

MARVIN THE MARXIST

A Companion to *Capital, Volume One, Two, Three, and Four* by Karl Marx

By Marvin Rosen and Shamrock McShane

Marvin the Marxist is my hero. He was my teacher and my friend and I miss him. I will always miss him. And I will always learn from him, so he will always be my teacher.

What follows is in Marvin's own words. It is only the first of many lessons, but here beginneth the lesson.

I wonder what you mean when you say that I am still teaching you.

It sounds as if you have a good life down there in Florida. Perhaps I will come and visit you when I am wondering what to do with my retirement. Just now, however, I am wondering what I will say about the Russian Revolution and Lenin. As you can imagine, I have done nothing but become more of a Marxist over the decades since we last saw one another.

If you were about these days, you would be hearing more about Marx and the Marxists. I have spent the last ten years reading and rereading *Capital*. It is amazingly unread and explains everything. (I would be happy to prove it to you sometime.) I am teaching a course in reading *Capital* for the first time this semester, and it may be the most exciting class I have ever taught.

You are off to an excellent reading. As you read, try to remember that only the first 250 pages are difficult. Marx needs you to know his definition of use work, exchange work, value, exchange value, and money to get started. He also needs you to understand that capital itself is dead labor and that it needs living labor power to appreciate in value. Dead labor, congealed labor, labor in commodities, is Capital. The Capitalists somehow owns all dead labor until you and I can find something to exchange for it.

Not many people have read CAPITAL, so I am impressed. I was just thinking about you yesterday and wondering how you were doing.

During the entire decade of the nineties the research and writing of my book took me far from madding crowd and what they were seeing, eating, and saying. Marx got me so involved with commodities that I could not look at a play or movie without translating it into surplus labor time. It is still difficult for me to even type here without thinking of who put this machine together and how much of their life it sucked out of them.

Commodities leap at me from everywhere in the house, and it makes me a sad for the wasted lives. No way out of commodities until the revolution is a lot older. Thankfully we have passed through the worst of times.

I wonder whether Marx would stand by the lines making a teacher a "productive worker." I don't see the added value. Teaching and preaching, he said some place else, are the incidental expenses of capitalism, and they belong in the circulation rather than the productive sphere.

Just as in England, when the Revolution was over the Kings came back, so in socialism, the capitalists returned. After 1688, the capitalists ruled from behind the mask of monarchy, so now the workers rule from behind the mask of capitalism.

In short, the working class now determines globally how the capitalists can rule. In previous eras capitalists could rule by tyranny and Marx shows this a lot: now the capitalists need the consent of the workers, their major customers, to continue. Another way of looking at it is at that surplus value is almost at zero now. Capitalism does not thrive on adding value, it thrives on consuming it after it is produced. The major job of the working class today is to shop and not to work. That is slander, of course, for people in the third world, but even they must consume. The bankers are out there loaning all the time because we are drowning in capital. (The world is drowning in commodities.) As Marx always insists, one has to translate how the system works to understand it. I think that Capitalism reached its highest point in 1870: after that it was all downhill through the violence of imperialism, world wars, depressions, colonial wars. . .

The main contribution that you and your students make to capitalist society today is to shop. I mean that quite seriously. M does not turn into M' unless all workers buy those commodities. As a public school teacher, you are baby sitting and so am I. They pay you and me, to stand up and pretend to teach, but really we just get transfer funds to spend. This is not cynical. It is a necessary part of the circulation of capital. The real added value is being put on in what we call the third world but is in fact the manufacturing centers of capitalism. Real teaching, Brecht-like, would get you in trouble. They like me to do it in college because it makes the whole system appear free.

Workers own nothing but their labor power, you and me included. Don't let anyone ever tell you that you own things. You own "personal" property, and I include your house in that. The capitalist class owns "private" property. When the revolution comes, all private property (which someone called theft) will cease to exist. In the land of socialism and communism, we will all have more personal property (if we want it) than ever before in history.

After you buy a commodity it becomes your personal property: it ceases to be a commodity and loses its price. You may try to make it one by putting it on the market. We do that with houses because houses have both kinds of value. Cars also retain some of their commodity value. All the rest that you have goes into a garage sale.

The main thing that you don't own is anything that you could live off of enough to say no to a boss. Pensions for workers are relatively new items: workers never lived long enough to need them until the 1950s. The state, or private institutions, "hold" that money for us so that we won't be tempted to spend it "irresponsibly." In short, the capitalist class that exploited you all your life now uses your saved money when you retire. The value of your house is in use. If you start thinking of it as a commodity, you will worry about whether or not someone is poisoning the earth under it.

The working class has arrived at a level of security in the United States because it is needed to consume. Your kids will be great at consuming. They will overwhelm you with their appetites. Alienation is still the problem because someone else owns what we need to survive: water, gas, fuel, electricity, air, news agencies, and schools.

There is no doubt, however, through inheritance especially, that working class security, arrogance, and control grows each day.

There is a fusion that takes place of all workers: the socialization of workers to produce capital. That is where socialism is born: in capitalism itself. It forces all workers no matter nationality, sex, age, or race to cooperate.

Socialism is produced inside of capitalism--produced is the key word--and we are all united in the production of all commodities. That we do not realize it has to do with the fetishism of commodities.

A worker can get private property only by going without part of his wages or by stealing. A worker reduces his food, clothing, and shelter in-take to save because he wishes to "escape" his oppressor. However, it is in the employer's interest to keep the worker from escaping. That means that the boss must own all the means of production. That is why real capitalism does not come into being until the productive capitalist controls all private property either through direct ownership or in alliance with landlords, bankers, and commercial capitalists. (Those alliances usually take place formally in parliaments, congresses, diets, or dumas where laws are made protecting property. The law is a gigantic commodity.) But, let us say that the worker through inheritance from his father-in-law comes to own one house, two houses, or even three houses. He might even approach the petty-bourgeoisie level: today that would mean controlling enough labor power to establish a relatively independent capital. You would have to have 200 workers employed to be petty bourgeois today. This does not mean that the worker has escaped either capitalism or selling his own labor power. I have two houses now: my mother's and mine. I am a proud owner, but I am also a drudge keeping up repairs, paying bills, and finding ways to protect my property. In short, I hired myself and I exploit my own labor power. I am both subject and object in this case because I don't own enough capital to get

independent of abusing myself as I might any worker that I hire. In fact, I abuse me more than my own workers to keep the thing going.

