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Protocol: September 27th Class

Value

Our class focused its discussion on "The Chapter on Money" by looking at Marx's understanding of "value." Within capitalist society, reality is ultimately subsumed under what we call value, but Marx is not suggesting that value initially inheres in things: something isn't "valuable" to start off with (as if there are "values" lying around). There is instead an entire social relation subjected to value, and this relation constitutes social reality. Value needs to be understood in relational terms, or as Marx puts it, as the social relation of commodities (141). As such, value does not simply "appear" in reality, but is the medium for exchange. Because reality is subjected to value in which everything is commodified, it takes on a new or double existence: the double existence of the commodity (or the double existence of reality).

The double existence of the commodity should be understood in the following way. By providing a way to make activities measurable and quantifiable on an abstract level, value introduces the possibility of establishing an identity between everything. The abstract identity between things occurs on a different (or new) level, because the identity has nothing to do with the property of the things. Taking the commodity as a value gives it a new kind of existence because it becomes an equivalent: it "is the general measure as well as the general representative, the general medium of exchange of all other commodities" (140). The commodity in its particularity, including its qualitative properties, takes on a different existence from (and is distinct to) the commodity taken as a value (in which it differs from other commodities only quantitatively). Taken as a value, things take on a different nature and become social, or constitutive of the social world.

Money and Externalization

Analyzing value requires us to introduce money: when we think about value, we learn that money is the existence of value plus its externality to commodities. As mentioned earlier, taking the commodity as an exchange value means giving it a new existence. The commodity becomes represented as an equivalent for the purposes of exchange. Representing the commodity as an equivalent does not mean the commodity is equated with other commodities; the exchangeability of the commodity is expressed as a relation with respect to all commodities: it expresses the exchange relation. For this reason, taking the commodity as an exchange value means that it must be exchanged as a third thing apart from particular commodities: it must be exchanged as an expression of the social relations or, as Marx puts it, "exchanged for a symbol which represents it as an exchange value as such" (145).

The double existence of the commodity—as a "natural product" and as an exchange value—winds up giving the exchange value of the commodity a separate existence materially. Money is that which exists as a thing external to, or beside, the exchangeability of the commodity. Marx describes it as "the exchange value which is separated from commodities" that exists alongside it (145). Whether the commodity can be exchanged is a separate issue that relies upon conditions external it (the monetary relation). In this respect, the specific properties of the commodity taken as an exchange value "appear ... as a form of social existence separated from the natural existence of the commodity" (145). Money is not merely an abstraction separate from the commodity, but a concrete determination or existing abstraction that does the same thing as (an exchange) value but in a distinctive and real way. This is related to the concept of externalization.

Value exists in social relations on the level we call money, because everything in reality is monetized. The money relation introduces existing abstractions into the social relation, and increases social dependencies in virtue of its relationality. Since the monetary relation is an abstract relation, it produces an externality. Within the context of commodity exchange, the externalization of money means that it tries to become independent or separate from the exchange processes.

In class, Professor Lotz explained the externalization of money in terms of an epistemological claim. This epistemic claim can be understood as paralleling bourgeoisie thinking. As Marx discusses in the introduction to the *Grundrisse,* only in bourgeoisie society does society seem accidental or external to the individual. In the chapter on money, we can see an additional claim emerge: the externalization of money to the commodity *just is* the objective existence of that feature of bourgeoisie society: that as individuals we are external to society. According to this claim, money instantiates this subjective belief because the monetary (money) relation is an abstract relation—or a relation that introduces real, existent abstractions—into our social relations.

Questions:

What are some of the specific points from the chapter on money that we could identify as distinctive from the traditional labor theory of value? Conversely, what are some of the points that Marx makes in the chapter on money that are held in common with the labor theory of value?

How might the concept of alienation that we get in the money chapter relate to the externalization of society to the individual (bourgeoisie ideology)? How does the monetary relation connect to this?