BULLETIN

C O N T E N T S

Statement Of
The Secretariat

Letter
of
J. R. Johnson

APRIL 1943

195

STATEMENT OF THE SECRETARIAT ON THE JOHNSON ARTICLE

As is evident from the introduction he writes to his article in this issue of the Bulletin, comrade Johnson is insistent upon making his article the subject of an artificial internal polemical dispute. This being the case, the essential facts should be available to all.

The Political Committee did in fact endorse the decision of the Editorial Board of the N.I. not to print the following article by Johnson. The three main reasons then given to the author were as follows:

1. The article is inordinately long and, for its contents, its length does not warrant the space required for N.I. publication. As pointed out in a letter to Johnson, this was not the main reason for the P.C. decision. Its validity, however, may easily be confirmed by the reader. Furthermore, by a long-standing decision of the P.C., approved by Johnson when it was adopted a propos of one of his polemical opponents, no discussion article may as a rule be printed in the magazine which exceeds a maximum of four pages - a size considerably surpassed in the present case.

2. The article does not deal with the question in dispute. Johnson opened the dispute in his letter in the April, 1942, New International, on two points: a) whether or not Trotsky was right in saying, in 1930, that the formulae of extended reproduction in the second volume of Marx's "Capital" applied to a capitalism not limited by national boundaries and not to a national capitalism; and b) whether or not the same formula (or formulae) applied to Russia today, characterized by the party as a bureaucratic collectivist state. Johnson demanded an official party ("authoritative") statement on these points, a demand which did not reveal a very clear idea on his part of a Marxian party's relationship to such theoretical questions. Naturally, the party, being the serious revolutionary organization that it is, took no such "stand"; it cannot and will not. Having volunteered to do so, Carter's proposal to answer Johnson in his own name, and as one of the editors of the N.I., was accepted, and his answer printed with Johnson's letter. In his rebuttal, Johnson simply does not return to the questions he originally raised. Moreover, he states unequivocally that he is not interested in what Trotsky wrote on the formulae of extended reproduction applying to "national" or "international" capitalism, that is, he is not interested now and was not interested then in the points about which he presumably wrote his first letter and demanded an official position by the party. We do not pretend to understand such procedure in fruitful theoretical discussion. However, there is no reason why we should promote or condone it on the pages of the N.I., where there is some choice in the matter. If it is to be printed at all, then only in a party bulletin and upon the demand of a party member, as was pointed out to Johnson when it was suggested to him that he make such a request.

3. The article is, as stated in the original decision of the committee, abstruse; to put it more simply, it is more or less unintelligible. We have no right to arrange for publication in the N.I. of any article that would be incomprehensible to not less than ninety-

five percent of its readers. On this point, the Secretariat feels no need to elaborate, inasmuch as it can be safely left to everyone who reads the article to judge for himself.

It is unfortunate that in failing to take these points into consideration, comrade Johnson, as shown by his introductory statement, again failed to understand the responsibilities that go with party leadership.

Secretariat of the P.C.,

3/23/43 M.S.

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INTRODUCTORY LETTER

This article was submitted in December 1942 in comment on the article written by Carter and published in the New International of April 1942. It will be remembered that this article, over three pages in length, was written in reply to a short letter that I wrote to the New International in which I asked for some authoritative statement on the interpretation of passages in an article by Trotsky, published in the Archives. The delay in submitting my answer to that was due to: (a) important practical activity which allowed nothing else to intrude upon it; and (b) illness. The P.C. has endorsed the decision of the Editorial Board which refused to publish my article in the N.I. because it is "abstruse" and "because it does not deal with the question". These statements I deny. I think the policy of the P.C. is false. However, since I am denied the possibility of getting my views on the question which I raised, before the readers of the N.I., I now submit it at least to the membership.

2/27/43 J. R. Johnson

PRODUCTION FOR THE SAKE OF PRODUCTION

A Reply to Carter

BY J. R. JOHNSON

For the first time in its existence, The New International (April 1942) has carried a theoretical article dealing with a fundamental problem of Marxian economic theory as expounded by Marx himself. This, and the character of Carter's article, dictate the method and content of my reply.

