproduction — the reproduction of the class relation, itself intrinsically a relation of struggle — assumes a central categorial importance. Class struggle is both condition and result of the systematic dialectic.

Another way of making this point is to say, as we have above, that there is no society of generalised commodity production without the capitalist exploitation of workers. The law of value can only operate on this basis. Without human relations and practices which subsist in the “mode of being denied” through the perverted, fetishistic form of economic categories, there could be no economic categories: no value, no commodities, money or capital.<sup>11</sup> This does not mean, however, that labour should be understood as somehow constitutive of the entire process; nor should it be understood as primary. The fetish-forms of capital are properly understood and criticised as self-moving, perverted forms of social practice.

Once capitalist social relations have constituted themselves as a self-reproducing — if internally contradictory — totality through the subsumption of labour under capital and the reproduction of the class relation, value is fully determined as socially necessary labour time — or better, socially necessary *exploitation* time. Value is only constituted negatively through the exploitation of workers, rather than affirmatively through the constitutive power of labour. It is the capital form of value that posits abstract labour, or the abstract exploitation of workers, as its substance or its content.

Value, in this ultimate sense, has exploitation inscribed within it, or rather it inscribes exploitation within its form. The point here though is that the question of the substance of value, and how this substance is to be expansively generated, is from the ideal or logical point of view of capital a posterior consideration — one in which social practice will have to be moulded to the logical requirements of capital.

In sum, capital becomes in practice self-grounding by reproducing the structurally antagonistic relation between capital and proletariat which is the *sine qua non* of capitalist accumulation. When value totalises itself in this way, the starting-point of the systematic exposition reveals itself to be no mere starting-point, but a moment in the self-movement of the totality. Value claims for itself a logical priority; once we have ascended to the viewpoint of the totality we can see that value’s truth-claim is only guaranteed by the structurally “false” (i.e. perverted, displaced) and yet empirically “true” (i.e. actual, effective) relation between proletariat as (re)producer of capital and capital as (re)producer of the proletariat.

And yet, as we have seen, the very totality which is constituted by the systematic dialectic of capital — social practice form-determined as practice oriented to the valorisation-process of capital — is internally contradictory. It is these internal contradictions — their historical playing-out — which threaten the dissolution of the capitalist totality through the revolutionary action of the proletariat.

## THE LOGIC OF CAPITAL

The systematic dialectic of capital is a dialectic of the forms of value, namely the commodity-, money- and capital-forms of value. The dialectic proceeds by means of the logical connection between these forms independent of the content which they assume. Each form generates the subsequent one by means of a dialectical transition. This dialectic of pure forms is constitutive in this way of a quasi-ideal ontology. A logic of pure forms, each generating the next, independent of any material content: capital would seem to parallel the abstract realm of forms of thought of Hegelian logic. Indeed Marx famously remarked that prior to the writing of a draft of his critique of political economy, he had leafed through Hegel’s *Logic*, and that this had helped him in deciding upon his method of treatment.<sup>12</sup> Arthur’s reconstruction of the Marxian dialectic of capital makes this connection explicit, and demonstrates the structural homology between Marx’s *Capital* and Hegel’s *Logic*.<sup>13</sup> According to Arthur the logic of pure forms in either case — the forms of thought in the latter, and the forms of value in the former — is in some sense to be identified.

Systematic dialectic is the articulation of categories inter-related within an existent concrete whole — in our case, the capitalist system. As such, the interrelation of these categories is *synchronic*: they co-exist in time, or hang together simultaneously. However, the synchronicity of the inter-relation of the logical categories does not mean that it is impossible to distinguish them; indeed, the dialectic proceeds from one category to the next by means of necessary, intrinsic connections or transitions. Both the Hegelian dialectic in the *Logic*, and the Marxian one in *Capital* proceed from the most abstract, simplest categories to ever more concrete, complex ones. Hegel views these transitions as intrinsically and objectively determined. Marx similarly considers the goal to be the tracing of “the intrinsic connection existing between economic categories or the obscure structure of the bourgeois economic system...[to] fathom the inner connection, the physiology, so to speak, of the bourgeois system...”<sup>14</sup>

