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**Opening the System:
(Re)Writing Value Theory Discursively**

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Opening

I begin from the premise that value theory is both modern and postmodern because I agree with Garnett (1995) that both aspects are evident in Marx's writing and that our debates over value theory benefit from acknowledging both. By identifying the modern and postmodern moments of value theory I want to avoid the either/or position of some theorists – the claim that value must be understood according to a given methodology or epistemology – because, following Ollman (2003), I understand Marx's dialectic approach to include the possibility and desirability of looking at its objects from more than one vantage point.¹

I will argue that the question of what is at stake in the debates over value theory does not depend on whether one takes a modern or postmodern approach. Critics from both perspectives argue, for very similar reasons, that value theory is an obstacle to developing an adequate theory of capitalist society and that it needs to be removed; proponents argue that value theory is a primary means by which Marx makes capitalist class relations apparent and that by jettisoning the concept of value, critics relinquish the ability to explain key features of capitalism. Since, for Marxists, the reason to interpret society is in order to change it, it follows that what is at stake in these value debates is whether and to what extent the theory is able to inform and thus contribute to emancipatory social change.

By analyzing these opposing modern and postmodern claims I intend to reframe the debate along the following lines. In my mind the question becomes how can we (re)write value theory in such a way as to maintain the insights (or sightlines) afforded by the class concepts it helps us to develop (commodity, value, money, capital, surplus-value) while at the same time retaining an openness to those concepts which it at times excludes (race, ethnicity, gender, sexuality, ecology). How, in other words, can we open the system? This opening is important both in order to retain the merits of value theory for informing radical social change and also for locating value theory within an epistemology adequate to stave off the attacks of its critics both sympathetic and otherwise.

¹ The approach of identifying modern and postmodern moments in economic discourse is introduced into the postmodern Marxian literature by Amariglio (1990); for recent applications of this approach within both Marxian and non-Marxian economics see Ruccio and Amariglio (2003).

In what follows I will first summarize the contributions that value analysis makes and contrast the modern and postmodern critiques in order to show that, in spite of their very different premises, they reach similar conclusions that value theory is unsound and ought to be abandoned. To critically assess this claim I will build upon existing postmodern contributions to the value debates that point out the ways in which the concept of value can be read as having both economic and social content. I will then extend this postmodern analysis in two ways: first I will argue that Marx's concept of socially necessary labor introduces a number of significant social and natural determinants of value that have been overlooked in the postmodern literature. Second I will develop an argument concerning the characteristics of the logic in which the concept of value is situated in order to show that, far from insulating value within a logical totality that excludes non-economic determinants of value, the logic of value is instead constituted in a way that expressly permits an opening to these other aspects of the social totality. Utilizing these two contributions I will then reconsider the arguments posed by the critics in order to show that they result from overlooking the postmodern moments in value theory and instead choose to fix or freeze value in ways that prevent it from being used to integrate social, economic and natural aspects of capitalist class relations.

What is at Stake: The (false) promises of value theory

In part the value debates are over what we can claim to know about capitalism as a result of reading Marx. Modern and postmodern value theorists point to insights they see as being central to informing our understanding of capitalism. Modern and postmodern critics point, on the one hand, to various weaknesses of the reasoning that produces these insights and, on the other hand, to the politically disabling stance value theory creates. In order to address the question of what is at stake, I will first describe the promises value theory makes – the insights ostensibly afforded by value theory. While modern and postmodern advocates of value disagree about the status of these insights, most argue that they constitute a logical whole. I will then delineate the claims of those who reject these insights as either wrongheaded or unhelpful – as false promises that ought to be ignored in favor of other, more promising approaches to theorizing capitalist society.

Sightlines

Advocates of value theory argue that Marx develops the concept of value in order to highlight specific ways in which the capitalist class relation is reproduced.² Through the unfolding of the concepts of value and value-form, Marx makes apparent several key aspects of these class relations:

- The concept of value permits Marx to understand the commodity as a historically specific means by which a social division of labor is created and reproduced. The capitalist class relation is seen as being reproduced through commodity production and exchange.
- Surplus value is seen by Marx to result from the interrelation between exchange (where labor-power is purchased and sold as a commodity) and production where labor is performed and value is created. The interrelationship between production and exchange allows Marx to distinguish value *per se* from the forms it manifests in exchange and to show why value is expressed in money.
- Marx uses the distinction between the value and exchange-value of labor-power to identify the basis for class conflict within production. He shows how the conflict over the quantity of surplus value produced affects the duration, intensity and organization of the labor process and also affects the development of the technical basis of production. The magnitude of surplus-value can be seen to depend on the productivity of labor and the factors affecting workers' standards of living which are thus identified as important elements of class struggle.
- Quantitatively, the distinction between value and value-form also permits the analysis of the distribution of value among productive capitalist enterprises both within industries and across industries depending on the composition of capitals. It permits a quantitative expression of the idea that each commodity represents an aliquot part of the total social labor and each capital captures its aliquot share of the total surplus value according to its relative composition.