I know many workers who escape going to work for someone else by buying houses or establishing an independent business. Some of them actually make it, but they usually work themselves harder than the capitalist worked them, and they are even more fearful. Of course, the success stories are told on 60 Minutes to pump up others to imitate them. But, for the ten thousand new family-owned restaurants that open this year, roughly all ten thousand will fail.

Capitalism has a history that begins in the 14th century, and we are here five hundred years later. A lot happened to the capitalist and working class in those five hundred years. Marx wrote about a process: the process of ending pre-historical times and entering historical times. Things are getting better, but the security does not come from owning private property: it comes from the pleasure of use work and personal property. That pleasure was brought to us by the class struggle over thousands of years against the oppressions of class societies. Things are changing for the better, but you must not confuse the inheritance you got from your father-in-law with the one that you got from history. Capitalists are still bombing people, and you could be next. You are fortunate to live with the bombers instead of the bombed, but if you get out of line too much they will bomb your ass too.

Our empty feeling has to do with the fact that our job is not to add value any more: we now merely preserve it, guard it, water it (as watering dead lettuce in super markets), and sell it part of the day. The other part of the day has to be spent shopping:

this is the real work of the modern working class. It is work too because we are told that it is wrong to spend. Accumulate, accumulate, accumulate.

You read so well, and this reading of Marx will get into your writing. It seems to have done that much already. Just look at what a Marxist perspective did for Brecht. What you may need next is more history. Notice as you read how much history Marx knew. Did I tell you a hundred times already that Darwin wrote his *Origins* at the same time that Marx wrote *Capital*? Have you ever read the *Origins*? If not, you could actually do it for relaxation while reading Marx. It is not as great a book as *Capital* because Darwin was afraid to offend creationists—those parts are just funny.

The point is: Never read books just to pass the time or for leisure: the pleasure really comes from reading something as complex as *Capital*. Bottom line, even if Marx was all wrong, it is wonderful brain candy. No one reads it, however, and that is the strange thing about this work. No one even tells you to read it except for me. Strange, strange. It as if you never told your students to read Shakespeare or Dickens.

I think of *Capital* these days as a great novel filled with poetic images in which everyone and everything is intensely related. Capitalism is like a black hole, however, and the great bang does not happen until all light disappears. *A Long Day's Journey into Night*. As for capitalists reading *Capital*, Marx thought and said some place that they would not understand a word of it if they did read it: only workers understand *Capital* instantly.

When Marx says something like it in the first volume—about production—he says that in the socialist world commodities disappear. There will be no Chicago Cubs or Pepsi Cola in socialism. The only way that you can convince people of that is to prove to

them that everything, money and commodities in capitalism, has a history and will have more of one: Marx does that in Capital and Darwin does it in the Origins. That is why both go back to look for origins. Christians don't like the idea that man had anything but a creation (that is their explanation of origins) and capitalists want themselves to have existed since they set up their first bank just East of Eden. The two go hand in hand-- sadly, sadly.

A vulgar economist is one who does not analyze an economy as a relationship among our species in the process of their evolution. In short, he would be an economist who sees labor as always the same whether done in the tribal, slave, feudal, or capitalist stage of history. He would also assume that there were always and will always be capitalists and workers. Vulgar economists think that there are permanent economic laws of supply and demand (for example) and that if one messes with those laws the system fails. At least, that is what it meant in Marx's day. Today it would mean someone who thinks capitalism the only natural system, and the job of the government is to manage the "unnatural" imbalances by deficit spending or raising taxes if the economist is a Keynesian or by letting it move freely if one follows Milton Friedman.

History does not pop up and plop down. You just read about how long it took feudalism to transform into capitalism, so you should be looking for a blend and not a separated system. Primitive capitalism existed from the 14th to the 19th century. It was not until 1850 that the productive capitalist controlled landlords, workers, interest-bearing and commercial capitalists enough to say that real capitalism exists, and then only in England. Important point of volume one: socialism is born within capitalism not outside of it. Stalin, for example, could be called a vulgar Marxist because he wrote about

socialism in one country being possible. Socialism is a global system. Remember that capitalism brings everything into its vortex. I think that happened globally around 1914. At that point, and this is very speculative, our species entered into a stage of primitive accumulation of socialism. To make it dramatic, a world war broke out and the capitalists of the world fought one another until 1989. (It was much like the period of Mother Courage. The religious wars lasted for two hundred years: at the end of them it was not a Protestant or Catholic form of Christianity that emerged, it was capitalism. When the Soviet Union collapsed, it was not the United States that emerged: I believe that we entered the earliest days of relatively safe socialism. The great wars are now a thing of the past: there will be no more of them and no more depressions. I will be around long enough for you to tell me if I was correct.

The socialist revolution is over, and that we are in the earliest stages of global working class history. Capitalism still exists, but the agenda of the working class now controls it. We are demanding a better environment, an end to killer tobacco drugs, an end to war, etc. These are relatively good times to be raising children in the developed countries. Even in the undeveloped countries, things are improving. I cannot believe that Apartheid no longer exists. Mandela is the only political hero that I have. (Only when I am romantic: I don't believe in the individual. I believe Mandela would have died in jail if capitalism still had the great power it had a hundred years ago. More bullshit speculation.)

Marx for me was a great scientist who was the first one to try to analyze how the system that we live in works. He was the Copernicus of history. Copernicus, however,

never knew how gravity worked, so we only have a very rich outline to work from as we look out on our own history.

In short, Marx combined motion and change to get his dialectic, and he did a fabulous job (with only one formula) for telling us how history worked and where we might be in the process of development. He made it clear to me at least that we are still in prehistoric times: socialism is the next stage, but real human history does not start until the stage he called (alternately) socialism and communism. I wish that he had stuck to one.

I am the only Marxist who thinks that the socialist revolution is over, and that we are in the earliest stages of global working class history. Capitalism still exists, but the agenda of the working class now controls it. We are demanding a better environment, an end to killer tobacco drugs, an end to war, etc. These are relatively good times to be raising children in the developed countries. Even in the undeveloped countries, things are improving. I cannot believe that Apartheid no longer exists. Mandela is the only political hero that I have. (Only when I am romantic: I don't believe in the individual. I believe that Mandela would have died in jail if capitalism still had the great power it had a hundred years ago. More bullshit speculation.)

By the way, no jibes at Xtianity or any other religion will rub me wrong at all. I am resolutely irreligious.

I suspected at much. You would not be reading Capital so easily if you were not.

