

EDITORIAL

## SKELTON ON MARX'S LAW OF VALUE—II.

By DANIEL DE LEON

**I**N the previous and first article under this head, one of the buttresses with which Prof. Skelton found it necessary to buttress his labyrinthian argumentation against the Marxian law of value—the assertion that the identification of “value” and “price” was the view which prevailed among the advocates of Marxism till the publication of the third volume of *Capital*—was torn down and removed. It will be the object of this article likewise to demonstrate the falsity of another buttress, and clear that out of the way.

Prof. Skelton asserts (p. 124): “There is no doubt that even in the first volume of *Capital* Marx implies in several brief passages a distinction between value and price. There is also no doubt that the tenor of the greater part of the volume is in the contrary direction.”

Thus sayeth O.D. Skelton, Ph.D., Etc., Etc., Etc., as to what Marx says. Now let us see what Marx himself says. The page references are to the Swan Sonnenschein edition:

“The characters that stamp products as commodities, and whose establishment is a necessary preliminary to the circulation of commodities, have already acquired the stability of natural, self-understood forms of social life, before man seeks to decipher, not their historical character, for in his eyes they are immutable, but their meaning. Consequently it was the analysis of the prices of commodities that alone led to the determination of the magnitude of value, . . . ” (p. 47).

Having thus preliminarily indicated what he calls the feature of “Vulgar Economy” to look at things as immutable, and the historic importance of “price” and “value,” Marx undertakes in the following chapter but one, a nearly 40-page analysis of “Money, or the Circulation of Commodities,” in which, out of a large number,

we shall quote these passages:

“The price-form, however, is not only compatible with the possibility of a quantitative incongruity between magnitude of value and price, i.e., between the former and its expression in money, but it may also conceal a qualitative inconsistency, so much so, that, although money is nothing but the value-form of commodities, price ceases altogether to express value. Objects that in themselves are no commodities, such as conscience, honor, etc., are capable of being offered for sale by their holders, and of thus acquiring, through their price, the form of commodities. Hence an object may have a price without having value. The price in that case is imaginary, like certain quantities in mathematics. On the other hand, the imaginary price-form may sometimes conceal either a direct or indirect real value-relation; for instance, the price of uncultivated land, which is without value, because no human labor has been incorporated in it.” (p. 75)

Again:—

“The division of labor converts the product of labor into a commodity, and thereby makes necessary its further conversion into money. At the same time it also makes the accomplishment of this trans-substantiation quite accidental. Here, however, we are only concerned with the phenomenon in its integrity, and we therefore assume its progress to be normal. Moreover, if the conversion take place at all, that is, if the commodity be not absolutely unsaleable, its metamorphosis does take place although the price realized may be abnormally above or below the value.” (p. 81)

Further on, when considering the “Contradictions in the Formula of Capital,” and still further on under “Value of Labor Power and Wages,” Marx returns to the difference between “price” and “value,” and utters himself in a manner the clearness of which may be gathered from the following passage:

“Little as Vulgar-Economy knows about the nature of value, yet whenever it wishes to consider the phenomena of circulation in their purity, it assumes that supply and demand are equal, which amounts to this, that their effect is nil.” (p. 136).

And again: “Classical political economy borrowed from every-day life the category ‘price of labor’ without further criticism, and then simply asked the question, how is this price determined? It soon recognized that the change in the relations of demand and supply explained in regard to the price of labor, as of all other com-

modities, nothing except its changes, *i.e.*, the oscillations of the market price above or below a certain mean. If demand and supply balance, the oscillation of prices ceases, all other conditions remaining the same. But then demand and supply also cease to explain anything.” (p. 548) In other words, supply and demand do not determine value, they send prices up above, or down below value.

Finally, and with an eye especially upon the portion of Prof. Skelton's sentence to the effect that altho' "there is no doubt" that Marx "implies in several brief passages" a distinction between value and price, **"there is also no doubt that the tenor of the greater part of the volume is in a contrary direction,"** the following passage will suffice: "Despite the important part which this method [the lowering of wages below the value of labor-power] plays in actual practice, we are excluded from considering it in this place, by our assumption, that all commodities, including labor-power, are bought and sold at their full value. . . ." (p. 302)

Vulgar Economy may be right, or may be wrong, in identifying "value" and "price," using two words to express the identical idea. Marx may be a driveling idiot to distinguish between the two terms—that is not, at this point, the issue—the issue is whether Marx makes the difference. The fact is that he extensively elaborates the difference—the fact is that "price," with him, is the money expression which "value" fetches in the market; that "price" may rise above, or fall below, and other times coincide with "value," the amount of the socially necessary labor-power crystallized in a commodity; hence, that "value" and "price" are not used by him as identical terms; finally, that having, for the sake of considering the law of value unperturbed by perturbing circumstances, assumed "price" to be normal, the arguments based upon the assumption can not be considered as evidence that Marx identifies "price" and "value" "in the greater part" of his work.

A second buttress is now torn down and cleared from the field.

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