² Each theorist emphasizes different aspects of value and places more or less weight on different theoretical developments. Examples of some recent modern renditions of value theory that defend these claims include Saad-Filho, 2002; Lebowitz, 2003; Fine, 2001 and Foley, 1986. Postmodern approaches include among others Roberts, 2005, 2004, 1997, 1996; Callari, Roberts and Wolff, 1998; Cullenberg, 1998, 1994; Resnick and Wolff, 1987.

- Value also enables an analysis of the factors affecting the distribution of the surplus value among unproductive capitalist enterprises through the formation of the rates of profit of commercial and financial capital, interest rates as well as land rent. Class conflicts over the distribution of surplus value and the various intermediate class relations of the participants are made apparent through the analysis of value distribution.
- Finally, the concept of value allows Marx to enumerate the conditions under which capitalist class relations will tend to be reproduced and the contradictions or barriers to reproduction that result from the various class struggles over the production and distribution of surplus value. The tendency for the rate of profit to fall and the factors tending to counteract it can be systematically examined in order to identify, at an abstract level, how changes occurring at one point in the reproduction of the class relation may impact other aspects.

These are some of the sightlines that Marx's development of the concept of value opens up, but the further significance of the theory of value (sometimes overlooked) is the explanation of how these sightlines are, in general, obscured by the class relation itself. Value allows Marx to make evident these aspects of class relations while at the same time showing how the class relations are occluded and remain unrecognized by the participants. The theory of commodity fetishism provides a basis for at least two further insights:

- The fact that these unequal exchanges of labor-times are not seen by us, the participants, in them to be the result of specific social relationships but are instead are understood to be natural, eternal qualities of commodities themselves.
- Marx is able to show the reification of the social relationships: how as participants we come to see and accept the capital we confront as having a natural characteristic of contributing to profit and how we therefore confront our own work efforts in the objectified and reified form of a power alien to ourselves.

The development of the concept of value is the primary means by which Marx makes these reified and fetishized relationships apparent and also the means by which he is able to theorize the distributions of abstract labor that are implied by production and exchange within a capitalist class relation. A good part of the political project of writing value theory is an effort to make

these social relations apparent to ourselves as participants in them in order to both inform and motivate efforts to change them.

While proponents of value theory agree on the broad claims of value theory they disagree over the ontological status of value and the epistemological and methodological approaches that best characterize these claims. Those who emphasize the modern moments within Marx's writings argue that the concept of value correctly identifies the real but hidden basis underlying the capitalist class relation – socially necessary abstract labor (Saad-Filho, 2002; Fine, 2005; Albritton, 1999, Smith, 1994). This hidden essence is revealed as a result of Marx's dialectical method of analysis.³ Postmodern advocates of value emphasize the postmodern moments arguing that Marx's concept of value represents, at least in part, a discursive choice that enables him to expose the blind spots of classical political economy by drawing attention to the specific social content of value – the political and cultural conditions underlying capitalist class relations (Amariglio and Callari, 1989; Roberts, 1996;). A closer look at the postmodern moments in value theory is needed, but I want first to examine the arguments of those who reject the concept of value on the grounds that it presents an obstacle to emancipatory politics.

Illusions

Critics from both modern and postmodern perspectives, ostensibly sympathetic to Marx's project, claim that value theory is not able to deliver what it promises. On the one hand, the sightlines it offers are illusory and misrepresent class relations; on the other these sightlines obscure aspects of the social that would better inform the project of transforming society. On the modern side, the Sraffian and the analytic Marxists argue for different reasons against retaining the concept of value on the basis of logical errors Marx makes in deriving his results. From the postmodern side, the post-Marxist theorists reject value on the basis of the totalizing economic determinism implied by the modern moments in value theory. Both approaches conclude that value theory ought to be jettisoned for very much the same reason: for modern and postmodern

³ Some modern theorists rely on a rationalist epistemology and argue that by correctly identifying the contradictions inherent in the value concepts beginning with the commodity, Marx is able to capture in thought the logical relations inherent in the capitalist class relation in its pure form – the deep structure of capital (Albritton, 1999). Other modern theorists emphasize an empiricist epistemology and argue that Marx's abstractions correspond to the real underlying nature of labor in a capitalist system – abstract labor captures in thought the real abstraction that occurs in capitalist class relations (Saad-Filho, 2002; Smith, 1994)

critics alike retaining value theory effectively disables the political project of radically transforming society. Next I briefly review the basis of their positions.