This to me is the great exit line to Act 2: "In point of fact, paradoxical as it may seem at first, the capitalist class itself casts into circulation the money that serves toward the realization of the surplus value contained in commodities. But note this well: it does not cast this in as money advanced, and therefore not as capital. It spends it as a means of purchase for its individual consumption. Thus the money is not advanced by the capitalist class, even though this class is the starting point of its circulation."

There is a volume four of Capital. It is in three volumes too. It is sometimes called Theories of Surplus Value. It contains all Marx's notes on the political economists before he wrote. You should take a look at it. He starts by showing how very early seventeenth century thinkers invented a system for analyzing an economy: the best stumbled into the labor theory of value. The Physiocrats were the French version of these thinkers. The line begins with a guy named William Petty, goes on to contributions by Locke, Defor, James Steward, Adam Smith, Malthus, Ricardo, and James Mill. Some of these, such as Malthus, were vulgar economists. Adam Smith and Ricardo Marx felt made marvelous discoveries, but only he solved the problem of from where surplus profits emerged.

Marx saw his job as fleshing out Smith and Ricardo, to name the two he most admired. Without either, no Capital. He adds to their works, and I believe he thought that the discovery of surplus value, or the source of value, was his great contribution to what they had already accomplished.

For Marx, Adam Smith is not a vulgar economist: he just does not know enough history, and he did not translate value. To use a fancy word, Smith reified, made inanimate what was animate. This is the greatest error that a scientist makes.

Smith and Ricardo led to Marx's discovery of the working class and class struggle. He gave credit where credit was due, but he often did it disrespectively--or it seems disrespectively in Capital. When he did it more seriously in volume four of Capital, he showed his great admiration for their science. (It too has three volumes. You can sometimes find it remaindered in good used book stores--cheap.)

Actually there is a parallel between the Cubs and Blake's satanic mills, but that's not the part I think we will look back on fondly even after history has begun. It will have to do with Ernie Banks, just as your Giants (yeah I remember from 25 years ago) will be tied even into man's new consciousness for as long as there is baseball. You're not telling me there's to be no more baseball, or sports, are you? That in the future we will have tapped our creative physical abilities in such a way that competitive (capitalistic?) sports are no longer socially necessary? I wouldn't want to live in a world without competitive sports. Even now, as I squeeze the last drops out of my physical skills for the game, there is nothing finer in life than a game of pick-up basketball where I take some young stud, strong and in his prime, to school, by way of a shooting touch I have honed for 40 years. You know Marx would love that, physical mastery of a skill requiring strength, coordination, agility, the ability to improvise. . . Sorry, I rhapsodize.

Boy! Did you get me wrong on this one. The art form of the bourgeoisie was the novel: it came into being with that class. The art form of the working class is play. You caught the difference in the above paragraph by talking about play at the end

instead of sitting and watching a hired commodity play. We still look back at the gladiators with some care, but we no longer forget that they were owned and ordered to do what they did.

When Tim takes "some young stud, strong and in his prime, to school. . ." the games really begin. Use value dominates over exchange value, and no one calls you a "professional" athlete even if you play better than Jordan. When I write here no one calls me a "professional" teacher or pays me to do it: they will name me and pay me, however, starting in about an hour. "Adviser and Professor." It says so right on my door, and you better believe it because I hand out the grades. I will send you a quotation from Marx--actually if you have Avineri check for it in his chapter on "The Stages of Socialism." In my copy, the lines are on page 231. It begins: "As long as man remains in natural society [capitalism], . . ."

This chapter contains most of what Marx thought the differences between pre-historic and historic times. I don't know anything about Avineri after this book.

Marvin told me that if I ever needed to, I could call him, and say: Help! I have a gun in my mouth. And then he would show up on my doorstep with all three volumes of *Capital*.

I wonder if your life would have been quite as good as it seems to be if you had called. One thing for sure there would have been a difference in response between the 70s and the '90s. If you had called twenty years ago, I would have shown up. If you called now, I would show up with three volumes of Capital. (The kids stare at me in disbelief when I do this if they say "help." I feel as if I am still a Catcher in the Rye, but now after the Catch I say, "read this.")

In writing the thing, I had to play down the Marxism for a general audience. The first drafts had Marx all over the place and friends warned me that no one would read or publish it. The chapters were all 100 pages long with many more footnotes than they now have. In the final draft, all the references to Marx after Chapter One are reduced to footnotes until the conclusion. Cambridge would not publish it, but they did think that I was not hitting people over the head with my Marxism. The market would not bear my doing to grown ups what I do to students in my class or in crisis.

I had already figured out that I was not Gay. I still held to the old word, Queer, but I was on my way to understanding what Marx meant when he said that we were a species and only became tribesmen, slaves, serfs, wage workers, English, French, Americans, capitalists, gays, women, and other ghetto types through real historical relationships. It took me a long time to stop reifying everything, you included. Reification is the greatest error that the scientist makes. I was categorizing myself "Queer" instead of "Gay" because others were forcing me to think myself "Gay." (Now I have to fight against thinking myself old, Jewish, or American.) The point is that we are always in change and motion and I cannot, no matter how much I would like, be anything that is permanent: for Marx there are no permanences. The most important philosophical

contribution that he makes is that there is no such thing as human nature: the greatest error made by Hobbes and carried forward by Freud and Golding. It took me too long to learn that our species is divided and conquered when it forgets its species life: in short, no matter, how much I would like to be permanent, to have a soul, and to believe in after lives, there are no such things except things that nature and our species produce as an ensemble. We are never being or nothingness. (Read Marx's Thesis on Feurbach for more on this.) All this does not mean that I don't enjoy sex with men: it means that I let myself be specialized by people who said you have to do one or another at a very impressionable age. If someone said that I should do it all at that time, I would probably have learned that more quickly than the queer stuff because I already was. When I was in my teens, I did everyone, and do I wish that I could get that skill back again. I let myself think Queer too long to get totally free from possessive love and seeing myself as "one" I tried to make it real. Sartre almost cured me when I read *Saint Genet* in 1964, but I still thought that there was something special that I could at least call Marvin.

This is not just a philosophic argument. When I finally learned that my ignorance had caused me to believe in Queer like others believed in Gay or Christian as permanences, I sat straight up in the realization that I had been cheated of most of my life by my bad thinking and other people's bad science. I finally began to get at the most truth that I think we can get to at this point in history. I live as a part of the species in an historical location, but that does not mean that I am an American. Workers believe in private property because they never ask why someone has it and someone doesn't: until you ask the right questions, you get the wrong answers: you are dominated by metaphysics.

