

# Roger Scruton's Critique of Marx's Theory of Value - Postliterate - Medium

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The late Roger Scruton was arguably one of the most significant traditionalist-conservative intellectuals in recent British academic history, and his book, *Thinkers of the New Left*, has somewhat fascinated me for some time. Whereas the recent 2015 reprint of the book is much calmer, mature, and significantly more modest in reach, the original 1985 printing of the book drowns in highly provocative and even outright religious language. It is a fiery polemic and it attempts to conquer most of all the major leftist intellectuals of his era in only around 200 small-sized pages. The book is so extreme in presentation that, in reading less than 10 pages of it, one becomes convinced for a moment that if the book is correct in its evaluations, something intellectually huge must be underway.

This piece will not tackle all of the arguments of the book; rather, it will tackle specifically the attempts in the book at a critique of Marx's theory of value. I limit my scope to this for two reasons:

1. I believe the theory of value, properly understood, to be absolutely fundamental to the intellectual defense of communism — and likewise, if it is revealed to be false, so too is then the project of communism;
2. I believe that an analysis Scruton's specific attempts to critique Marx's value-theory has great didactic potential, for reasons stated in

point #1.

In the future more parts of the book may be analyzed for their validity. This piece will be solely concerned with the critique of Marx's value-theory.

## 1 — Marxists Cannot Take Criticism

Scruton is not an economist, nor do his references suggest as much. This makes our work of tackling Scruton's critiques much easier; he will not be dealing with mathematical proofs of the transformation problem or generating complex empirical models of capitalist laws of motion. He is stuck at the level of rational argumentation along with much of the Austrian School. When we meet him there, the bramble is not particularly thick.

Let us begin at the beginning. In the introduction, he states:

“[I]t seems to me that all of Marx's theories have been essentially refuted... [e.g.] the theory of value by Böhm-Bawerk, Mises, Sraffa and many more...” (5).

He then follows this claim up with the statement:

“Yet none of them, so far as I know, have been answered by the New Left with anything more persuasive than a sneer.”

Apparently the “New Left” is not only wrong, but cannot properly respond to criticism! I will investigate each of the three thinkers listed here one-by-one:

1. Böhm-Bawerk has been answered directly by Rudolf Hilferding, Isaak Rubin, and Geoffrey Kay, explicitly taken into account by Diane Elson, Chris Arthur, and Jairus Banaji, and then successfully eclipsed (although not without issues) in the work of Guido Starosta, Michael Heinrich, Søren Mau, and Moishe Postone.<sup>1</sup> To be clear, these are just the names of those that I have personally read; innumerable others

certainly exist and my knowledge in the subject is not even particularly sizable.

2. To my knowledge, critiques of Marx's theory made by Mises that do not either make recourse to Böhm-Bawerk, or are critiques able to be disregarded without substantial harm done to Marx's theory, I have not yet encountered.
3. Finally, Sraffa did not himself provide a critique of Marx. Thus, Scruton has to clarify in a footnote (p. 9) that what he is referring to is not in fact Sraffa at all, but rather Ian Steedman's work in *Marx after Sraffa*. Knowing as much, retaining Sraffa's name in the main body of his text as a successful criticizer of Marx, despite him really referring to a much more contentious work which utilizes Sraffa's work but is only *arguably* directly derivable from Sraffa, cannot be called a particularly honest move. Scruton may not realize this because it appears that Scruton's knowledge of the secondary literature on Marx's value-theory is practically non-existent. If he had read even some of that literature, he might have seen how cutthroat the desire for precision can be, and how little one can simply assume to be the case — in Scruton's case, simply assuming that Steedman's work can be called synonymous with Sraffa's — at least not without accounting for myriad contending positions.<sup>2</sup>

To be fair, much of the secondary literature on this subject did not exist just yet. But a lot of it did, and moreover, virtually none of the mistakes I analyze in this piece are corrected in the 2015 reprint. After 30 whole years, Scruton never grew.

## 2 —A Single Footnote can Destroy Centuries of Literature on Value-Theory

Returning to Scruton’s comments about Sraffa, in the reprint of Scruton’s book, he adds these words in a similar footnote about Sraffa:

“[Marx’s] theory cannot account for scarcity rents and [...] it depends crucially upon a reduction of qualitative differences of labour to quantitative differences — a reduction that could be carried out only by abandoning the terms of the theory” (160).