For both Hegel and Marx the systematic dialectic has to be adequate to its object, which in either case is a concrete whole, characterised by a set of internal relations. Thus systematic dialectic articulates the inter-relation of logical moments of a totality; each moment of this totality presupposes, and is presupposed by, all the others:

A thing is internally related to another if this other is a necessary condition of its nature. The relations themselves in turn are situated as moments of a totality, and reproduced through its effectivity.<sup>15</sup>

Marx emphasises that “in the completed bourgeois system ... everything posited is also a presupposition, this is the case with every organic system.”<sup>16</sup> With this circularity of the dialectic the relations are bi-directional. In one direction, the capital-form of value presupposes money relations; money in turn presupposes commodity relations. Equally however, the reverse sequence of internal relations must also hold: the concept of value is only adequately grounded at the level of the totality of capitalist social relations. The circularity and bi-directionality of the systematic dialectic imply the *synchronicity* of its moments within the totality of capitalist social relations.<sup>17</sup> It follows, then, that the dialectical progression from commodity, to money, to capital should not be understood as a temporal progression. Moreover, it is from the outset the articulation of relations which characterise specifically *capitalist* commodity production. The dialectic retraces a *logical* rather than temporal sequence of moments.

## THE DIALECTIC OF FORMS OF VALUE

Following Chris Arthur’s reconstruction, the dialectic is driven by the movement of the self-grounding of value. The initial determination of value as pure universal essence of the commodity or “mere immanence” proves inadequate; value shows itself to be immanent not to the commodity, but to the relations of commodities to one another. However, the determination of value in commodity relations itself proves contradictory, and the contradiction is provisionally resolved by the transition to a universal equivalent: “value cannot be actualised in an accidental exchange but requires the unification of the world of commodities through the establishment of a universal equivalent”.<sup>18</sup> Thus the abstraction of value which is implicit in commodity relations is now grounded in a form which explicitly posits it, namely money. This movement from the commodity-form of value to the money-form of value can be seen in Hegelian terms as a movement from value *in-itself* to value *for itself*.

The money-form of value itself suffers from structural deficiencies or internal contradictions. For to be value *for itself*, to “actualise the concept of value in autonomous form”<sup>19</sup>, the money-form of value cannot merely mediate between commodities in their exchange. But if, on the other hand, it is withdrawn from circulation and hoarded, it loses its character as value, and it becomes a mere “metal dump”. This contradiction brings about the emergence of a new form of value which no longer plays

the subordinate role of merely mediating between commodities (as in the figure C-M-C), but instead makes *itself* the object of its immersion in circulation — or the end, the purpose, the *telos* of circulation as represented by the figure M-C-M'. This inversion generates the capital-form of value. In Hegelian terminology, we have now arrived at value *in and for itself*: value which takes itself as its own end.

The capital-form of value, self-valorising value, however, is unable to actualise itself in the sphere of circulation where the exchange of equivalents obtains; it is driven by this internal contradiction to externalise itself in the material world of production, where surplus value can be generated through the exploitation of labour-power. This movement of subsumption of production under the value form posits (abstract) labour as the substance of value.