Anyone who even scans Capital will note the venom with which Marx attacks Adam Smith for dividing the annual product of a country into v, workers' wages, and s, profit. "Incredible abberation", "fundamentally perverted analysis", and a dozen other denunciations: much worse than what Carter says of Johnson. Rosa Luxemburg thought that Marx devoted so much time to this secondary issue that Volume II missed the point entirely. She was grievously wrong.

In Volume I Marx reduced all capital to value, the worth of anything, the amount of socially necessary labor time required for its production. He found in any piece of individual capital a distinction, v, variable capital, or wages, and c, constant capital, that which bought raw or processed material. He showed that any surplus or profit, s, could come only from v. Hence his formula for the annual product was not v + s but c+v+s. For Marx, pupil of Hegel, the distinctions could only be a preliminary to the discovery of their relation, in its development. He concluded that the compelling aim of capitalist production is to extract as much as possible from v, which it does chiefly by increasing c. Carter speaks about a whole series of formulae. Let us watch this single one, c+v+s and their mutual relation. Above all, let us keep our eye on c.

Value is an abstraction. Marx will now trace how value manifests itself in the material form of products. Volume II poses this problem as the production, reproduction and extension (increase) of the annual product. Marx, again, distinguishes the annual product into two parts, means of production (I) and means of consumption (II). Of this division Lenin approvingly quotes a Russian Marxist as saying that it has more sense than all the discussions of previous economists about the market put together. Thus, when we say I and II, c+v+s, we are talking about the heart and bones of Marxian economic theory. Now, what Marx drew from his study of material form is summed up in the phrase: production for the sake of production. Who is not oppressively aware of that and what it means can be a good revolutionist but he should eschew writing on capitalism and Capital.

Lenin and Volume II

Volume III appeared in 1893, and from it an old Russian controversy sucked sustenance. The Narodniks claimed that the elements of Socialism already existed in the Russian agricultural

commune. Lenin insisted that Russia was making a progressive, capitalistic development. The argument now centered around the interpretation of Volume II, and on an alleged contradiction between II and III.

The capitalist class put its capital into production. The workers produced their subsistence and a surplus-value. The workers with their limited subsistence could not consume this surplus. Therefore, argued the Narodniks, there had to be some third class of people to consume the product; or the capitalists had to go to foreign countries, in order to be able to realise their surplus-value. But it was a commonplace that Marx was working within an abstract capitalist society, self-contained, consisting only of capitalists and workers. The Narodniks claimed that within this scheme surplus-value could not be realised at all. Lenin tirelessly exposed their blunder. They did not understand the significance of c in c+v+s. The total product was realised not only by workers' subsistence and capitalist luxuries. A large part of it went into c, constant capital. Hence Marx's obsession with Smith's mistake. If you divided the annual product only into v+s, the road was open to the dangerous theoretical conclusion that "the worker cannot buy back the product." Applying this formula in its development Lenin showed how c of I increasingly absorbed more of the annual product than any other section, and thus from the logical theory he explained the historical mission of capitalism.

Yet, although specifically capitalistic, this formula illuminates all types of society. "The bourgeois society," says Marx, "is the most highly developed and most highly differentiated historical organization of production. The categories which serve as the expression of its conditions and the comprehension of its own organization enable it at the same time to gain an insight into the organization and conditions of production which had prevailed under all the past forms of society"* --and, I add, all future ones also. The terms of these formulae are Marx's own fundamental categories. An intelligent Marxist can apply them, to a slave society in 1860 B.C. and 1830 B.C., to a feudal society in 930 A.D. and 960 A. D., to American capitalism in 1914 and 1929. In all of them, v would be pretty much the same the second time as it was the first. But in the graph of the capitalist society, c would shoot to the skies, thereby sharply differentiating it from the others. Smith and particularly Ricardo, devout bourgeois, saw this and though they did not clearly disentangle c from s, they used the general result, Smith to belabor mercantilists and Ricardo the landlords. "Truly wonderful," said Marx, the pupil of Hegel, "but don't look at the result in its identity, gentlemen, separate c from s and look at the developing relations," and, he, on behalf of the proletariat, smashed at the bourgeoisie. As long as the proletariat is not emancipated that relation is its theoretical weapon. It needs no other. I cannot conceive of a form of post-bourgeois society so