The question is, What is Capital? If it is dead labor then the whole species made it over all times: it is a species product just as much as your novel and my book are species products. We did not make them alone no matter how much we put our names on the cover: unless, of course, we also invented language. It is silly to say that Da Vinci made the Mona Lisa. Who made the brushes? Doesn't that party get any credit? The canvas? The idea of painting? What a complicated thing your kid is: the heir of the entire species made over millions of years--and you take all the credit. Calling him your kid does not make it true. I hate Marx in my head because he destroys all individualism, all ideas of "I." He also destroys the idea of a creator, of course: everything keeps moving and changing, especially me-ing.

I hate how much I am enjoying this correspondence.

So as you can see, summer is officially over, and the days of lying on the couch reading Marx a memory. But now Marx goes to middle school. Turns out he's been there for a while in the person of Dirk Drake. I told him about you and your book and he is right there with you – he knows this stuff. Sure, he says, of course your prof is right, and if he weren't right we'd all be speaking Spanish today. As I told you, Dirk's from Ireland, so you have to picture the whisp of a brogue. He says, Anybody who teaches history today has to use some kind of Marxist perspective or there's no organizing principle to it. It's funny, he says, at the university the history department is all neatly divided into Marxists and "classical" historians, as if there was even a fooken argument.

You now have given me another reason for visiting you. Your friend sounds educated. I find that black people and the Irish left, if you will forgive my reification, usually get it right.

This part of Marx really needs explanation. He is playing with the idea of the reproduction of a society and the production of surplus value to see how fast the circulation works for replacement plus accelerated production of commodities. In short, the three zones each play their part in reproducing our society as they pile up the surpluses. Luxury items are all those that the working class cannot buy at any particular moment in history. Of course, by the next day what was a luxury item for the working class has become a necessity for that class. That is an important part of volume one. There is no permanent amount of "necessary" commodities to keep the working class going: in 1870 it may have been two pounds of meat a year; in 1999 it means vacations to the mountains, orthodontist, and predictability of exercise time--at least for workers in what is called the first world. Even in Bangladesh, however, workers amount of "necessary" increases. What Marx is building to here is the declining rate of profit that he handles in the opening chapters of volume three.

The working class must be able to buy back more and more of what it produces. Its appetites thus increase, and the capitalist must satisfy those appetites or face revolution. You will never be a Joad or an Okie.

Heraclitus was a materialist, but he was an early one. He could not yet be a "dialectical materialist." Everything has a history, and materialism is no different. The

first materialists were the Greek ones that did not follow Socrates or Plato. The second great materialists were those around Hobbes' time: Marx calls them mechanical materialists because they understood motion. Only in Marx's time, after Darwin, did materialists understand that things were moving and changing. Marx used Adam Smith and Ricardo for his economics and the Greeks plus the enlightenment scientists for his materialism. He needed evolution to understand how it all worked: Heraclitus did not know about evolution—nor did Hobbes. We only learn as we pile up the dead labor. In short, the Greek materialists were precocious children.

I did, however, want to make sure that you did not believe in human nature. That is a key to understanding everything. Most people will say that you cannot have socialism because you cannot change human nature. Believing in human nature is the modern equivalent of believing in God.

The working class is not exactly passive in the class "struggle" over wages: remember back to many strikes and demonstrations in volume one. They just lose all the major battles as they go on to win the war because the system has contradictions. Everyone expects Capital to read like the Communist manifesto. (Notice Marx never talks about the bourgeoisie or the proletariat.) Marx was twenty eight-nine when he wrote the CM. He had not studied Political Economy yet: when he did his work lost all the purple passages. He analyzed a system. That is the characteristic that I most like about Capital, and it is fun in a way to know that everyone gets Marx wrong because they think Communist Manifesto and not the three volumes. You won't find much of Workers of the World Unite--once in a while in volume one he comes close--nothing like it in volumes two and three.

It is asking us to suppress the idea of creation altogether and to see everything as a production out of nature. Those chimps, by the way, produced us. Marxism is a methodology for understanding how everything was produced, for decoding goods and commodities. All good theories of history have to explain everything. Think of the Bible, for example, it explains everything, including Shakespeare. God created everything in seven days, and then took it away. He opened and closed seas, sent floods, and decided whether we would get into heaven again after he sent his son and his son's ghost. While people believed in that theory of history, they did not sign their works. It would have been plagiarism. That is why there so many unsigned works before the renaissance. At the time of the Reformation, when capitalism is being born, it gives birth to the idea of the individual as creator. God is given credit for making the universe--We hold these truths to be self-evident [however] that the creator endowed us with certain inalienable rights. Jefferson, therefore, built Monticello. (With a little help from his friends, perhaps.)

Shakespeare wrote his plays the same way, but perhaps not claiming as much for his own part as did Jefferson. Genius must be paid, and Ford has a right to all the money from those cars because he made them, and Carnegie made steel, and Rockefeller made money, and my father, who was the electrician at Rockefeller Center did nothing. Marx asks us to look at everything--to take it apart, to determine how it was produced. If we feel it necessary after analysis to give credit, why not call it a species' product. Look at your kids and say thank you to all previous generations. Also, realize, of course, that those kids are related to all other kids.

I am trying to not ever retire. I wrote the book because I had something to say. I have something else to say now, but it is a gigantic project. I would like to prove that we are in the socialist stage of history by studying the way in which the United Nations is becoming the institution of the workers of the world. I want to do it with someone else. Research is a lonely business, and I figure that the project would take about ten years. I want to do it with someone younger who would finish it if I could not.

Of course, we value Socrates and Plato in the West: they both allow for God and preach law and order. Socrates took poison when he could have run away from dumb people. His personal story suggests, at least in Plato's hands, someone who had a vested interest in maintaining the society in which he lived. It was a society based on slavery. I don't want to throw "great men" into the garbage bin of history, but I do want to insist that we stop making such a fuss about the individual in history. That theory has done such damage to 99 percent of our population that you would think that we would all reject it and its proponents. Well, I guess that it explains why the Pope is always the most popular visitor to these shores. If we start out with physics, geology, biology, and chemistry we will be able to put our species into the story with a proper perspective on all things big and small: proportionality is necessary in this day and age if we are going to use dead labor productively.