## THE TRANSITION FROM C-M-C TO M-C-M

In Marx's treatment of the logical transition from C-M-C (money as means of circulation) to M-C-M' (money as the end of circulation), he gives a number of related arguments. One explanation for the transition is to be found in the structural tendency for the circuit C-M-C to fall apart into its moments C-M and M-C, which are two separate transactions in time and place. In Marx's words:

To say that these two mutually independent and antithetical processes [i.e. C-M and M-C] form an internal unity is to say also that their internal unity moves forward through external antitheses. These two processes lack internal independence because they complement each other. Hence, if the assertion of their external independence proceeds to a certain critical point, their unity violently makes itself felt by producing — a crisis.[20](#)

The moments C-M and M-C are externally independent of each other — each represents particular accidental transactions with no necessary relation to the other — and yet together they form an internal unity or are internally related (that is to say each presupposes the other — the seller of the first commodity has to sell in order to be able to buy the second). Thus the figure C-M-C can be said to exhibit an internal contradiction. Buyers and sellers are not always successfully matched up on the market. In terms of fully developed commodity exchange this tendency manifests itself as a tendency to crisis — notably the crisis of the failure of value to realise itself due to interruptions in the sphere of circulation.

In Tony Smith's treatment of this transition, the “structural tendency” towards the separation of the moments C-M and M-C “itself generates a structural tendency to overcome this separation.”[21](#) We might say that the internal deficiency in the figure C-M-C produces its own sublation in the form M-C-M':

the accumulation of money *qua* money provides a principle of unity that can overcome the structural tendency towards fragmentation immanent within the circuit of money as a means of circulation.[22](#)

In the inversion from C-M-C to M-C-M', exchange-value has usurped the position of use-value as the finality of the exchange process. Money is accumulated in order to circumvent the problem that a commodity must first be sold in order that another may be purchased. Thus we can discern objective structural tendencies which lead to a predominance of the figure M-C-M' over that of C-M-C, or of money as *end* of exchange over money as *means* of circulation.

The accumulation of exchange value in order to prevent interruptions in circulation thus corresponds to a dominance of the *liquid* value form over the *solidified* use-value form of the commodity, which is essential if the *flow* of commodity circulation is to be maintained. This inversion can be said to be



structurally necessary for the self-reproduction of the totality — i.e. the system of capitalist commodity exchange.

The dialectical inversion from money as means of exchange to money as end of exchange necessarily implies an inversion of C-M-C to M-C-M', i.e. the *accumulation* of exchange value, rather than merely M-C-M. Once the structural ascendancy of M-C-M over C-M-C is established — once money has been made the end of exchange — exchange serves no purpose if it does not increase the sum of money being exchanged. The only way for value to preserve itself as the end of exchange is by increasing itself; otherwise it will revert to mere means of exchange.

## THE CONTRADICTION BETWEEN ESSENCE AND EXISTENCE IN THE MONEY-FORM OF VALUE

In the *Grundrisse* Marx makes a second, related argument in terms of an immanent structural necessity or logic for the transition from the money-form to the capital-form of value. The money-form of value is riven by an internal contradiction between essence and existence, or between universality and particularity: the existence of a particular sum of money contradicts its essence, which is to be wealth as such. Marx writes:

We have already seen, in the case of money, that value having become independent as such — or the general form of wealth — is incapable of any movement other than a quantitative one; it can only increase itself. According to its concept it is the essence of all use values; but as always being merely a definite quantity of money (here, capital) its quantitative limitation contradicts its quality. Hence it lies in its nature constantly to exceed its own limits [...] This is why increase coincides with self-preservation in the case of value that adheres to its nature as value, and it preserves itself only by constantly striving to exceed its quantitative limits, which contradict its characteristic form, its inner generality.<sup>23</sup>

Any particular sum of value is impelled to valorise itself in order to attempt to make its existence adequate to its universal essence, or to strive to actualise its concept, which is to be wealth as such, yet this movement of self-expansion is also the only way for value *for itself* to preserve itself as such. The capital-form of value is defined by a structurally determined drive towards infinite self-expansion.

