

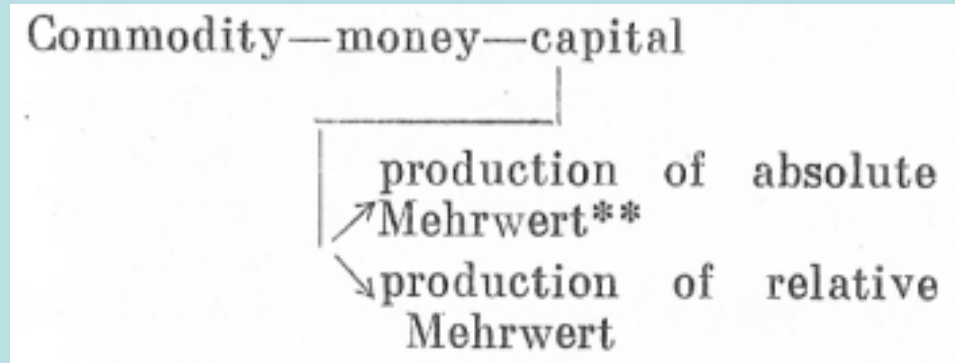
The Limits to Harvey: *Capital's* Contradictions and Imperialism

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Andy Higginbottom
Kingston University
a.higginbottom@kingston.ac.uk



Contradictions of history and logic in the structure of *Capital* Volume 1

- Changes according to sections
 - Value-forms
 - Production of surplus value
- First turning point is the contradictions in the general formula of the circuit capital
- The second turning point to the third section?
- Chapter 24, the transformation of surplus value into capital
- Third section: Laws of accumulation and historical destiny of system



** Mehrwert = surplus value

Concept of Capital in 3 Vols

Capital	Reflection into other ->			
Reflection into self ↓	Universality (commonality)	Particularity (difference)	Individuality (systemic unity)	
Universality (self relation)	The capital wage-labour relation (surplus value) 	Absolute surplus-value and relative surplus value	Accumulation of capital, (historical destiny) 	<i>Cf Vol 1 The Process of production of capital</i>
Particularity (self specification)	Metamorphoses of capital	Fixed capital, circulating capital, turnover times	Reproduction and circulation of total social capital via departments	<i>Cf Vol 2 The Process of circulation of capital</i>
Individuality (as singularity)	Cost price and profit (rate of profit)	Branches of capital with differing organic compositions (competition, prices of production)	The laws of motion of capital (falling rate of profit, crises, historical destiny)	<i>Cf Vol 3 The Process as a Whole</i>