From a Sraffian perspective, Marx's conclusion concerning the effects of class relations on commodity exchange, and in particular the determination of relative prices, can more consistently and parsimoniously be reached using Sraffa's standard commodity approach rather than value theory. Sraffians see Marx's value theory as logically flawed because it cannot consistently maintain the two aggregate equalities – total value equal to total price and total surplus value equal to total profit. In any case, value is redundant to the determination of commodity prices and for theorizing the centrality of class struggle within capitalism since Marx's results can be attained by way of Sraffa's concept of the standard commodity without encountering the logical inconsistencies found in value theory. Because Sraffa's system is logically consistent and parsimonious (in that it does not require the "detour" of calculating commodity values in labor terms) it should replace value theory as a basis for understanding class conflict over production and distribution in capitalism (Steedman: 1977). Retaining value theory is thus seen to be intellectually and politically disabling for Marxists since value theory provides a logically inconsistent account of production and distribution and thus provides incorrect prescriptions concerning how to intervene (Sinha, 2003).

From the perspective of the analytic Marxists, the methodology underlying value theory is not intellectually defensible since it does not explain the competitive outcomes underlying the determination of prices, profit rates and the resulting crisis potential of capitalism with reference to the rational actions of individual agents. Instead the conclusions rely on functionalist arguments which explain individual behavior with reference to the logical functioning of the whole (Roemer, 1986). By positing claims this way, non-analytical Marxists are able to avoid the possibility of disproving their positions and resort instead to appeals to Hegelian logic at best or the authority of Marx at worst. Value theory needs to be rejected in order to maintain the intellectual integrity of Marxian thought and to provide a correct understanding of capitalism (Hodgson, 1991). It is replaced with a game theoretic account of competition which defines class struggle in terms of the rational actions of individual workers and capitalist owners and

defines exploitation primarily as a struggle over distribution and not a result of surplus labor expended in production.⁴

I characterize both of these critiques as modern in the sense that they posit centered individuals with well defined rational economic interests and that they seek to provide and apply universal criteria concerning truth claims (Amariglio, Cullenberg and Ruccio, 2001). To analytic and Sraffian Marxists, value theory, and the dialectical logic that informs it, violates these universal criteria and thus value represents a logically flawed attempt to reflect reality. Maintaining adherence to value theory thus leads to incorrect analyses of capitalism and provides incorrect prescriptions for change. It amounts to an ideological unwillingness to admit to the logical flaws in Marx's arguments and therefore erodes the intellectual credibility and political effectivity of class-based analysis (Steedman, 1977; Elster, 1985: 5).

Postmodern critics of value theory reject the economism and the claim to universal criteria for truth claims inherent in both these modern critiques. Curiously they arrive at a similar conclusion: value theory is intellectually indefensible and politically disabling and ought to be rejected. What then is the basis for the postmodern critique of value?

From the perspective of postmodern critics of value theory, the concept of value necessarily precludes or marginalizes consideration of non-economic or non-class aspects of social relations by privileging the class relation. Further, it inscribes subjectivity with an essentialist humanism that posits a universal representation of human experience and privileges non-alienated labor as a defining characteristic of human nature. Value theory is in this view necessarily determinist because its causal explanations always trace back (in the last instance) to the economy (Cutler, et al., 1978). The ontological privilege of economy and class cannot be intellectually justified because this would require identifying an extra-theoretic standpoint from which to establish their ontological priority. On epistemological grounds they point to the contingency and partiality of the act of theory and thus object to the claims that modern value theory makes concerning the necessity of the laws of value and the view of capitalism as a total and closed system without an exterior. By closing the system, value theorists both exclude non-class aspects of subjectivity

⁴ For modern critiques of the rational choice approach see Lebowitz (1988) and Bensaid (2005).

and society as well as unjustifiably claiming either the ontological priority of value or a privileged methodological and epistemological position (Laclau and Mouffe, 1985).

The claims value theory makes are politically debilitating because they act to occlude salient aspects of society and individual subjectivity and thus limit the accepted means of resistance and struggle to class struggle. The economic determinism they see in value theory is politically disabling because it reduces manifold determinants of social agency (both individual and collective) to economic/material interests and ignores or marginalizes non-economic axes of political engagement.

In the view of these writers, then, the non-economic aspects of our decentered subjectivities are lost and value theory disables us by failing to bring to view what we need to see in order more effectively to promote radical change. Struggles for civil rights, feminism, ecology and gay rights ought to be incorporated in our understanding of how best to press for social change and value theory with its insistence on “last instance” determination by the economy only ever defines these struggles in terms of economy and class. Worse than this, the intellectual and political stance of privileging class aspects of society supports a fundamentalist stance that encourages totalitarianism. Value theory, with its insistence on the primacy of class, ends up subverting the aims to which it is directed by supporting and justifying an authoritarian system of governance (Goldstein, 2005).