In terms of the overall dialectic of the value form, which as we have seen can be grasped as a movement of the self-grounding of value, the transition from the money-form of value to the capital-form sublates the opposition between money and commodities. In the shape of capital, value — as universal essence — assumes the form now of commodities, now of money, which become forms of its existence, and between which it alternates ceaselessly. Value is now *in-and-for-itself*, and has grounded itself as the overarching unity of the movement between money and commodities.<sup>24</sup>

Marx, as we saw earlier, describes how — in the course of the transition from C-M-C to M-C-M' — value becomes transformed into the “automatic subject” of a process which is its purpose [*Bestimmung*] — namely its self-valorisation. What we see here is that capital is structurally or logically determined; its movement arises out of logical necessity. As self-valorising value, capital becomes the dominant or “overarching subject [*übergreifendes Subjekt*]” of the process of commodity exchange, which is now posited as the process of its own valorisation.<sup>25</sup> In capital we might therefore say that we have a *logical subject*, if not a conscious one.<sup>26</sup>

## THE CONCEPT OF CAPITAL AND THE TELEOLOGY OF M-C-M

The concept of capital, M-C-M', has a teleology inscribed within it: the self-expansion of value. As we saw, the inversion from C-M-C to M-C-M' is an inversion between means and ends: the *means* of circulation become, as capital, the *end* of circulation. Value, as self-subsistent, becomes its own end. As the general formula for capital, M-C-M' thus represents or encapsulates the *telos* of capital.

Yet this *telos* is a peculiar one, in that it merely forms the starting point for a new cycle of valorisation. Thus the cycle M-C-M' is endlessly repeated anew. When the means become an end in themselves, strange consequences derive, as Aristotle saw before Marx. In Marx's theorisation of the inversion from C-M-C to M-C-M' in *Capital* he references the Aristotelian distinction between *economics* (which corresponds to C-M-C and privileges use-value) and *chrematistics* (which corresponds to M-C-M' and privileges the abstract and limitless form of wealth) and cites Aristotle as follows:

For chrematistics, circulation is the source of riches. And it appears to revolve around money, for money is the beginning and the end of this kind of exchange. Therefore also riches, such as chrematistics strives for, are unlimited. Just as every art which is not a means to an end, but an end in itself, has no limit to its aims, because it seeks to approach nearer and nearer to that end, while those arts which pursue means to an end are not boundless, since the goal itself imposes a limit on them, so with chrematistics there are no bounds to its aims, these aims being absolute wealth.[27](#)

This limitlessness arising from the inversion between means and end, such that the means become an end in themselves, is described by Marx as follows:

The simple circulation of commodities — selling in order to buy — is a means to a final goal which lies outside circulation, namely the appropriation of use-values, the satisfaction of needs. As against this, the circulation of money as capital is an end in itself, for the valorization of value takes place only within this constantly renewed movement. *The movement of capital is therefore limitless.*[28](#)

In contrast to the figure of C-M-C, which proceeds from one commodity at one extreme, via the means of exchange to a different commodity which “falls out of circulation and into consumption” at the other extreme, the path M-C-M' “proceeds from the extreme of money and finally returns to that same extreme”.[29](#) In that this movement is constantly renewed, and money constantly returns to itself, M-C-M' can be characterised in Hegelian terms as a *true* or *genuine infinity*.[30](#) However, it can also be considered a *false infinity* to the extent that the figure M-C-M' also incorporates the moment of valorisation; for as we have seen, value as capital is structurally impelled to drive beyond its own quantitative barriers, in an endless agglomeration.

These two aspects of capital, when taken together — i.e. capital's constant return to itself as true infinity, and its incessant driving beyond itself as false or spurious infinity — give it a Sisyphean vocation. As *essentially* self-valorising value, capital is condemned to restlessness, to perpetual motion, for to stand still is to perish. The peculiar *telos* of capital, then, is to expand *endlessly*. As true infinity its *telos* is itself; it is its own end. As false infinity, its *telos* is to surpass itself; its *telos* is never-ending growth. Paradoxically, the accumulation of capital is thus a teleology *without end*.

Capital constantly strives for a vanishing, or constantly receding goal. As soon as its *telos* is attained, it turns out to have been a mirage; no sooner is its end realised than it is posited anew. Capital is thus condemned to the existence of the undead, the perpetual restlessness of the ghoul condemned to stalk the earth, its soul in limbo.[31](#) It is a *perpetuum mobile*.