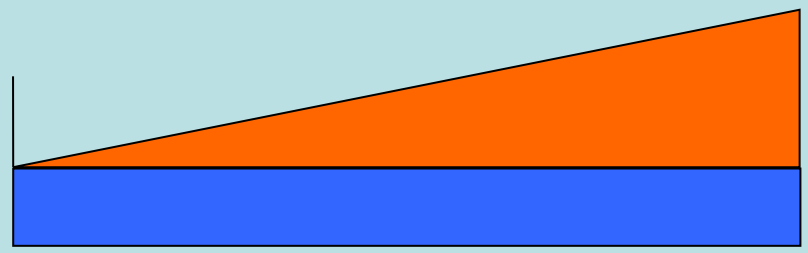
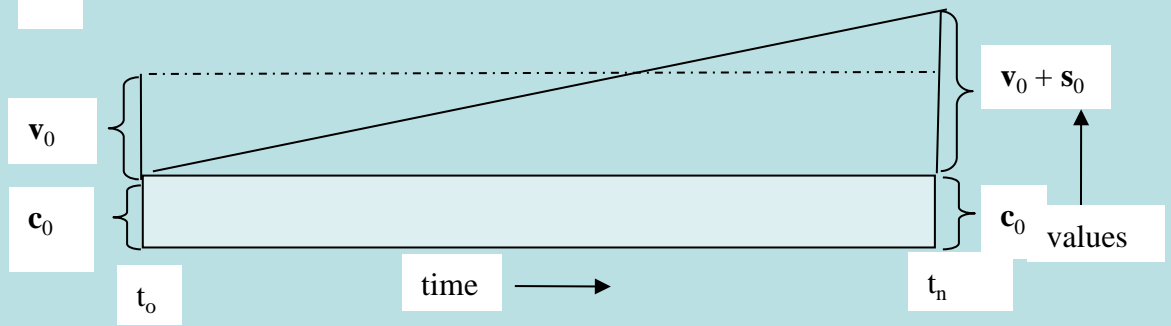
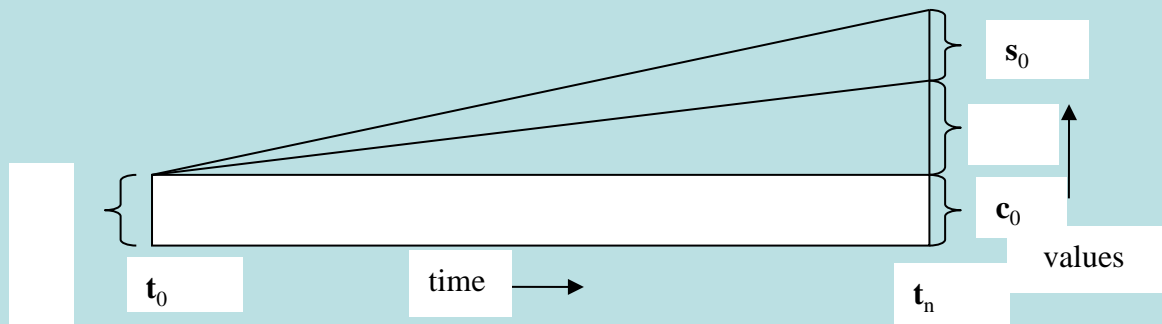
Adapted from (Arthur 2005:18)

Contradiction between 'Historical' and 'Logical'

- In the chapters on the production of surplus-value it was constantly presupposed that wages are at least equal to the value of labour-power. Forcible reduction of wages below this value plays, however, in practice too important a part, for us not to pause upon it for a moment. It, in fact, transforms, within certain limits, the labourer's necessary consumption fund into a fund for the accumulation of capital. (Marx, 1867: 747-8)

Organic and value composition

- “Marx suggests value composition can and does alter independently of the forces that regulate the organic composition. In the chapter on 'Absolute Rent' in *Capital*, (vol. 3, p. 766), he goes even further: 'capitals of equal organic composition may be of different value-composition, and capitals with identical percentages of value-composition may show varying degrees of organic composition and thus express different stages in the development of the social productivity of labour’.
- Since there is, presumably, only one value-ratio that can prevail within a production process, this *rather extraordinary statement* puts us in something of a quandary as to the exact interpretation to be put upon the organic composition *vis-a-vis* the value composition.”
(Harvey, 2006: 127 emphasis added)