*Critique of Political Economy, p. 300

"highly differentiated" from bourgeois society that the categories cannot be used. With that formula there is nothing else to political economy except dialectical materialism and technique. Without it you have the morass of sprawling data, caprice and trifling nonsense which the modern bourgeoisie calls "economics". Let Marxists for God's sake avoid "economics".

Lenin, Luxemburg and Volume II

It may save trouble and will explain much to quote not Marx but Lenin on Marx:

"It is impossible to understand (Marx's theory) unless you understand that the total product is divided into c+v+s and the material form of this division is means of production and means of consumption."*

And for the historical significance of the logical theory: "In the development of these two departments,.....disproportion is inevitable. The fact that means of production grows faster than means of consumption corresponds to the 'historic' mission of capitalism and its specific social structure: the first consists precisely in the development of the productive forces of society (production for the sake of production), the second excludes their utilization by the masses of the people."**

That is what the abstract formula is intended to show concretely. At the end of Volume II Marx concretised the formula in some difficult diagrams which also illustrate this among other themes.

I am not acquainted with the actual writings of the Narodniks except through Lenin's and Rosa's quotations, but some years after Rosa Luxemburg in her study of capitalist accumulation found herself far closer to the Narodniks than to Lenin:

".....who realises the constantly expanding surplus-value? The diagrams answer: the capitalists themselves and only they. What then do they do with their constantly expanding surplus-value? The diagrams answer: they utilise it for the ever greater expansion of their production. These capitalists then appear to be fanatics expanding production for the sake of production. They build new machines in order with them to build again new machines. What this amounts to is not accumulation of capital but expansion of the means of production without any aim..."***

*Notes on the Theory of the Market.
**Towards the Characterization of Economic Romanticism
These two passages have been translated for me from the original Russian. In Lenin, Selected Works, Vol. I, pp.225 and 376, Lenin's conclusions are given in English. His arguments are omitted, in an edition of 12 volumes. So low everywhere is the status of Marxian economic theory. The material is easily accessible in German. Publication in English would be a service.

***Rosa Luxemburg, The Accumulation of Capital, Chapter 25.

It sounds devastating. But Lenin, though perfectly aware of the formula's limitations, had answered a similar attack years before:

"Marx knows that capitalists and workers cannot consume all that is produced. From Smith to Marx they divided the product into v+s, but Marx into c+v+s and that surplus goes back into production. When therefore we correct that mistake and we realise the tremendous role of the means of production (that part of the surplus product which goes not for individual but for productive consumption, not for consumption by people but consumption by capital) then the whole theory falls to the ground."*

It is not as simple as it looks, though both positions are there fairly well summarized. But all Lenin's articles show how clearly he had caught the motives behind Marx's endless suppositions and abstractions, the demonstration that even under all imaginable conditions, capitalist production would objectively remain production for the sake of production. Rosa agreed completely that "under the abstract condtions Marx's diagrams permit of no other interpretation than production for the sake of production."** That is what Marx meant by the formulae, she said, and he was wrong because actual capitalist society is not like that. That is what Marx meant, said Lenin, and he was right, because capitalist society is like that. Both knew Marx's second thesis on Feuerbach: "The question whether objective truth is an attribute of human thought is not a theoretical but a practical question...The dispute over the reality or non-reality of thinking that is isolated from practice is a purely scholastic question.