Modern and postmodern critics of value theory thus agree. Only by relinquishing value theory can we provide a theory of society adequate to inform radical emancipatory social change. In the alternative systems of thought these critics recommend, elements of Marx’s arguments persist: certain of Marx’s insights stand alone and can be appropriated into alternative conceptions of capitalism. But as a continuing effort to theorize capitalism, value theory is a dead end and it ought to be abandoned.

The question concerning what is at stake can now be framed in the following way: Is it possible to retain value as a central concept within a systematic analysis of capitalism without reproducing logical inconsistencies that reduce adherence to value theory to dogmatic faith and

without invoking necessary laws of motion that leave no role for individual agency, laws that marginalize non-economic aspects of subjectivity? Is it possible, in other words, to engage value analysis without unjustifiably suturing or bounding the analysis at the level of economy? Can we open the system without destroying its integrity - without destroying its logical connections and without destroying its ability provide insights that inform radical emancipatory social change? I argue next that such a rewriting is possible and that, in fact, it is already being done. This rewriting allows for a systematic analysis without giving ontological priority to labor or value, or even capitalist class relations, and in this way it provides a means to open the system without losing the insights value has to offer.

Writing Value Theory Discursively

The critiques of value theory address both the content of value and the methodological means by which that content or meaning is derived; here I would like to distinguish these two questions because, although they are related, they refer to two distinct aspects of the methodology. In terms of the meaning of value, postmodern value theory calls attention to the postmodern moments in Marx's writing in order to identify the cultural and political determinants that act together with economic and class determinants to constitute value. By interrogating the meaning and significance of socially necessary abstract labor, postmodern value theorists argue that while at times Marx speaks of value as a natural economic concept, at other times he opens value to show the specific social conditions that act together with the technical and economic aspects of value to give value its meaning (Garnett, 1995). Value can be read as an essence that interacts with culture and politics as a separate element, but it need not be. Here I would like to extend this argument by showing how social, cultural and natural processes also act to overdetermine value through their effect on the way demand conditions affect "socially necessary" labor. I will argue that by emphasizing the postmodern moments in Marx's development of the concepts of abstract labor and socially necessary labor, the concept of value can be understood as a means to interrogate the ways in which economic and class aspects of social relations affect and are affected by political, cultural and natural processes. What appears to be at stake from the critics' perspectives is not a necessary consequence of Marx's concept of value but only of the

particular readings that do not recognize the ways that the very meaning of value is inscribed by the culture, politics and nature as well as the economy and class.⁵

I then will take a further step to argue that these aspects of value are situated within a logical system that can be progressively and systematically opened to articulate the value categories with these and other social and natural contingencies. Value can be understood as being defined synchronically at a given moment through its relation or articulation with those existing aspects of the totality. Here synchrony refers to the idea that the meaning that the concept value takes at a given moment in the logical development of Marx's analysis dependent upon only those elements which have been introduced into the analysis. But the concept of value and its relationship with the existing concepts in the logical totality can be seen to develop diachronically with the integration of new concepts as the totality is opened, expanded and reconsidered.⁶

I will first discuss the social constitution of value and argue that this social constitution is a result of value's synchrony. The diachrony can then be seen as a means to allow value theory and the meaning of the value concepts themselves to be systematically reconsidered as new concepts and new contingencies are introduced. From this perspective, the concerns of both the modern and the postmodern critics of value theory can then quite easily be shown to result from various attempts artificially to fix or freeze the value concepts and so to impede their further development. I will not argue that this fixing of their meanings is incorrect since the fixing of meanings is a necessary step in developing theory since it allows the theorist to see particular conceptual relations. Instead, I will argue that by not reopening the logical totality—by not unfixing and developing the concept of value – modern critics block particular sightlines – they prevent the development of a value theory that can effectively inform social struggles.

⁵ Many modern and some postmodern writers conflate economic processes with natural processes or drop consideration of the latter altogether. Natural processes are here understood as changes in the chemical and biological properties of matter and energy and are distinguished from economic processes relating to the production and distribution of goods and services. See Resnick and Wolff (1987).

⁶ The terms synchrony and diachrony are introduced by Althusser (1970) and discussed in Roberts (1981). For a more extensive discussion of the evolution of the value-form see Kristjanson-Gural (1999). LaClau and Mouffe introduce a similar methodological approach using the idea of relations as articulated elements (1985). For a similar analysis from the modern perspective of a systematic dialectics see Arthur (2001).