Vertical Integration and Constant Capital

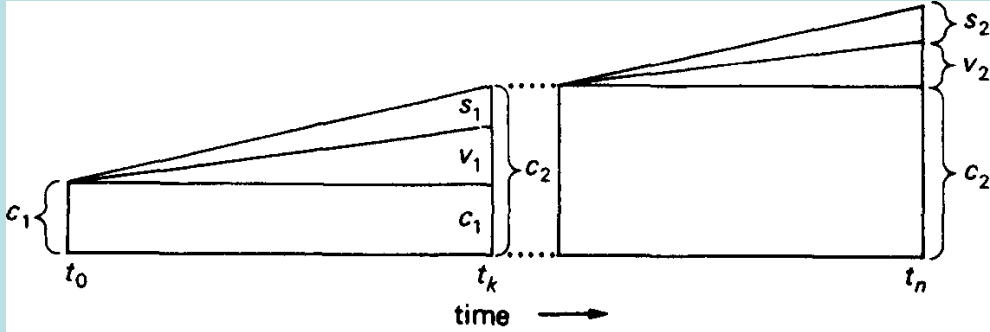
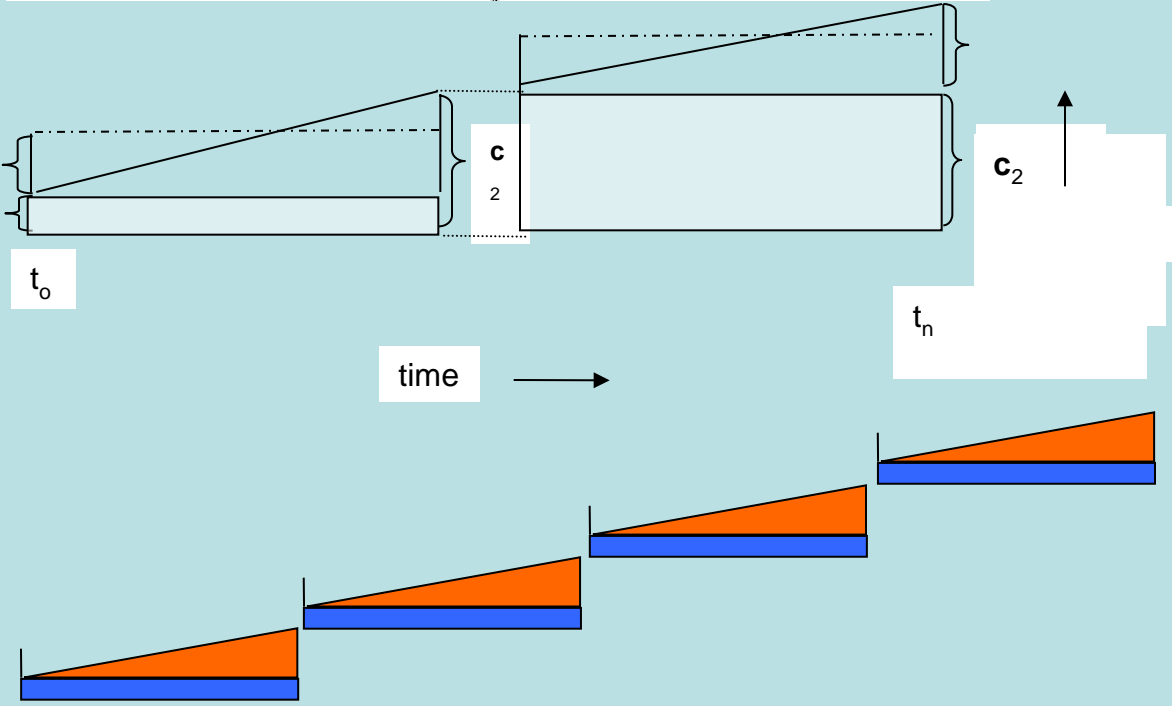


Figure 4.2



From 'The Conversion of Surplus-Value into Capital'

- “To set in motion the part of social wealth which is to function as constant capital, or, to express it in a material form, as means of production, a definite mass of living labour is required. This mass is given by technology. But the number of workers required put this mass of labour-power in a fluid state is not given, for it changes with the degree of exploitation of the individual labour-power. Nor is the price of this labour-power given, but only its minimum limit, which is moreover very elastic” (Marx, 1867: 759-760).

Separating the elements

- *technical composition of capital*: the definite mass of living labour required to set in motion a part of social wealth as means of production:
- *organic composition of capital*: the ratio of variable capital required to purchase the labour-powers of a number of workers that provide the living labour, at (NNB) a given degree of exploitation and wage rate, as against the constant capital required as means of production
- *value composition of capital*: the ratio of variable capital to constant capital encompassing all changes to both variables; including the organic composition reflecting technical composition, *and* variations due to such changes in the degree of exploitation and wages (the price of labour power).

‘General Result’

- “by incorporating with itself the two primary creators of wealth, labour-power and land, capital *acquires a power of expansion* that permits it to augment the elements of its accumulation *beyond the limits* apparently fixed by its own magnitude, or by the value and the mass of the means of production, already produced, in which it has its being.” (Marx, 1867: 752) emphasis added