Carter and Volume II

Now listen to Carter:

"The formula describes a necessary condition for capitalist accumulation only if the terms are actual capitalist categories -- constant capital, variable capital, surplus value. Therefore one cannot prove that, e.g. Russian economy is a capitalist system -- as Johnson seeks to do --by showing that the formula describes a necessary aspect of its process of accumulation. On the contrary, one must prove that the terms of the formula, the social relations of production, are in fact capitalist."

We are in a different world.

First, the formula, as I have shown, represents in Marxist thought not a necessary aspect, but the specific, immutable aspect of a capitalist accumulation, production for the sake of production. But (I am speaking here only of method) if even I can show that the specific, immutable principle of Stalinist accumulation is production for the sake of production, I still, according to Carter's logic, must go back and prove that the terms are capitalist. A revealing request! We have left the world of Lenin and Rosa and are back in the Middle Ages, analysing God in terms of rug-cutting angels, proving terms in terms of terms. How can I or anybody

*Lenin. Economic Romanticism (My emphasis)
**Luxemburg. Accumulation of Capital, Chapter 25.

"prove" what Carter asks? If not only Aristotle but Hegel also came back with nothing else to do, they couldn't do it. Terms exist for one purpose -- proof. Proof does not exist for terms. Force is measured by expression, means by ends, cause by effect, and terms are measured, i.e., validated by proof. That is the Hegelian interpretation of opposites in contrast with the metaphysical superstition which to this day demands of Marxists for instance, that they, first of "in fact", "prove" the labor theory of value. Hegel the bourgeois, settled accounts with such long ago*, and Marx merely repeated Hegel**. We as Marxists are heirs to a tradition and must clarify the continuity. I have done my full share of that. I, in fact, insisted on it. But the kind of disputation Carter wants was left behind with the mediaeval schoolmen. Their subject-matter compelled them to use it for so narrow was their relation with nature that they disputed about God and angels which couldn't be tested anyhow. We have other things to prove and therefore other methods of proof. Today, Carter's type of proof is possible only in mathematics and very formal logic. It can never be applied in life and society. The proof of the pudding is in the eating. The proof of the labor theory is in fact that Marx explained and predicted the movement of capitalist society by it. The proof of the applicability of Marx's categories to Stalinist Russia is in the positive results and illumination you get. As Marx concluded: "all else is drivel." All else is.

I say that in any class society within the historical environment the compelling motive of production will be surplus labor. I say that therefore production will be objectively for the sake of production. I say, not to Carter, but to the scientific Mr. Burnham (and all his co-discoverers): "Call it what you please. Win your paper victories 'proving' how your terms differ. In the historical result, production will be mainly for capital and only incidentally for people, with its rending contradictions between use-value and value, constant crises in production, and socialism or barbarism as the immediate historical alternatives."

That is what Marx meant, and he unmistakably said so, directly and indirectly. He would not have been so stupid as to try to "prove" anything else. This, and this alone (but how much it is) is the predictive power of the law of value, denied or misunderstood by so many Marxists and anti-Marxists. This is what, in our world of today, is crying out for continuous, many-sided exposition and discussion, Russia or no Russia. In 1914, in the minds of millions, political democracy was at stake. Today, undisguised by any religious or political fetishism, the economic system itself is being laid bare for the monster that it is. Now, more than ever, we need to take it apart and expose it tirelessly not only in its manifestations which people can see, but in its innermost being. For only thus can we educate the advanced workers in method, and confuse the petty-bourgeois confusionists, especially those with scientific or Marxist pretensions; only thus can we show what must inevitably arise from the present travail.

*Cf. Logic, Tr. Johnson and Struthers. Volume II, pages 483-484.

**See my review of Edmund Wilson's To the Finland Station, New International, June 1941, p.127, where I quote parts of a letter to Kugelman on the same subject - Lenin asked that it should be read many times.

But Carter's scholastic approach to Marsian economics not only inhibits the scientific analysis of society but what is probably the same thing, prevents any understanding of the theory itself. Carter actually says that "the formulae are not supposed to 'apply' to a concrete real capitalism." The formulae in and for themselves are abstract and therefore dead. As Marx "posed and developed" them, they are for no other purpose than to show how a real concrete capitalism works. For Carter the formulae do not exist for society; society exists for the formulae. To art for art's sake Marxists will now add abstraction for abstraction's sake. Or maybe Marx produced abstractions for art's sake. I could "prove" that I expect, if I tried hard enough.