Meanings of Value

The insight that value is constituted in part by exchange represents an important postmodern contribution to the value debates. This result follows from the observation that commodity inputs are purchased as capitalist commodities and so the value these inputs contribute to the final output in the production process depends on their (current) exchange-values and not on the labor required for their production as modern value theory most often assumes (Wolff, Callari and Roberts, 1984). If value is in part constituted by exchange-value, it follows that the political and cultural conditions specific to the capitalist context of exchange are implicit in the value categories themselves. These conditions include political requirements (the legal status of workers and laws concerning private property ownership) as well as cultural meanings (equality, individuality and rationality of economic agents) that form a particular social backdrop or context within which value and exchange-values operate (Amariglio and Callari, 1989).

This constellation of political rules and cultural meanings allows agents to consider exchanges of unequal magnitudes of concrete labor as equivalent magnitudes of abstract labor and therefore as equal values. It is through this social set of agreements and understandings concerning equivalent exchange that Marx's concept of abstract labor as an aliquot part of the total social labor can be understood (Roberts, 2005; 1996). The difference between a commodity's value and its exchange-value can be quantified in terms of different amounts of abstract labor and, in this way, the redistribution of surplus-value that occurs within exchange is therefore brought to view. The concept of abstract labor is thus dependent upon a particular social set of understandings that inscribe it, understandings that the participants learn and internalize but do not commonly question (Ollman, 2003). The fetishism inherent in capitalist class relations is, in large part, due to the uncritical acceptance of the set of cultural and political beliefs that govern commodity production and exchange (Amariglio and Callari, 1989). By drawing attention to the social content of abstract labor and value, postmodern value theory challenges these social conventions and the class relations they help to reproduce.

I argue that the concept of socially necessary labor introduces further contingencies that need to be articulated into the idea of value. Socially necessary labor is most often conceived in technical terms as the labor required on average to produce each commodity. But Marx

introduces a second aspect of socially necessary labor time – production in accordance with existing social need – that serves to introduce a number of social factors into the determination of value.⁷ With the explicit consideration of market conditions – the relation of demand to supply – Marx introduces the question of the existing social need for a commodity and theorizes the effect of demand on value and exchange-value. Labor expended that is in excess of this need is not “socially necessary” and so the labor expended on the particular commodity counts for less than it otherwise would.⁸ On the other hand, labor expended on commodities that are under-produced relative to the existing social need count for correspondingly more. If value and exchange-value are, in part, dependent upon labor being expended in accordance with the existing social need, the political, cultural and natural factors that help to constitute the particular needs that get expressed through effective demand are part of what Marx means by value.

An extended elaboration of the social and natural determinants of demand is not possible here but I would like to offer two examples to illustrate how social conditions enter the analysis through the concept of socially necessary labor. Most directly, capitalist enterprises seek to sell their output in part by defining social identities in and through the consumption of commodities. Advertising, branding and to some extent public relations all act to reinforce particular meanings and identities associated with products, consumers and the act of consumption and as consumers we variously participate in these representations and also we also resist them. This contested terrain of meaning operates within limits set by laws and regulations and consumption activities are structured and enforced according to priorities which are set in part by political discourses. These discourses give meaning to consumption by affecting our beliefs about what is normal and what is deviant, what is sinful, what is legal, what is respectable and what is rewarding. The meanings of our consumption activities are imbued with gender and race representations; they are ordered and disciplined in particular ways and media, art, performance and protest all seek to intervene in these meanings to fix or to unfix them according to political commitments and moral beliefs. Rather than seeing consumption and demand simply as an expression of class relations,

⁷ This second sense of the term socially necessary is recognized by a number of theorists including early analyses by Rubin (1973) and Rosdolsky (1977). For a critique of attempts to integrate the two aspects of socially necessary labor-time, see Kristjanson-Gural (2005).

⁸ Allowing demand directly to augment the determination of a commodity’s value appears from the perspective of a single enterprise or industry to imply that demand creates value; from the perspective of the productive sector of the economy as a whole the effect of demand can be seen to redistribute value according to the distribution of demand (Kristjanson-Gural 2003).

postmodern value theory is drawn to examine the social context of consumption: “how institutions including their discursive and symbolic representation structure consumption as the interplay of ‘power, exclusion and response’ (Milberg and Petrokowski, 1994).

In addition to these social determinants of demand, the concept of socially necessary labor introduces natural aspects of value as well – aspects that have been largely overlooked in postmodern value literature.⁹ What is socially necessary in a given context depends in part on natural processes of climate, disease, aging, sexual reproduction, soil fertility and the chemical composition of air, water and food. These processes may be understood as a natural backdrop to consumption and there is some precedent with Marxian value theory for doing so. The determination of the value of labor power by the physiological needs of the working class is just one example. Here, instead, these natural processes are understood to be subject to interpretation and thus overdetermined by the cultural, political and economic aspects of the social totality. The meanings of these natural processes are formed and contested in and through the political and social context in which consumption activity occurs. For example, because value refers to the labor deemed socially necessary with the context of capitalist class relations it only registers those needs that are expressed through effective demand for commodities and certain social needs are therefore excluded. Need does not therefore refer to a physiological requirement and the inclusion of natural determinants of social need should be understood in the context of their interpretation within a given social context. Furthermore, meanings associated with gender, race and sexuality affect how natural processes are interpreted and act to change what is considered socially necessary in a given historical moment. By recognizing the natural aspects of consumption, postmodern value theory is thus able to reintegrate value with those aspects of the social totality that have commonly been excluded.