Both of these arguments are from Böhm-Bawerk, and both have been taken into account by theorists well before me.<sup>3</sup> To begin, it is true that scarcity rents cannot be explained with recourse to Marx’s theory of value, but the reason for this is simply because Marx’s theory applies to conditions of production and the related mediations between various labors in a capitalist economy. Land is not produced, and so too are priceless works of art not produced in the sense that Marx thinks of it (i.e. involving reduplication, pressures to cut down costs and maximize outputs, etc.) There are many other examples of such exceptions, but their existence does not actually refute the relevance of Marx’s theory — it merely points out the limitations.

As for the notion that the value-theory depends upon “a reduction of qualitative differences of labour to quantitative differences,” this does not entail “abandoning the terms of the theory,” but in fact constitutes part of the terms of the theory. Scruton does not even explain Böhm-Bawerk’s argument here particularly well: the argument goes that, if we reduce the qualitative differences between various labors, then so too do we reduce the qualitative differences between the utilities of the commodities themselves — because qualitatively different labors went into producing qualitatively different commodities with utilities. Thus, everything is abstract and it

becomes arbitrary whether we consider the “value” of the commodities in terms of “abstract labor” or an abstracted utility, making Marx’s theory appear arbitrary.

The issue here is that Marx does not reduce labor in thought — he sees, latent in each act of exchange, the *practical* reduction of each commodity to their exchangeability, as a content external (i.e. abstracted) from it. This exchangeability is achieved, however, in the practical sense only within the complex totality of capitalist exchange, and it appears in the world in the form of *money*. Money, which has no utility of its own but expresses a mediating property of commodities which each do have utility, is the expression of this exchangeability. Because money bears no utility of its own, and because almost all commodities exchange on the terms of money, a theory of value independent from a theory of utility is necessary. The practical relevance of such a theory, however, does not itself become clear until even later, when the equation **M-C-M'** is introduced. This will be discussed again in the following section.

### **3— Value is an Occult Idea Derived from a Logical Fallacy**

I will now turn to Scruton’s treatment of Lukács in the original printing, as here many of his direct criticisms of “Marxist economics” lie. To begin, Scruton claims that Marx makes a “disastrous” argument at the beginning of *Capital* (or as he calls it for some reason, *Das Kapital*):

“[I]f two commodities exchange against each other their ‘exchange-value’ must be ‘the mode of expression, the phenomenal form, of something contained in [them], yet distinguishable from them’ (147).

Why is this “disastrous”? Well clearly because “the value of any commodity can be seen as merely an ‘equivalence class’” — therefore there is no “occult” or “ghostly ‘third term’” to be involved here! Marx must have

derived the imaginary substance of “value” from a simple fallacy in reasoning, not realizing that the equivalent exchange of commodities does not logically entail the conceptual creation of a “ghostly ‘third term’” (ibid.)

Of course, this does not actually constitute an argument against Marx’s conception of value, and I do not believe it would have been possible to believe this if Scruton had truly read Sec. 3 of Ch. 1 of *Capital* and witnessed the development of Marx’s exposition with his own eyes. The “ghostly ‘third term’” — value — is in practice nothing more than *money*. Value is measured, reflected, and represented *in* money. The conceptual purpose of calling value at first a “third term” is to explain the movement from barter exchange to money, which is needed to explain why money is a necessary feature of the commodity economy.

Commodities exchange with one and another in various proportions, but as they are anticipated for these various exchanges and finally reach a near-absolute state of exchangeability, they show themselves to be exchanging for a substance independent of themselves. When a commodity reaches such a state that it must be capable of being exchanged for any other commodity of any type in a definite proportion — which is the case in a complex market that also serves as the source of people’s livelihood — the commodity must become qualitatively commensurate with all other commodities, and vice versa. All the commodities must be commensurate with one another, and so in practice they must express a content distinguishable from their actual qualitatively different features that constitute their “use-value.” This distinguishable content we call *value*, and its practical manifestation is in the form of *money*. Marx’s exposition in Ch. 1 of *Capital* begins with value and use-value, and culminates in Sec. 3 with the introduction of money (followed by the theory of commodity fetishism in Sec. 4). This is the path of Marx’s thought, and Scruton’s idea of a critique is to simply ignore it and call value something “occult” which bears no relation to the allegedly more sensible Marginalist theory of money and prices. *Clearly value is something quite unrelated to money and prices, some occult conceptual entity constructed in order to smuggle in a dangerous labor theory*

of value behind the backs of scientists and real economists. Perhaps Scruton is incapable of looking past Marx's heavy use of metaphorical and religious language, and believes such metaphors to be the real argument in final form.