Trotsky Needs No "Defence"

My letter now speaks for itself. When I said, I, v+s, must be greater that II, c, I merely identified the formula in the form I shall always use, Stalin or no Stalin, Carter or no Carter, simply because it poses relation. How was I to dream that whoever replied would treat this famous formula in any other way than, first, its developing relation in a living society; secondly, the developing history of the formula itself? For obviously, after Lenin and Rosa had finished with it, the formula, as everything that is not abstract, i.e. dead, has itself developed. Trotsky I excluded at the start, by saying: "Whatever construction Trotsky may have put on this sentence as it stands, it can give rise to..." Carter accuses me of saying that "it follows from Trotsky's contention...that the workers cannot buy back..." I was not discussing Trotsky's contention. I did not say "it follows". Instead I wrote: "The road is open to....", which is a very different thing. I later reiterated that I would not deal with Trotsky and I said why. Once more I sound the siren and raise my amplified voice. I AM NOT DEBATING TROTSKY. Carter amalgamates me with Stalin and Bastiat. Bastiat! Peace be to his shade! Bastiat is as much to me as I was to Bastiat; and since when, pray, did Bastiat and Stalin "pose and develop" formulae as Marx?* (Note this cripping incapacity to discuss anything except in terms of Stalin and Trotsky.)

Carter psycho-analyses me to prove that I didn't know that the premises of the formula were abstract, that I misunderstood everything. That discussion he will win by my default. These things prove themselves or vice versa in the end. I shaped my letter to draw some definite opinion, for people are always taking positions on Marx's fundamental theories whether they know it or not, and most of all when they don't know it. I said provocatively that without this formula you cannot avoid bourgeois conceptions of economics. Rosa's conception is essentially bourgeois. Every day its adherents grow and the reasons for this and its significance would take a whole article. Strictly speaking, Russia was not necessary to my points, though in my opinion invaluable as illustration one way or the other. A demonstration of how the formula

*A clever politician would have said: "Of course I know that Trotsky understood, etc." For those who do that sort of thing, well, that is the sort of thing they do. I don't. That's all. Time has a way of making even simple things like these significant.

applied to Germany for instance would have been sufficient. All roads lead to Rome. But it was not my choosing that the formula had turned up suddenly in articles on the Russian question. Obviously I was fishing, but the fish that bit was very small and swims only in the home shallows.

Hegel, Marx and Carter

Carter finally holds up my ignorance of profit to the light. Profit, he says, is "the peculiar capitalist form of surplus value or surplus labor!" In strict theory, the basis of value producing surplus-value is a mass of accumulated labor in the form of machinery and scientific organization dominating the expropriated workers in a way that is entirely different from slavery or feudalism, where the technical means of production were so simple and were handled by the worker himself. It is the laws of this relation that Marx expounded first, in Volume I. Marx knew these laws fairly early. Yet as late as January 14, 1858 we find him writing to Engels: "...I have thrown over the whole doctrine of profit as it has existed up to now. In the method of treatment the fact that by mere accident I have again glanced through Hegel's Logic has been of great service to me..."

The history of the doctrine would take us too far. But Carter's quotation must be shown for what it is, and will serve as an illustration of Marx's whole method. The quotation is in Volume III, pp. 1028-1029 and ends: "Profit then appears here as the main factor, not of the distribution of products but of their production itself, as a part in the distribution of capital and labor among the various spheres of production." And there Carter stops --well ensconced within the most superficial of capitalist conceptions. Bastiat might have stopped there but I doubt even if Stalin would. Two lines later Marx says, not what the primary factor appears to be, he says what in essence it is. "But it arises primarily from the development of capital in its capacity as a self-expanding value, creating surplus-value, it arises from this definite social form of the prevailing process of production!" In other words, back to living labor dominated by a mass of accumulated labor, analyzed in Volume I. Why does Marx so sharply separate self-expanding value from capitalists approtioning capital to production for profit? Simply because it was his mission in life to do so.