The systematic dialectic of capital is, as we have seen, a synchronic relation of logical moments of a concrete whole, the capitalist system. Now, however, we can see that this systematic logic gives rise to



a diachronic dynamic of the perpetual movement of self-reproduction and self-expansion of capital. This is more than a secular tendency — it is an immanent law of the capitalist mode of production.

## THE SYSTEMATIC DIALECTIC OF CAPITAL AT MORE CONCRETE LEVELS OF ABSTRACTION

This exposition has thus far remained at a very abstract level. We have seen how the dialectic of the forms of value, arising from the generalised exchange of commodities, generates an immanent logical drive to the constantly self-reproducing movement of the self-valorisation of value. This dialectic of pure forms develops in abstraction from the immediate process of production, and in abstraction from the question of the substance of value. The pure forms are, however, in need of a content if the abstract logic of capital accumulation is to be actualised. It is through the subsumption of labour under capital that the forms of value acquire such a content: in the subsumption of production under the “concept” of capital, the production process is posited, and form-determined, as the valorisation process of capital. At the same time, however, it is the exchange of capitalistically produced commodities which posits abstract labour as the substance of value. The production and circulation processes are thus determined as moments of a unity: the capitalist production process. No single moment of this process is prior to the others — each presupposes the others. However, as we saw, through the subsumption of labour under itself capital imposes its logical priority on the social life-process.

The accumulation of capital is predicated on the exploitation of wage-labour. The course of capitalist accumulation is the development of this relation of exploitation — it is the development of the relation between capital and proletariat. Already at the most abstract level we can discern a directional dynamic which determines the course of capitalist history — the perpetual drive to the accumulation of capital. The course of capitalist accumulation — i.e. the course of the relation of exploitation — is, however, mediated through more complex, concrete categories, some of which Marx develops in the three volumes of *Capital*, and which are more concrete determinations of the logically ordained process of capital accumulation. We don’t give here a full outline of the systematic dialectic of capital — a project which in any case Marx never completed. Marx’s three published volumes of *Capital* treat of capital-in-general at the level of universality, particularity and singularity respectively — i.e. at progressively more concrete levels of abstraction, or more complex levels of mediation.<sup>32</sup> It is at the level of capital-in-general as singularity in the third volume of *Capital* that the secular tendencies within the accumulation of capital as totality — as unity of many capitals — can be examined.

We will here briefly anticipate some of these secular tendencies. As we indicated in the introduction to this article, capitalist accumulation tends to undermine its own basis. The same tendency can be expressed as follows: the relation of exploitation corrodes its own foundation, as that which is exploited — labour-power — is tendentially expelled from the production process with the development of the productivity of social labour. The same tendency finds expression in the rising organic composition of capital and the falling rate of profit — namely the tendency towards the overaccumulation of capital, such that capital finds itself unable to generate in sufficient proportion new arenas for the productive exploitation of labour-power — for the generation of sufficient surplus-value with which to valorise itself.

As we have seen, the relation of exploitation is by definition a contradictory relation — a relation of class struggle. The secular tendencies which we have begun to outline, then, are determinations of the class struggle. Its history is the history of a moving contradiction — the conflictual and crisis-ridden reproduction of the relation of exploitation between capital and proletariat.

## CONCLUSION

The systematic dialectic of capital is in the first instance a dialectic of the pure forms — i.e. of the forms of value. Value grounds itself retroactively through the dialectical transitions from the contradictory forms of value (the commodity and money) to the capital-form of value: value whose purpose is to generate itself — a totalising, absolute form. To actualise itself and be grounded in reality, this totalising form must assume a content, which it does by means of the subsumption of labour under itself and the form-determination of the social life-process as the production process of capital. Indeed, as we have seen, capital is nothing other than a perverted form of human social relations. Furthermore, to be grounded in reality, capital must posit its own presuppositions — it must reproduce itself and its internal other — the proletariat, the other pole of the relation of exploitation. It must reproduce the relation of exploitation itself. To the extent that the relation of exploitation between capital and proletariat is self-reproducing, the systematic dialectic of capital can be said to be totalising, and *closed* in its circularity.