But Scruton goes on. Apparently the logic which Marx employs to criticize past economists' ignorance of the real nature of value underneath the appearances of things, could be applied to any other field of science because they, too, make equivalences between things. This makes Marx's theory look pathetic and useless — applicable to everything and nothing at once. Yet the problem for the theory here is not equivalences *as such*. In fact, a “pure” commodity economy without capital would exchange in the form **C-M-C**, with use-values (as **C** for commodity) on either side of the equation and value (as **M** for money) only in the center. The equivalence here is basically innocuous because individuals still exchange use-values for use-values and money only mediates the interrelations between their exchange. To understand why Marx uses such objectionable language to describe value as an equivalence, one has to follow Marx's exposition through the introduction of the labor-power commodity and finally the equation for capital: **M-C-M'**. Scruton chooses not to do so.

## 4 — Commodity Fetishism is an Impassioned Fiction

Scruton's final attack involves the theory of “fetishism” and the related theory of “reification.” He begins with an erroneous summary of Marx's arguments regarding estrangement in his *1844 Manuscripts*:

“In property, Marx argues, man endows a mere object with attributes of right and will. He worships this object, which holds sway of him by virtue of the power that it has appropriated from his own activity... [Man] becomes a mere object to himself. He is ‘restored to himself’ only by overcoming the institution of property, so that his relations

with others are no longer mediated by the alienating world of things. Man returns from ‘object’ to ‘subject’ by rejoining at a higher, more self-conscious level, the ‘species-being’ from which property had so miserably sundered him” (153–54).

This passage is only half-true. Marx does wish to overcome the institution of *private* property and mediation by the “world of things,” with a new self-consciousness and an overcoming of the subject-object inversion. Not all of these notions are constant in Marx’s work, and certainly not in these exact terms. But the error in the passage is at the beginning: it is not the “worship” of commodities, nor some false consciousness in regards to them, that has supposedly sundered man. It is the practical outcome of alienated labor — and conversely, the outcome of private property itself in alienating labor — that has caused estrangement. That individuals do not directly determine their labor or the status of its products and desire only their life outside of their labor, generates private property as “*the product, the result, the necessary consequence of alienated labor*” (Marx 1988, 81). The estrangement here is practical and not ideological in origin.

Finally, Scruton takes the theory of commodity fetishism head on in this passage:

“As a science, the theory of commodity and capital fetishism is empty: it adds nothing to the explanation of capital accumulation or commodity exchange. Even as social criticism it is tendentious and more sensational than sensible. For who in fact really *is* deceived by the illusion that commodities have autonomous powers, the first to exchange, the second to grow? The ‘bourgeois’ economist explains these phenomena in terms of aggregate supply and demand: in other words in terms of the social actions of human beings” (154).

This would be a poignant critique of Marx’s theory if it were in fact referring to Marx’s theory — unfortunately I am not sure what it is referring to at all. The theory of commodity fetishism does not refer to some ideologi-



cal phenomenon in which people claim commodities have fetishistic and autonomous powers over us — this phenomenon is already the case *practically* because we can observe the laws of motion of the capitalist market to be in truth quasi-objective. Much interesting Marxist work has been done observing and elucidating this phenomenon, and typically it is the Marxists themselves who are more likely to point out the existence of this phenomenon than non-Marxists; the latter may be more likely to see things in terms of a much more innocuous sum of human interrelations without (objective) emergent properties.

No, the theory of commodity fetishism refers to the basic fact that, in a capitalist economy, individual private labors become social through the mediation of the commodity-form. In other words, material — and therefore *objective* — things are the essential principles of mediation of the social relations between individual labors. Fetishism emerges from this fact. But crucially, producers are not deceived as to the nature of the market — it is not an ideological “false consciousness.” Rather:

“To the producers, therefore, the social relations between their private labours appear **as what they are**, i.e. they do not appear as direct social relations between persons in their work, but rather as material [dinglich] relations between persons and social relations between things” (Marx 1988, 165–66, emphasis mine.)

The crucial phrase here is “*as what they are.*” It is not an illusion that social relations appear to be material relations; rather, this is really how social (labor) relations in the capitalist mode of production are mediated — through the body of the commodity, which is a *material* body.