For self-expanding value he uses the term verwertenden. It is in the full Hegelian tradition. Hegel believed that the self-developing idea expressed itself in nature and society, dictating the conditions and limits of men's activity. When explained briefly, Hegel seems to be talking nonsense. In reality this last and greatest of bourgeois philosophers stood like Moses on Pisgah, with the ultimate secret of human knowledge spread before him. Marx's work was to stand Hegel's principle on its feet. He placed the dictation in the hands of the mode of production and its expression in the concept of value. This is capitalist society he called the self-developing value, verselbständigung, a term lifted bodily from Hegel. The prefix ver ir Hegel always means a transformation at the root, something that transcends itself from its own inherent (and thereby contradictory) nature.

The transformation may appear to be the work of something else. Hegel and Marx spent their lives proving that it was not. The very terms, self-developing idea, self-developing value, self-expanding capital repudiate the importance Carter gives to his quotation where the initiative or prime movement is definitely given to the capitalists. Marx is here building his structure on subterranean foundations the analysis resting on his philosophy of history, his estimate of the origin, development and destiny of man. The contradiction is in nature itself, between man, conscious nature, and means of production, appropriated nature. But whereas in previous societies, owing to the low technological level, e.g., a man and a hoe, the contradiction was narrow and little capable of development, now, owing to the complete severance of the man of labor from the means of labor, the contradiction is so sharp that the development is rapid and powerful. Owing to the length of the working-day (physics) and the physiological limitations of man (chemistry and biology), value could not expand itself indefinitely by prolonging one factor the working-day (absolute surplus-value), whereupon it broke that limitation by expanding itself through the only way now open to it, by increasing the other factor, the quantity of the accumulated labor, the machinery, that functioned within the working-day (relative surplus-value). The two active factors in production which we see here Marx calls moments, another Hegelian term. The chapter where Marx establishes the development of relative surplus-value, he significantly entitles "The Concept of Relative Surplus-Value". The word he uses for concept is Begriff, which Marx being who he is, could be more modernly and precisely translated by perhaps the famous word in philosophy, the Hegelian term, "The Notion". Of this notion Hegel says:

"The Nature, the peculiar inner Being, the veritably eternal and substantial element in the multiplicity and contingency of the phenomenal and passing outward, is the Notion of the Thing."*

It sounds outlandish. In reality it is very simple. Hegel says that in the theoretical analysis of anything, which for him means a study of it in its self-development and inevitable self-transformation, do not do what Carter does constantly, check off a list of items, in other words "the multiplicity and contingency of the phenomenal", the ever-changing outward historical forms. He says: seek its notion, that inner relation from which all external developments must flow until this inner contradiction is abolished. Marx reduces his analysis of capitalist production to an ever-wonderful miracle of notional simplicity, stripped of all contingency: less and less of the day's labor going to the worker, more and more going to the other moment, or active factor, the machinery. This is the mark of capitalist production and when Carter quotes Marx to show that I confuse all types of society, I realise with deep concern the gulf that separates us, not on Russia, but on historical materialism and Capital. For although debate on Russia is understandable, it is a miserable business

*The passage is to be found in the Preface to the second edition of the Logic. Tr. Johnson and Struthers, p. 45, but I am using the version in a stray quotation from Sterling: The Secret of Hegel, Vol. I, p.305. It is easier to understand out of context.