However, if the systematic dialectic of capital is closed at one level of abstraction, this closedness is put into question at the more concrete level of the actual history of the class relation. The self-reproduction of the relation of exploitation through the mutual reproduction of capital and proletariat cannot be guaranteed for all time. Indeed, to the extent that there are secular tendencies intrinsic within capitalist accumulation which threaten to undermine its own basis, and to the extent that the systematic dialectic of capital — as dialectic of class struggle — produces a proletariat liable to dissolve the class relation itself, the dialectic cannot be said to be closed, but is rather *open-ended*.<sup>33</sup>

This open-endedness of the dialectic does not result from the contingency of the class struggle in relation to the systematic logic of capitalist accumulation: the class struggle is no “exogenous variable”. That which on one level is merely contingent relative to the logic of capital accumulation — the material and spiritual interactions between humans and between humans and nature — is itself *logicised* — i.e. brought under the logic of the capital-form of value — as a result of the subsumption of labour under capital, and of the self-reproduction of the relation of reciprocal implication between capital and proletariat. It follows that the history of the class relation is determinate according to the very asymmetrical character of this relation, in which one pole is defined by the abstract logic of the self-expansion of value and subsumes the labour of the other. The proletariat is recalcitrant vis-à-vis the exigencies of capitalist accumulation, but its recalcitrance, or perhaps better — its antagonism — has a determinate character according to its status as a pole of the moving contradiction. The systematic dialectic of capital — as dialectic of class struggle — is in the last instance open-ended because it threatens its own immanently produced supersession in the revolutionary action of the proletariat, which through immediate communising measures abolishes itself and capital and produces communism.

1. Marx, *Grundrisse* (MECW 29), p. 91.
2. The idea of practically reflexive theory is developed by Richard Gunn in ‘Practical Reflexivity in Marx’, *Common Sense* 1, 1987.
3. See e.g. the three volumes of *Open Marxism* published by Pluto Press, as well as Werner Bonefeld and John Holloway, *Global Capital, National State, and the Politics of Money* (Palgrave Macmillan 1995)
4. See Giacomo Marramao, ‘Theory of Crisis and the Problem of Constitution’ *Telos* 26 (Winter 1975-1976).
5. See *Endnotes* no.1, ‘Afterword’, for an outline of the historical determinacy of the revolutionary action of the proletariat as communisation.
6. See the article ‘Misery and Debt’ above.
7. Marx, *Grundrisse* (MECW 28), p. 101.