What, then, is so deleterious about fetishism, if it is not in itself an illusion? Again, one has to read Marx’s exposition to the end in order to answer this question, a skill which Scruton seems to lack. The issue with fetishism is that it obscures the reality that, at bottom, it does not have to be a necessary fact of life — different forms of mediation of social relations are possible. It appears that the commodity and its material body bear the

weight of social relations, but this is only true in our given set of relations which we call capitalism. It is not absolutely a fact; it is something created out of our specific actions, and different actions resulting in subsequently different social mediations are possible.

“Political economy has indeed analysed value and its magnitude, however incompletely, and has uncovered the content concealed within these forms. But it has never once asked the question why this content has assumed that particular form, that is to say, why labour is expressed in value... These formulas, which bear the unmistakable stamp of belonging to a social formation in which the process of production has mastery over man, instead of the opposite, appear to the political economists’ bourgeois consciousness to be as much a self-evident and nature-imposed necessity as productive labour itself” (173–75).

Fetishism, for Marx, is conflation of the specific social relations of capital with certain transhistorical facts about production, e.g. “productive labour itself.” That is what is false and illusory about fetishism, not some notion of the objectivity of the commodity or capital.

## Final Thoughts

Why did I choose to critique Scruton in particular? Many of his mistakes cannot even be sympathized with, provided one expects from an intellectual even the meager will to read sections of works through to their conclusions. However, Scruton’s book — as I have already said — is so utterly bombastic and aggressively polemical that refuting the genuine content of its critiques appears almost like play, complete with humorous reward. Scruton’s bold arrogance, almost hyper-masculine confidence, and practically slanderous declarations about the religious and irrational nature of all

leftist thought — which are to be found throughout every chapter of the book — probably fill more space in the book than actual substantive critique.

The book has garnered enough attention for a reprint and likely will continue to do so. This popularity is fueled by Scruton’s (and other typical conservative’s) enduring conviction that his work is dissident, counter-culture, and shunned on by a domineering leftist academia. The actual result of Scruton’s work, as far as I care to know, can be summed up in an expression used by Charles Reeve in his otherwise absolutely terrible and dishonest critique of the *Manifesto Against Labour* → <https://libcom.org/article/krisis-group-mountain-gives-birth-mouse-charles-reeve>:

“*A mountain gives birth to a mouse.*”

#### **Footnotes:**

1. See Sweezy 1949, Rubin 1972, Kay 1979, Elson 1979, Arthur 1979, Banaji 1979, Starosta 2008, Heinrich 2012, Mau 2019, and Postone 2003, respectively.
2. As for work which attempts to answer Steedman’s supposed criticisms of Marx — work which Scruton claims does not exist — one can point to the debates captured in Steedman’s later book *The Value Controversy*, the heterodox Marxian economics of Diane Elson’s collection *Value: The Representation of Labour in Capitalism*, Andrew Kliman’s *Reclaiming Marx’s “Capital,”* or even — to name just two of *many* — the papers published by Alan Freeman (2002) and Heinz D. Kurz (1979). The larger problem, however, is that Steedman’s book in itself is already not actually a convincing refutation of Marx. Steedman himself knows this, and for this reason he never became hostile to Marxism as such or leftist thought in general. (Scruton has to then claim implicitly that Steedman’s work explodes Marxism entirely *regardless of whether Steedman was even aware of the fact* — a claim which the rest of this footnote will show to be specious. Steve Keen (2011), in a hasty attempt to denounce Marx, pulls a similar trick with

Steedman's work. The latter appears to present a deceptively easy out for anti-Marxists, and those who are sufficiently intellectually lazy take the bait.) Steedman's work criticizes certain quantitative work in value-theory which uses a sort of labor theory of value. His criticism leans particularly on the transformation problem. Does this refute Marx? Well firstly, Steedman admits himself that he does not even accomplish a critique of the theory of exploitation (Steedman 1977, 15 and 206), and secondly, he himself offered help in the writing of what is likely one of the most complete attempts to break from the difficulties posed by Steedman's work altogether. I am referring to Diane Elson's paper *The Value Theory of Labour* (1979), which if properly understood, *on its own* could likely be used to refute all of Scruton's criticisms presented here.

3. Again, see Rubin 1972 on the first point and Kay 1979 on the second.

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