The retirement thing took a lot of thinking, and I am not sure that I have the character to apply my own conclusions. All my friends are gone from the department now, and I am quickly becoming the longest serving member of the community: only one ahead of me, and he is too silly to keep as a model. I feel very out of date too many of these days. The point is, however, that capitalism produces us to work in these pre-

historical times within a process. If we retire from part of the work, we only work in one way: as consumers. In short, we never can retire in this mode of production. Shopping, even for doctors and medicines, is hard work, but it is totally non-productive, and it makes us feel useless every hour of every day. If we were fortunate early on, we learned a lot about playing with ourselves every day alone: this was never me, however. I tried to invent it later in life by learning to paint, to write, to garden, and to read by myself, but I never have been able to stay away from other people. I love playing with them, especially if they are young and curious. It is not productive work--how I wish that I could fix cars or rewire houses--but it is helpful to some by reducing the pain of everyday life through a Marxist perspective. Students here could get it from nobody else, I think. They do learn it, however, just by living in capitalism. No one who lives in this era really needs to be told by me how difficult it is to get by from day to day. The discovery of how the planets moved would have become well known had Copernicus never written. Nevertheless, his tales probably comforted a lot of thoughtful people who found Aristotle's physics silly. I like thinking that I might comfort those who think that they are mad when they feel that something is rotten in the state of Denmark. It would be false modesty to say that I think that as long as I say to everyone that I might be wrong, I am protecting everyone from my possible madness. I would retire if I thought after forty years of teaching that I might be wrong or out of date.

There is no big bang at the end of Volume Two, and volume three ends in the middle of a very important page: he is about to tell us what class is. I think that he does it throughout, so I have no problem putting it together, but it will lead others to state that Marx never defined class. I think that once he got through with volume one, he realized

that his work was just beginning. He wanted to do a detailed analysis of capitalism in England around 1850. He never got to do anything but to lay it out in a very abstract form hoping that historians would then follow with detailed studies of each period of primitive and developed capitalism. Most historians who got interested centered in on the so-called Primitive Accumulation chapters of volume one, and that history captured in a variety of works became the debate-source about how feudalism turned into capitalism in England (or why it didn't if you reject Marx).

Credit comes along when the system has taken over the entire market and the money in circulation (deprived of its hoard) can't move things fast enough, so the capitalists give each other credit and convert their exchanges into numbers without actually exchanging money.

Capitalism always reaches stages where it is drowning in capital in the commodity form. At that point, the credit system emerges to purge the system. The second and third chapters of my book are about that situation from 1689 to 1720. It is in this period that the English capitalist class will invent (introduce?) the National Debt. The borrowed money works to pump prime the system and to get rid of the surplus. The national debt is a national form of borrowing so that the government can buy.

Then, after all those calculations that made my head spin trying to get Department II to pay off some fixed capital for Department I, turning simple reproduction into

expanded reproduction, this what I understood to be happening: money is hoarded in expectation of a big expenditure for fixed capital, which consequently whacks out circulation or at least slows down reproduction because a hoard is not productive (the money is not capital really while it's a hoard); then there's some fancy footwork which ends up looking like a sophisticated version of Primitive Accumulation. Here's why (?): there can never really be any more money (which represents value) in existence than gets thrown into existence (never mind circulation, exchange, hoard -- just \$ in the world) – the capitalists of the world (all of them) don't just magically make more money out of what's already there like multiplying the loaves and fishes. There is surplus value and consequently a surplus product which can be exchanged for surplus money, but it's not any more than was in there to begin with (except that money (gold? still gold? what else can be money today?) is itself a commodity that is being produced all the time too), it's just a different way the money is being divided up, so that the capitalists' share keeps growing, which is the part I think is like primitive accumulation. The capitalists cast money into circulation initially not as capital but to spend on themselves, to consume privately, not productively (?) and that's the true source of the money that will later appear as surplus value(?).

I could not explain it any better. Marx moves from the very abstract in volume one, to the dense specifics of volume two. When he does, he indicates the complexities of any economic formation. In capitalism, as in any other system, we must reproduce what we used the day before. After that, accumulation is possible. How fast the accumulation depends on the development of capitalism and credit systems. All this is by way of

introduction to volume three because you are now ready to understand crisis in capitalism and the influence of a falling rate of profit on modern economies. He then breaks again to begin to do the history of commercial and interest bearing capital from their origins as usurers' and merchants' capital. The last part is on the landlord in the system. I love the third volume a lot, and it is the one that I know best.

For Marx, the highest rate of surplus value is realized where the least amount of constant capital is employed: in short, in the third world. That is why capital rushes out of the United States to manufacture commodities. The rate of surplus value can certainly be 100 percent or more the way that Marx figures it.

Vol 3 starts off from the capitalists' point of view: there is capital advanced and there is the return on capital. If more money comes out than the capitalist put in, that's all he cares about. He's got no need to go looking any farther. He calls his gain a profit and that's that. If he measures the profit against the amount of capital he had to advance, he can determine the rate of profit. This is not the same as the rate of surplus value, even though surplus value may be the same thing as profit.

Exactly. The rate of profit, however, constantly falls in capitalism, and that drives the capitalist to expand outwardly to find new labor power, new sources of raw materials, and new ways of exploiting workers.

When the profit rate reaches too close to zero, the capitalist goes on strike: he refuses to invest his funds, and he hoards. That causes a crisis--depression--for the

working class, and it is at that time the workers of the world unite to sit in the factories, to liberate commodities, and to elect Marvin or Tim president. That was about as far as Marx could go in the 1860-70s. He realized before he died that he had telescoped things too much, and so he left it for the Marxist to figure out where we were in the history of capitalism, what form the revolution what form the revolution would take, and how socialism would be born.

Surplus value derives from variable capital. The capitalists like to say that the profit comes out of the workings of their entire capital, because this covers up exactly where it comes from: labor power.

Get Marx's visions of a falling rate of profit down, and then do the location thing. He is writing in the 1860s, and capitalism is about to experience its first major depression. The great depression before the great depression started about 1870 and last until the 1890s. It meant that capitalists were drowning in capital. To relieve the pressure, they invented imperialism. I will take you forward from there if you see how imperialism acted as a safety valve for excess capital.

I am now on Part Two, the Transformation of Profit into Average Profit. The title is a good one and doesn't give away too much. Of course we are back w/ Ovid a lot in Marx. Movement. Metamorphosis. I wanted to survive the formulae and math of Part One. As you know, I take them on faith. The numbers seem to jibe, but the references blur, the difference between C and c. Even e got in there at one point and I couldn't for the life of me remember or keep straight what it stood for.