when you have to stop to explain that this sharp relation within the working-day has nothing to do with, e.g., feudalism. That rapidly developing relation and its laws form for Marx the "inner nature" of capital, and the consequences were analysed by Marx with a logical direction, a mastery of his material and a vivid concreteness, equalled nowhere except in the arrogance and obtuseness with which it is ignored. The self-expanding value expands itself according to its "notion", accumulated labor devouring living labor. Marx was supremely confident that he had found here the notion of the "strict process of production", the abstract logical relation around whose development all future historical society would revolve (as it did not revolve in the past) until the abolition of the capitalist system of production. For the word abolition, aufhebung, Marx went again to Hegel, to show quite clearly what he had in mind. Aufhebung is second in Hegelian importance only to Begriff. Aufhebung does not mean mere non-existence, or abolition as you abolish a hot dog or wipe some chalk off a board. As Hegel explains at length,* it means for him transcendence, raising of one moment or active factor from its subordinate position in the dialectical contradiction to its rightful and pre-destined place, superseding the opposite moment with which it is interpenetrated, i.e. inseparably united, in this case raising labor, the basis of all value, to a dominant position over the other moment, the mass of accumulated labor. Thereby self-developing humanity takes the place formerly held by self-developing value. The real history of humanity will begin.

And where are the capitalists in all this? Nowhere. Just nowhere. Capital and labor are the moments. The capitalists are not moments, i.e. determining active factors in production. They do not determine. They are determined. They see that the work is well done. They pocket as much of the proceeds as they can. They are, as Marx wearisomely repeats, merely the agents of capital, the embodiment in will and consciousness of capital.** They obey its inner nature. Thus all capitalist activities are in reality (on the historical scale of course and complicated by the class struggle etc.) strictly limited. It is easy for us to see politically that capitalist man cannot abolish war, and we and we laugh at all their peace conferences and pacts and leagues and charters. It is the same when a capitalist (or a capitalist class) invests capital here or does not do it there. He is merely

*Logic, Tr. Johnson and Struthers, Vol. I, p.120

** So deep in the labor process did Marx base his analysis that he viewed man as an "impersonation of labor-power" (Vol.I,p.225), labor power being "energy transferred to a human organism by means of nourishing matter" (Vol. I, p.239, n.). But whereas having said this he rarely returned to it, because it didn't really matter to his conclusions he hammered away at the fact that the capitalist was merely an agent. He had to, for his whole point was that the activity of the two determining factors, the laborer and the mass of accumulated labor, produced the laws, as inflexible as laws of nature, which the agents obeyed. From another point of view, his philosophy of history, which, with him, is antecedent to political economy, his close association of labor to a force of nature, is of fundamental importance. That, however, is beyond us for the time being.

obeying the laws of self-expanding value and nowhere so much as in relation of means of production to means of consumption. If he does not, he is fired, i.e. he loses his capital. In abstract logic, production for the sake of production is an absurdity. So far Rosa was right. But in dialectical logic it is the greatest good sense in that it conforms to the laws of self-expanding value which rule the world.* Once this mass of accumulated labor dominates the laborer in the process of production, nobody is free, neither the workers nor the capitalists. Capital, and above all c, is the boss. Burnham believes that his managers will have freedom. A petty-bourgeois fantasy! They too will be agents. The only greater freedom they could have is more freedom to chase more surplus-value and produce more for the sake of more production, whereby they will sharpen the capital relation to such a degree that the last state of man will be worse than his first. From that necessity, said Marx and Engels, following Hegel, the only freedom was socialism. Only the socialist working class can make man's conscious activities the main factor in economic life. This, a difficult thing to grasp entire, is everlastingly more difficult to maintain in the pervading bourgeois environment, and the history of the revolutionary movement, theoretical and practical, is for long periods the history of how some of its greatest leaders were seduced from this concept, the beatings it had to take and the casualties it suffered before it was driven back. Luckily millions of workers have made the revolution and will make it again without Marx and Hegel. They learn direct from the self-expanding value. But the theoretical representatives of the movement have this insidious danger to fight always, before, during and after the revolution. No labor is too great, no probing too deep, nor can we ever for a moment rest in the struggle to make that as natural to us as breathing. If we don't, we pay!