8. See particularly Chris Arthur, *The New Dialectic and Marx's Capital* (Brill 2002).
9. It might be that Marx feels obliged to assert that labour is the content of value from the outset for political reasons. See the article 'Communisation and Value-Form Theory' above for a discussion of the political dimension of Marx's critique of political economy.
10. In capitalist social relations logical forms (i.e. the forms of value) have an ontological status as *real* abstractions. Through the subsumption of labour under itself, capital asserts the primacy of its logic, which can be said to have a real existence.
11. We use 'perversion' to render Marx's *Verrückung*, which can also be rendered as 'displacement'. The German word also carries a connotation of insanity.
12. See Marx & Engels, *Selected Correspondence* (Progress Publishers 1975) p.121. Marx had obtained Bakunin's copy of Hegel's *Logic* as a present from Freiligrath.
13. In Arthur's reconstruction the progression of categories of the first six chapters of *Capital* volume 1 are mapped onto Hegel's *Logic*, such that the logical movement from commodity exchange to value parallels the 'Doctrine of Being'; the 'doubling of money and commodities' parallels the 'Doctrine of Essence'; and finally capital as 'absolute form' which posits its actualisation in labour and industry, corresponds to Hegel's 'Concept.' See Chris Arthur, *The New Dialectic and Marx's Capital* (Brill 2002), pp. 79-110.
14. Marx, Economic Manuscript of 1861-63 (MECW 31), p. 390.
15. Chris Arthur, *The New Dialectic and Marx's Capital* (Brill 2002), pp. 24-25.
16. Marx, *Grundrisse* (MECW 280), p. 208 (Nicolaus translation).
17. In *Anti-Dühring* and elsewhere Engels conflates synchronic and diachronic dimensions of the dialectic in developing what has become known as the 'logical-historical method,' according to which the logical structure of *Capital* mirrors the historical stages of development of the capitalist system. Thus Engels interprets the section on commodity exchange in the context of a supposed historical epoch of so-called 'simple commodity production.' For a critique of this interpretation see Chris Arthur, 'Engels as Interpreter of Marx's Economics' in Chris Arthur, ed., *Engels Today: A Centenary Appreciation* (MacMillan 1996). Proponents of *systematic* dialectic have thus been at pains to differentiate their approach from all notions of a *historical* dialectic, including the so-called dialectic of forces and relations of production across different modes of production, as well as the more Hegelian Marxist problematic of the history of alienation and its overcoming.
18. Chris Arthur, *The New Dialectic and Marx's Capital* (Brill 2002) p. 31.
19. Ibid.
20. Marx, *Capital*, vol.1 (MECW 35), p. 123 (Fowkes translation).
21. Tony Smith, *The Logic of Marx's Capital* (SUNY Press 1990), p. 89.
22. Ibid.
23. Marx, *Grundrisse* (MECW 28), p. 200.
24. This movement parallels the movement from the 'Doctrine of Essence' to the 'Doctrine of the Concept' in Hegel's *Logic*.
25. Marx, *Capital*, vol.1 (MECW 35), p. 165 (our translation).
26. Moishe Postone develops this theme, likening capital to an unconscious version of the Hegelian *Geist*, in 'Lukács and the dialectical critique of capitalism', in R. Albritton and J. Simoulidis, eds., *New Dialectics and Political Economy* (Palgrave MacMillan 2003). Of course capital, as alienated objectivity which assumes a subjectivity in the process of its own-self valorisation, is nothing but a perverted form of social relations between individuals.
27. Aristotle, *De Republica*, quoted in Marx, *Capital*, vol.1 (MECW 35), p. 163.
28. Ibid. (our emphasis).
29. Ibid., p. 165.
30. '[I]n its passing into another, something only comes together *with itself*; and this relation to

itself in the passing and in the other is *genuine Infinity*.' See Hegel, *The Encyclopaedia Logic*, §§ 94-95, (Hackett 1991), pp. 149-152.

31. As we shall see below, capital is the spirit animating the production process - Marx uses the metaphor of the vampire (the undead) sucking on living labour as its life-blood. Perhaps another appropriate image would be of capital as zombie-master, the undead spirit, directing from outside the activity of workers as zombies, the living dead. Of course, all this Gothic imagery should not obscure the sense in which the movement of capital is also the all-round development of needs and universality, albeit in the mode of being denied (i.e. as the universe of value).
32. See Felton Shortall, *The Incomplete Marx* (Avebury 1994), pp. 445-454, and Chris Arthur, 'Capital in General and Marx's *Capital*' in Martha Campbell and Geert Reuten eds, *The Culmination of Capital* (Palgrave 2002) for a discussion of the entire project.
33. The class struggle is mediated by many levels of concrete determinations which remain untheorised in this article. The cycles of struggle and forms that revolutionary movements take historically are determined by the shifting configurations of the class-relation and the changes in the character of the proletariat's self-relation in its relation to capital. We refer readers to other articles in this and other issues of *Endnotes* where the contours of the class struggle and its history are considered in more concrete terms.

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