E is for the energy that you need to keep all his formulae straight. I don't worry about the numbers either. Others have gone through them, and some of them say he is right others say he is wrong. The bottom line is that the rate of profit falls. (It is doing that now even in China and India.) We are in the midst of the greatest deflation in history. Prices are only maintained through monopoly controls. In short, we have arrived at the final contradiction. If the capitalist class wants to keep capital, they have to transfer funds to the working class to spend. To keep a mad system going, you have to play it like monopoly. As soon as your opponent is out of money, you win, and then you give him back his money.

The point is, Tim, that you are getting it. I am more amazed at your progress than you can imagine. You are probably the only one in the state of Florida who has read all three volumes--almost.

The capitalists only care about the difference between the capital they put in and the surplus value that comes out at the end of circulation (which is why they think it happens in circulation). That's why they treat people like things. Everything is a thing to them, everything is a commodity. But we live in a world of commodities too.

The Fetishism of Commodities section of volume one is central to understanding the whole. It is also the most poetic section of volume one.

It's funny, but you're right, there's more Epicurean delight to be found in life while reading Marx. Yes, your days are spent in the labyrinth where ciphers take on three dimensions and formulae play out plots and all is movement w/ distracting shadow play and you are confused and intrigued and glimpse the truth but fleetingly, but then you go out in the world and buy things and say let's USE this, let's REALLY use it! What the hell. You must have that feeling. In life.

The working class liberates the species to be able to consume without waste when we finally get sane. What I like to do is sit around my living room and look at all the commodities that have become my use values. Then I smash them about in my head to remember all the labor power that went in them to produce my toys of life. I see my connection with the species. A good assignment for students is to bring in a commodity to class---several perhaps--and ask them to translate that commodity for you: to do a history of a thing. They won't know what you are talking about until you show them that each thing was made by people in past history. If it is a book, who made it? Who invented language? Binding? I do that in my classes, and use the idea of "dead labor" to make it rock with them. On labor day this is surely a good exercise.

Don't you think the Stoics have balls? Don't you think Jews w/ their patriarchy that has somehow stood up to millennia are of the same mind as the ancients? Because here's the thing (and maybe I'm trapped in metaphysics), the ancients knew humans who were born, grew up, grew old, and died, and we do those very same things in that very

same order and their fears at root are our fears, how can it be otherwise? That doesn't deny materialism, it just adds to it.

I read almost 100 pages last weekend, so I have high hopes for this weekend. I am into the Equalization of the General Rate of Profit. This is what I get so far: The rate of profit turns into the average rate of profit when Marx starts putting the pieces all together. Considered separately, commodities were always exchanged for their values, but once we consider the commodities In the Market, then market prices take over. The market prices have emerged from cost prices and production costs. Each capitalist is producing his individual surplus value, but in the market, to consider total social capital or the workings of the whole process, you can't count the same surplus value twice. So, what each capitalist realizes becomes the average rate of profit. (There's a leap there, or maybe several; in the theater, we'd say there's a beat missing.)

I think that what it comes down to is that the market price can be anything in the real world, but in the world of free trade it would lead to the average rate of profit. This is important because prices of things are so wild to our eyes. We can see the same object for twenty prices depending on the day and zone.

The capitalist realizes the average rate of profit that is commensurate with the balance between his constant and variable capital. But all those assumptions we made

before about commodities always being sold at their value and capitals of identical organic compositions and turnover are now cast into the world, where everything is moving and connected, and, most of all, subject to time, the clock is ticking. If the product is socially produced, and now every product is, then it figures that the profit will be socially produced too, and the capitalist can only draw out of it his appropriate share. He has to settle for the average rate of profit, but of course, lots of times he's lucky to get the average rate of profit, because the average is determined more and more by the surplus values BELOW the average, since there are more of those values and they tend to go lower than those ABOVE the average go high. (It's starting to get really abstract for me here and maybe I've wandered off.)

It is very abstract, and it is also easy to wander. The point is that the market determines the "real" profit, and it can be above or below the average. The general tendency is for the rate of profit to fall toward zero.

Marx raises the possibility of workers possessing the means of production and how they would simply exchange commodities for their value. "The exchange of commodities at their value...corresponds to a much lower stage of development than the exchange at prices of production, for which a definite degree of capitalist development is needed." So, he's saying: it's not that simple. It's not just a matter of ownership of means of production. The process moves in stages.

Exactly. Everything has a history including prices.

"Apart from the way in which the law of value governs prices and their movement, it is also quite apposite (suitable) to view the values of commodities not only theoretically prior to prices of production, but also historically prior to them." I think what he is saying here is that the exchange of commodities at their values has been tried before, and we're beyond that now. Which leaves me in a world of mystery and intrigue.

You and I, if exchanging things, would come up with a price. It would have to do with our histories and nothing to do with the market. In this modern world, the price is determined by laws of supply and demand. Supply, however, is always triumphing over demand, and prices are constantly falling. There is no guarantee that the capitalist will get his commodity to market while it still has exchange value that compensates him for his costs. He has to, however, exchange at or above the socially determined rate of profit or go under. The main thing, however, that Marx added to all this was the idea of a permanently declining rate of profit. To realize more profit, the capitalist had to realize more surplus value. Once he received his money back, he would always seek to find new areas with higher rates of profit. That is the way he would explain why a productive company moves from Michigan to Mexico.

You said something in your email about supply & demand determining prices, but doesn't Marx say it's really the other way around, that prices determine supply and

demand? It's silly to say demand is such and such, when we would certainly buy a whole lot more crap if the prices went down.

You're correct, of course, and I should not use the cliches of vulgar economists to describe anything. It is difficult, however, not to fall into those errors. Marx's entire drama is about surpluses produced by "dead labor." Human capital compressed into its commodity form at the end of pre-historic times is what allows us to cross into the reorganizing last era of those times (socialism) before we enter real human history (communism). None of the latter theory appears much in Capital. You have to go back to the German Ideology for those ideas.

You have to be very smart to buy stuff. Tell Drake to give his kids a test on the quality and prices of various items within their world of shopping: shoes, clothing, records, and probably toys from CD players to video games, and they will indicate how bright they are as consumers. After all, our tests should be on what they are expected to know. Also give them a list of names and ask them to write good or bad next to those names: slide in Marx and Darwin. You will be surprised at how much bias they have against Marx without having ever studied the subject. Put in God. He gets good ratings. The Pope. If you want to get the answers, you have to ask the correct questions.