These social and natural determinants of consumption enter value and class analysis in at least two specific ways. First they help to determine the amount of socially necessary labor-time each commodity represents and thus affect the distribution of value and surplus-value throughout both the productive sector and unproductive sectors of the economy (Kristjanson-Gural, 2003). They therefore affect the availability of surplus value to various productive and non-productive

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enterprises and state agencies, they impact the various non-capitalist class relations operating in conjunction with capitalist enterprises and so they act both to relieve and at times to exacerbate contradictions inherent in capitalist and non-capitalist production, distribution and exchange. In this way, socially necessary labor time contributes to the potential for reinforcing or forestalling crisis tendencies and help to overdetermine the particular ways in which crises manifest.¹⁰

Secondly, the social and natural overdetermination of demand impacts on the value of labor-power as the cultural meanings and norms associated with consumption are contested. The extent and organization of non-waged household labor and the level and types of consumption that constitute the wage bundle are two of the most direct ways in which the social necessity of labor affects value and surplus-value. These questions invite consideration of the non-capitalist class processes as well as gift exchange as a means of seeing how the social conditions affecting the determination of the value of labor-power and the distribution of labor between waged and unwaged work affect each other and in turn affect and are affected by value and surplus-value production, appropriation and distribution.¹¹

These are only two of the many ways in which questions over the social necessity of labor open value theory in order to provide theoretical space to examine how value and class complexly overdetermine struggles over identity, politics, nature and consumption: questions that can and should be integrated into value analysis rather than being seen to represent an alternative or competing conceptual problematic.¹²

¹⁰ For an analysis of the role of consumption as an ideological state apparatus in the U.S. see Resnick and Wolff (2003) and Wolff (2005).

¹¹ Marx's argument that the value of labor-power adjusts to the wage (rather than vice versa) expresses the idea that the contested terrain of consumption impacts the determination of value and the rate of exploitation. See Lebowitz (1992/2003), Chapter 2 for a discussion of the interrelationship of social need and the value of labor-power and the need to extend Marx's analysis of the value of labor-power by integrating the perspective of workers' efforts to raise their level of consumption.

¹² Further examples of attempts to think about consumption in postmodern class terms can be found in Diskin and Sandler (1994).

Logics of Value

These insights into the social constitution of value result from a methodological approach that does not seek to enclose value in a logical totality that excludes social aspects of value; neither does it imply that there is no totality. Instead it proceeds by systematically opening the totality to new elements and articulating those new concepts by interrogating their relationship with the existing concepts. This process of progressively reconsidering the meanings according to their relation with (and only with) those existing concepts in the logical totality is what I mean by the synchronic and diachronic aspects of Marx's discourse. By synchronic I mean the way in which the concepts take their meanings in relation to other terms in within the boundary; by diachronic I mean the way in which the meanings of the concepts change with the expansion of the boundary as new contingencies are introduced. It is necessary to draw a boundary, to suture the discourse, to close the system in order to make these logical connections; it is not necessary to keep the system closed in order to retain the logic. By progressively expanding the boundaries a theorist can develop the logical connections between the elements (the elements can be articulated) while at the same time continue to include new aspects of the social reality that are deemed by the theorist to be relevant to producing knowledge from which to act.¹³

An example of this progressive expansion of the boundary of the system is the way in which the concept of abstract labor is elaborated with the introduction of the contingencies of competition and exchange. At the outset of the analysis the meaning of abstract labor is labor shorn of its particular qualities and is considered to be simply homogenous or undifferentiated labor. With the introduction of exchanges between capitals with differing compositions of capital, the meaning of abstract labor is reconsidered and elaborated. Qualitatively this understanding of abstract labor results from an elaboration of a particular set of social conditions that underlie capitalist commodity production and exchange and which are implicit in the analysis from the outset. Wolff, Callari and Roberts (1984) show that changes in the social context in which production is understood to occur, within the context of the discourse produced in *Capital*, result

¹³ I am not suggesting that synchrony and diachrony are necessary characteristics of all overdetermined or dialectical approaches only that Marx's methodology can be read as displaying these characteristics. Because the theorist chooses which elements to integrate, it is necessary to defend these theoretic choices with reference to some normative criteria. See Cullenberg, Ruccio and Amariglio, 2001.

in a changes in the meaning of abstract labor-time and what counts as value.¹⁴ Quantitatively, the determination of value and exchange-value must now account for these differing compositions of capital. Exchanges of equal magnitudes of value now must take into consideration the tendency for profit rate equalization, a condition which previously was not possible to consider because the existence of these competing capitals was not yet acknowledged in the theoretic totality. The meaning of both the value and the exchange-value of commodities must be reconsidered in the light of the new contingencies that have been introduced. The equalization of abstract labor through exchange allows Wolff, Callari and Roberts to explain how value is transformed into exchange value – how labor expended in production under these particular social conditions counts in exchange and how the total surplus value thus gets attributed to various capitals according to their compositions (Roberts, 2005).

