

Marx's Theory of Value as the Basis for Social Critique

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Source: <https://medium.com/@postliterate/marxs-theory-of-value-as-the-basis-for-social-critique-ff541583470e>

And an elucidation on “social domination”

Open up any book in defense of markets¹ by a libertarian or someone adjacent and you might find the common set of arguments: that the market arises naturally and spontaneously out of human actions, that it exhibits the proper set of production incentives to benefit all, that it is an incredible coordinator of human choices and actions beyond any limited intelligence of single individuals, etc. Occasionally I also hear the argument that it best mimics the evolutionary process of natural selection, and that *eo ipso* markets can be called good.

The precise relevance of Marx's theory of value, in my view, lies in its ability to conclude by way of its presentation that the above arguments are nothing more than outcomes of *commodity fetishism* — an ideological outcome of the market process itself.² Moreover, through penetrating this phenomenon, a genuine critique of the market — which is to say a fundamental critique of markets as such — is able to be articulated.

It must be made clear, however, that the relevance of the latter point exists only insofar as empirical objections to markets already exist; and these empirical objections can ultimately exist only in some relation to the possibility of social formation outside of markets. That is to say, a conception of genuinely possible alternatives to the market is the ultimate formulator of current empirical objection. These objections may take the form of rather direct and quasi-moral outcries in the midst of concrete suffering, or

more abstract denouncements against systemic vicissitudes whose harmful nature is made clearer really only through a peering into the possibilities which lie outside of markets.

In my view, the essential point which Marx's theory of value successfully demonstrates is this: that markets, far from being an innocuous coordinator of human actions and choices, in fact possess their own set of desires and intentions which have the possibility of being *in no way* identical to those desires and intentions which individuals and societies possess. In other words, the value judgements which markets make are fundamentally separable from the value judgements which individuals and societies might in and of themselves choose to make. The awareness of this separation provides the conceptual basis for understanding why and where markets might function less as a helpful tool for the realization of social good, and more as a system of *social domination* which stands in the way of individual and social self-actualization.

However, it is crucial to understand that the essential contours of Marx's theory are alone far too vague to suffice as social critique. Rather, Marx's theory provides a helpful *basis* for more concrete work analyzing market structures. Marx's theory by itself is capable of articulating only the *possibility* of market value judgements diverging from direct human interests. But by itself the theory is far too abstract to articulate how and where these specific divergences might necessarily occur; and until these specific necessary divergences are articulated, it could be rightly assumed that the vicissitudes of the market can be understood only so abstractly that the divergences themselves may not even surface at the empirical level at all.

Notes:

1. When I say "markets" or "the market" what I really mean is generalized commodity production. I find the term "market" in general to be far too vague to be useful for social critique which attacks planetary supply chains and not lemonade stands. However, for visual reasons I opt for use of the term "markets" or "the market" when I really mean "generalized commodity production."

2. In this way, I see the concept of commodity fetishism as one of the pinnacles of Marx's work in *Capital*, a sort of culmination of his exposition at the beginning of the work as well as one of the essential insights to which all later parts of the work relate back to and reinforce. I share this view with Isaak Rubin (1972), although I disagree with his contention that Marx's theory posits commodity fetishism as something more than an ideological phenomenon (regardless, of course, of the fact that necessary specific material relations of production are necessary for its emergence.)

Rubin, Isaak Illich. *Essays on Marx's Theory of Value*. Black and Red, 1972.