Working class people sit around and watch, but they don't approve. They feel like Drake: Something must be done. They think, however, that they should be paying for it.

Public school is "free" in their heads, and you don't demand things when they are given as free things. They have also never done a history of public education. When was it invented? Why? What was difference when it existed in France and in the Soviet Union?

The bottom line, which is a phrase I have always detested, is that the market and supply and demand can't completely hide the fact that prices still circle around value. The circles may be bigger or smaller, but it's still value that sets the circle in motion, and value is still (always) based on the labor that goes into making something. Right? Or, is this more accurate?: the value of a commodity is determined by the amount of labor power socially necessary to reproduce it.

You're really getting this stuff very well, Tim. I am more and more impressed with both Marx and Tim. I still don't understand how come you are getting it. As you now know--try it on Drake--readiness has to be there before someone can read it as you are.

Then, diving into the market amid the currents produced by the swirl of all the other commodities in the world, competition equalizes profit rates (but of course even though the commodity dives into circulation with other commodities in the market, it also emerged from the same sea initially in the form of constant capital purchased).

Interest bearing capital contains wonderful insights. Notice how in both the commercial and interest bearing chapters that Marx does history. Capital existed in the ancient world, but only in the interstices of those slave societies. Merchants, not men of commerce, bought cheaply and sold dearly. They never controlled the labor time of the slaves: they just dealt in surpluses. So with interest bearing capital: it too has its early days of usury, but in that lending destroys wealth instead of increasing it.

Commercial capital is just capital, in money form or commodity form, in circulation. The merchant capitalist makes this his domain. This is where commodities are bought and sold many times over before they finally reach a consumer. There's no value added in circulation. There is only non-productive labor in the phase that goes from C'-M'. I use the image of the grocery worker watering dead lettuce in the supermarket. He preserves value, but he adds none. He is necessary only because he must watch the lettuce until it is sold.

"The average rate of profit takes into account the part of the total profit that accrues to commercial credit."

"Just as industrial capital makes its profit by selling labor for which it has not paid an equivalent, so commercial capital makes a profit by not paying productive capitalist in full for the unpaid labor contained in a commodity."

Commercial capital is really just commodity capital in circulation become Autonomous.

The easiest way to teach this stuff is to look at from the point of view of Ford Automobile Company where the three capitalists are combined. Ford has its own banks that lend money to its factories (or it gets money through the stock market), and it sell its cars through its commercial capitalists. In this way the productive capitalist controls banks, trade, and labor power. By this process the capitalist class reduces its costs and speeds circulation. Profit rates, however, fall because of the relationship of variable to constant capital.

In circulation, as far as money is concerned, velocity substitutes for quantity. Wheels coming off: "This inner dependence (of commercial capital on industrial capital) in combination with external autonomy drives commercial capital to a point where the inner connection is forcibly re-established by way of a crisis." This kind of stuff I love: "The analysis of the real, inner connections of the capitalist production process is a very intricate thing and a work of great detail; it is one of the tasks of science to reduce the visible and merely apparent movement to the actual inner movement."

There's even a flash of Epicurus. I actually read Marx's thesis on Epicurus way back when in Chicago in the 70s. That's when I bought Vol 1 of Marx's collected works. which I still have. I was going to collect the whole collection. Somehow I never got past Vol 1.

I cannot believe that you were so into this stuff that early, and that I did not know it. If you had told me, then you would have been the one reading Capital first. I did not read volume one for the first time until the end of the 70s when a wonderful India boy in London shamed me into doing it.

Now Marx is doing a history of commercial capital, which is only a phase in the movement of industrial capital, but historically; it's where capitalism worms its way into every other mode of production. At first, trade dominates production. The production dominates trade.

The history of Capital before Capitalism fascinates me. Marx was a great historian even if never got to do the detailed stuff.

There was a report on Nat'l Pussy Radio that 50% of Americans are overweight due to overproduction of food supplies. The Secretary of Agriculture is also the point man on nutrition. He's supposed to promote agriculture, so he can't tell anybody to eat less. Epicurus positioned the gods in the intermundia, the spaces between worlds, so that they did not actually influence human affairs. Exchange value replaces use value. And now comes the perversity, when commercial capital enters underdeveloped economies. Kathy Lee's clothing line that pays workers 60 cents and hour for 11 hour days, 6 days a week. But for all that she's still only pulling in the average rate of profit, right?

The average rate of profit is higher in the third world than in the first world, and that is why production takes place in those zones and not these.

It is plunder.

It is as mean as the exploitation that took place in England during William Blake's days. Perhaps it is even more horrifying because millions are dying as a result of the exploitation. They die now from Aids as well as being overworked. What a world!

You are entering the stock market section now, and I found that fascinating. The best investment for capitalists becomes the national debt: they cease to need to put their money into production. They lend it to the government, and then the government hands them or the minions contracts.

The key to understanding it is so simple that I don't know why it took me 40 years to figure it out. Simple proposition: someone owes the national debt, and someone owns the national debt. You owe it: Rockefeller owns it.

What's the difference between England and Britain? It is English history until 1707. Then the English and Scottish bourgeoisie unite--see my chapter sometime on the corn industry--and together you get the British or Great Britain. Scotland gives up its own independent parliament for a shared one in London. (Defoe had a lot to do with talking the Scots into the union.) The Irish capitalist class, mostly Protestant English and Scottish, join the union in 1801--voila, the United Kingdom. Scotland just got back their Parliament, and Ireland is still trying to break off. P111

Arnold Rattenbury: Geoffrey Chaucer: The poet in Society, Our Time, August 1944. Our Time was published in London. "Sees in 'Tryolus and Crysede' and 'The Parlement of Foules' the representation of conflict between courtly and marchantile classes together with their eventual closing of ranks against feudal elements.

John Lawson: The Hidden Heritage: A Rediscovery of the Ideas and Forces that Link the thought of our time with the culture of the Past. Citadel Press: 1950. This contains chapters in the struggle for freedom against ruling classes and imperialism from 1075 to the present, with much attention to relation of this struggle to the arts. Architecture of the cathedral, Aztec and Maya Myth, Beethoven, Boccaccio, Botticelli, Bruno, Cervantes, Chaucer, Dante, Defoe, Donne, El Greco, Greek drama, Giotto, Ben Johnson, Leonardo, Marlowe, Milton, Melville, Monteverde, Thomas More, rise of the novel, opera, Petrarch, Rabelais, Shakespeare, Tolstoy, Lope deVega, Wagner, Whitman.