I argue that a similar elaboration of the meaning of the modifier “socially necessary” occurs with the introduction of market conditions (the relationship of supply and demand). In Volume I of *Capital*, Marx relies on a technical meaning of socially necessary since the possibility of discrepancies between demand and supply have not yet been introduced into the analysis. However in Volume III, once the possibility of discrepancies between production and demand in one industry is considered and the labor expended is no longer assumed to be socially necessary, the concept of value and exchange-value is reconsidered in this new light (Kristjanson-Gural 2003; 2005). An equivalent exchange of value at this stage in the development of value and exchange-value incorporates both the way that exchange counts qualitatively different concrete labor as abstract labor and also how demand acts to validate a certain quantity of that labor as socially necessary – as meeting the existing social need as expressed by effective demand.

Value thus relies on its logical relationship to the other concepts integrated into the theoretical whole, but this whole is continually expanded as the boundary constituting what is to be included is redefined. The expansion of the boundary does not simply introduce new contingencies as

¹⁴ Wolff, Callari and Roberts (1984) and Callari, Roberts and Wolff (1998) defend the overdetermination of value and value-form with reference to “socially necessary” labor. I agree with their argument that the value of inputs must be reconsidered according to the specific social context in which value production and exchange occurs but I contend that their argument applies to the determination of abstract labor and that the modifier “socially necessary” instead refers to the integration of demand. For a more extensive examination of the meaning of these two terms see Kristjanson-Gural (2005).

(unarticulated) elements of the theory; the new concepts must be articulated with the existing concepts in order to form their meaning within the context of the whole. The articulation of concepts is not simply to define the new elements in relation to the existing concepts (what it means for labor-time to be socially necessary) but in turn to redefine the existing concepts (value; exchange-value, price of production, market-price of production) as a result of their new interrelationships in the context of the new enlarged boundary of the totality.

Proceeding this way it is possible to produce a structural analysis of capitalist competition that is not *structuralist* since the logical connections are only necessary at a given moment in the development of a particular analysis (Roberts, 1996).¹⁵ Writing value theory we must consciously produce boundaries or sutures in order to establish meanings and to articulate the logical among of concepts. Without these boundaries or sutures there is no means by which to limit the aspects of the social totality that we seek to theorize. So, while drawing these boundaries is necessary, we need not keep the boundaries intact; instead we can release and resituate them as we introduce further contingencies. In so doing however, the meanings of the concepts we employ are reconsidered in the light of new contingencies and we therefore open those meanings to what they initially exclude and enable the theory to incorporate its others. This postmodern approach to value theory acknowledges the impossibility of completing a theory and also implies that our choices as theorists result from our theoretical priorities and our political as well as moral commitments. These priorities and commitments thus enter into the debate over value.

Reconsiderations

By acknowledging and emphasizing the postmodern moments in value theory, I have developed two distinct but related theses that shed light on the value debates. The first is the idea that the concept of socially necessary labor offers a means to recognize cultural, political and natural aspects of the concept of value and therefore value theory can be used to interrogate the ways in which the economy and class operate in and through those aspects of the social totality that it has been frequently been accused of overlooking. The second is the claim that the logical

¹⁵ For an alternative representation of a non-structuralist structural framework to analyze value see Gerstein (1989).

development of the concept of value provides a means to introduce those contingencies in a systematic way in order to maintain a logical coherence without cutting value analysis off from politics, culture and nature. With these considerations concerning the meaning and logic of value I return to the claims of those who argue that value represents an obstacle to theorizing capitalist society.

Modern and postmodern critics alike, by focusing only on modern moments in value theory, overlook important aspects of the meaning of value and the logical method that permits the value to take this meaning. The modern critics overlook the synchrony of Marx's analysis and so they miss the ways in which social and natural processes act together to give value its meaning. On the one hand, the Sraffian critics by overlooking how the values of commodity inputs are affected by the specifically capitalist nature of exchange are unable to reconcile the quantitative determination of value and exchange-value. They thus reject value theory on the basis of a logical inconsistency that results from defining value independently of its social context. Because they overlook the social aspects of value, they also overlook a key aspect of Marx's value theory – the theory of commodity fetishism. Since the concept of value is the means by which Marx brings to light the social relations that its participants accept as natural, the idea that value is redundant to Marx's argument only shows how these critics themselves fall victim to the very thing that Marx's theory is intended to remedy. The analytic Marxists also overlook the significance of the theory of commodity fetishism and as a result universalize key social aspects of capitalism (individualism, instrumental rationality) and apply them as criteria by which theory is to be judged as scientific. In so doing, they reject value theory for not abiding by the social aspects of class relations it expressly rejects and seeks to demystify.