Hegel had mastered the idea and method (he said they were the same) of presenting the myriad of concrete activities and thoughts of men as determined by the necessities of one universal law of self-developing movement. Marx learned from Hegel and in general outline and detail followed the Hegelian method very closely. In fact, Capital is built on the Logic and few intellects can master the one except to the degree that they master the other.** Hence it is of the essence of all Marx stood for when he says that capitalist activities appear as the main factor and fortwith calls immediate attention as he has done in page after page to the self-expanding value, creating surplus value.

*Needless to say Rosa, in my view, did not just make a mistake. When a giant Marxist blunders, it is usually owing to strong, historical pressure. It is the business of theory to find this. Only then is the correction assimilated, and another weapon added to the armory of defence against the never-ending investment and infiltration by bourgeois methodology of the narrow Marxist road.

**The problem of the contradictions between Volumes II and III, to which Rosa added the charge of contradiction between I and II, is solved without the slightest difficulty when seen in terms of the Logic. Even Lenin was not as clear as usual here.

But Carter, bent on proving me a dunderhead, blithely quotes his little piece about capitalists approtioning capital to production for profit and omits the key sentence on self-expanding value, ignoring the fact that this bourgeois delusion is precisely what Marx as usual is lambasting. I can imagine nothing more dessicating than Carter's ideas of proof, and nothing more dangerous than his conceptions of Capital. When I wrote my letter it was to bring this conception, which I was confident, existed, into the open. Well, here it is. Like the poor, in fact as long as there are poor, it is always with us. The Russian question is merely a part of it. It is not a part of the Russian question.

The Significance of Carter's Article

The reader will have noticed my insistence all through this article on the dialectical method and my frequent and precise references to Hegel* Marxian economic theory flows from dialectic, as I have tried to show. I believe that we have been without its systematic study and overt practice too long. And serious dialectic means the study of Hegel. If we do not do it ourselves, who will do it for us? Each generation must itself recreate the fundamentals of its beliefs in its own image, in terms of its own problems. Otherwise it does not only not understand them, it often actively misunderstands them, and leaves open the door to the surrounding bourgeois swamp. When I wrote my letter I had only economic theory in mind. As I read Carter's article it became obvious to me that somehow or other the field had to be cleared, even at the cost of having to give a mere outline of all the points and detailed treatment of none. Carter implies that I am obsessed with the idea of proving my point of view on the Russian question. True to his method he sees everything upside down. The truth is exactly the opposite. I want to break through the limitations which fifteen years of preoccupation with the Russian question have imposed upon us. Of these limitations Carter's article is a notional example. Not only its content but its tone shows that he resents my raising these questions. He repeats some commonplaces on the text of Capital but it is clear that what he wants to do is to make the journey homeward to habitual self", to his stereotyped analysis of bureaucratic collectivism, to Trotsky said -- I agree; Trotsky said - I disagree; Stalin... the old four familiar walls, an interminable reshuffling of the same ideas, a jejune ratiocination, essentially obscurantist. If even we still held every single one of those concepts with the simple faith of the Cannonites, still we would need to have more varied and more powerful lights thrown upon them, to place our cameras at new angles. We live our daily lives in the upper reaches and

*Carter's completely false concept of profit can be exposed in many other ways (1) In the Hegelian terminology Marx uses in this particular field, which is even more precise than those I have indicated. Carter now has his chance to show in advance all that Johnson does not know. (2) In the very structure of Capital itself, in the relations of the volumes to each other and in the internal structure of Volume III. (3)In Marx's own clear unmistakable words on this very question. I preferred to begin at the beginning.

derivative super structure of Marxism. We are not academicians and must perforce spend most of our time there. But the foundations and the lower floors are huge unexplored buildings which we enter if at all in solitude and leave in silence. They have been shrines too long. We need to throw them open, to ourselves and to our public. Johnson is cockeyed? Maybe. We shall see. But I offer myself as the sacrificial goat, not however for school-book polemics, a perpetual gyration on the same spot, and an endless manipulation of the same hoard, whatever carat its gold. Rather let my slaughter be a means to deepen our knowledge and expand our ideas. Hence my letter. Hence my opening sentence. Hence my whole article.

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