By overlooking the diachronic nature of value theory's logic, the postmodern critics reject the concept of value on the basis of the claim that the logical totality in which value is situated excludes non-class elements of society and subjectivity. What they overlook is the provisional and open-ended nature of the totality that Marx develops. This stance leads them to reject the concepts of value and exchange value at a preliminary level without seeing how the concepts develop and are articulated with new aspects of the totality as it is expanded. They cannot therefore see how the concept of value evolves and hence provides a means to analyze those

aspects of the social totality that postmodern critics argue value theory excludes. From this postmodern perspective, the critiques of value, modern and postmodern, are understood to be the result of a mistaken attempt to fix value concepts in ways that prevent those concepts from being used to see precisely those connections that value makes possible. The critics thus create what they intend to ward off – a theoretical blindness that debilitates emancipatory politics.

Closing

In *Dance of the Dialectic*, Ollman identifies several aspects of Marx’s method that help to cast light on the relationship between modern and postmodern moments in value theory. In writing dialectically Marx commits to an ontology – which in Ollman’s view is a claim that the world (the real concrete) is characterized by interrelation and change; an epistemology – how it is best to order his thinking to accommodate this ontology; a method of inquiry – the concrete steps taken to produce an understanding; an intellectual reconstruction – the work of self clarification; exposition – his choices concerning how best to convince an audience; and practice – consciously acting on knowledge in order to deepen his understanding and reformulate his thinking. Ollman points to evidence throughout Marx’s writing of places where he engages these different aspects of thinking consciously changing his viewpoints, in the stages of inquiry, in order to work through an idea and then changing again, in exposition, as he structures and restructures his concepts.

The critics of value consider abstract labor to be ontological claim concerning capitalist society and modern advocates of value do in fact make this claim. By treating value as a “real abstraction” or by privileging the “deep logic” of capital, modern value theorists exclude or marginalize non-labor aspects of subjectivity.¹⁶ But an exclusive focus on the modern moments in value theory – a fixing of the ontology, the epistemology or method of exposition, leaves critics unable to see how value can be employed discursively to see the social and natural complexity of capitalism from more than one perspective. The present analysis suggests that the

¹⁶ Systematic dialectics attempt to include social contingencies by first theorizing value concepts in the context of “pure capitalism” and then introducing historical specificity in stages (Albritton, 1999). This approach has the advantage of making clear the logical connections among the value concepts but because it privileges the logic by which the non-value contingencies are defined it retains the idea of the ontological priority of value over non-value elements in the analysis. A critique of modern attempts to respond to the critics of value is called for but it lies beyond the scope of the present analysis.

modern moments in Marx's value theory (inexorable laws, labor as the essence of man) need not be understood to be fixed ontological claims; instead they can be seen as moments in inquiry and exposition needed to arrive at and then to reconsider and further develop ideas, concepts and sightlines. Approaching value theory this way, I recognize that value can be read as an ontological claim – a claim that the essence of capitalism resides in the contradiction within the commodity between use-value and exchange-value – but it need not be. By choosing not to, it is possible to write and rewrite value discursively as a means of seeing how the insights afforded by value can infuse and be infused by its others.

What must be relinquished in order to do so, and what is at stake from the modern perspective, is a claim to having approached the truth. The modern objection to this postmodern approach is simply this: there is no way to establish that these sightlines are not illusory. And if theoretical claims have no objective criteria by which to be judged, anything goes. But I argue that the existence of some objective criteria by which these claims can be judged is itself the illusion. Rather than claiming access to objective criteria for truth, we should instead ask the following: have we clearly articulated at each step of the exposition the logical relationships defining the concepts; have we identified what meanings we are choosing temporarily to fix; are we aware which concepts are contained within the boundaries and sutures and which are excluded, and have we examined the implications of doing so? As long as we keep asking these questions, errors in our reasoning can be identified and disagreements over what is important and of value to include in our analysis can simply be seen as the unavoidable result of intellectual inquiry and political practice. As long as we are willing to reconsider our positions in the light of our experience and debate – as long as we are willing to write and rewrite value theory – we have done what we can to accommodate the inevitable arbitrariness and contingency that accompanies the practice of theory. Proceeding this way I conclude that what is at stake from the modern perspective is, from this postmodern place, only a siren song.

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