Margaret Schlauch: English Medieval Literature and its Social Foundations, Warsaw, 1956. Available through Albert Daub and Co. Antecedents of the English Novel: 1400-1600.

You should probably buy a book by A. L. Morton, People's History of England. It is still in print. Do you know Leo Huberman, Man's Worldly Goods. Your students could read this without trouble. A wonderful book.

Feudalism is an advanced stage of history, believe it or not, over Roman and Greek times. Even Marx had trouble with the 400 years, however, because the cities dried up. See Marion Gibb, *The Feudal Order*, for a fast and instructive read. The bottom line is that civilization advances when it moves away from Ancient Slavery to Feudal Serfdom. It advances further when it moves from Serfdom to Free Labor Power. The curious thing about England at Chaucer's time is that serfdom has ended---it won't end until 1860 in Russia--and capitalist farming and ranching have already begun. Marx sees the 15th century as the time of primitive accumulation. See beginning of Section VIII volume one.

"The cheapness of capital gives facilities to speculation, just in the same way cheapness of beef and beer gives facilities to gluttony and drunkenness." Marx picks just the right analogy for me to get it. Here's what I see: If you've got borrowers and lenders pitching and catching, that's where the banks come in, and speculation. Some capital, in the furious pitch and catch, is found upon close examination to be entirely fictitious. You have to figure in the swindlers with the pitchers and catchers. So what have we here but a bogus operation? And isn't this where I came in? Why study something bogus? I suspected from the get go that here was some bullshit ruling our lives. Lo and behold. There's a hell of a lot more exchange value being exchanged than there is money. Sellers, buyers, lenders, borrowers can just pass bills and IOUs back and forth instead of money. You start using payments for things you not only haven't sold yet, you haven't even made them yet, to finance the purchase and materials to make more things that somebody might

buy later on. You are at further and further remove from present day reality. So you must be speculating, eh? And this must be where the stock market comes in, right?

You have it absolutely correct here. As the capitalist can rent his money even easier than he can rent his land or hire labor, he moves to the market place. So! Even Tim can now get a franchise in which he exploits himself for the capitalists who clip coupons.

Hey, Marvin, what's the national debt? Where's it come from? Does every country have one?

Yes! The Britannica of 1913 knew this: It says that a society is not civilized until it has a national debt. The National Debt is a commodity like any other: it is owned by someone, and that is the capitalist who buys it from the government--which the capitalist also owns. We are now going to end the national debt, and trade it in for an international one. That is why the government is suddenly saying that they want to pay off the debt. Paid off means that you free the capital to go international and then protect it with American bombs.

The past few days have been trying. I run into a lull sometimes in the lecture department, and then the hour goes by very slowly. It is also the seventh week, and the students know the semester is not going to go away. They already want new experiences.

Also, my mother, who is 93, has been having difficulties of late. I always expect her to be taking care of herself, and when she is not capable I get very nervous about the world. I have absolutely no idea of how I would take care of her if she needed anything besides seeing to her money affairs. I suspect that I would just stop talking to her. I think that would not be the proper reaction, somehow. She went to the doctor, however, and got some of those new happy mood pills, and she is feeling better today for the first time in a long while. I am much relieved. I hope that it stays that way for because it is pretty tricky being 93 and living on your own.

Some of my students who are going on to college learn a lot from the great writers and diagramming sentences and writing practice in my class. Some of them can't spell their own names and by the end of the year have forgotten what letter it starts with too.

In my Money reading now, I'm just getting an inkling now that having all this exchange value shooting around, so much more than there is actual money, starts to scare the shit out of bankers. If everybody, or even just a few more than usual, decide to cash in their chips . . . There's not enough money to pay them off, right?

If you printed it, there would be enough money: it would have less value, however. From its earliest days, capitalism has a tendency to overproduce commodities. To circulate those commodities, it invents credit--which is another way of saying it

invents debt. The National Debt comes into being to circulate the excess commodities. The country borrows money from the capitalists and buys commodities from the capitalists with that borrowed money. When the market gets flooded with commodities, and the country refuses to borrow more, the economy stagnates. Those who have borrowed to make or circulate commodities find that they cannot sell those commodities nor pay their loans (or mortgages). Their business fails, and the large capitalists move in to swoop up all the land, homes, and commodities that come on the market. They then sell them at cheaper prices to recoup their losses. (You don't pay your mortgage, the bank forecloses and sells your house. They could also keep it and rent rooms to students. They could then hire you to cook for the students.) Money actually becomes worth more in a depression because the value of all commodities sinks to zero. If you had any money during the depression, you could buy real estate for one tenth of its 1920s value. As the product became scarce again, you benefit from the rising prices. By cheap, sell dear.

The good news is I'm just starting to get a handle on national debt, and one reason is Marx introduces it slowly. Now, in *Banking Capital's Component Parts . . .* What are securities? Interest bearing paper: stocks, bonds, mortgages?

Securities are all these things. You can own shares of the National Debt too. When the government sells its securities, you have stock in the National Debt. Each time the government sells you a share, it guarantees interest, and sometimes you even get a toaster. About two hundred people offered the government a million pound loan: they received interest of 8 percent, and the toaster was to have a monopoly on banking until

the loan was repaid. Of course, they never wanted the loan repaid because they could call themselves the Bank of England until it was repaid. Surprise, surprise the government kept paying the interest until 1930s. Now, that is compounding. Another group lent money to the government. For their share of the national debt they got 8 percent interest plus the right to own India! They were called the East India Company.

"The state has to pay its creditors a certain sum of interest each year for the capital it borrows. The creditor cannot recall his capital from the debtor -- it doesn't exist anymore."

Why not? What happened to it?

Because the creditor, the state, spent it on things it bought from the East India Company.

Now capitalists treat this debt just like other interest-bearing capital, and it becomes the national debt? What's the debt -- all the capital the governmentt borrowed, or just the interest on it?

All the Capital the government borrowed plus the interest plus the toaster. You pay part of the national debt every time you buy a tank of gas or an airline ticket. Rockefeller and Perot own the National debt. We owe it.

The major theme of two is that England, even as early as 1688, was drowning in excess capital. Therefore, Parliament sought ways to prime the pump. The invention of the National Debt would be the major invention, but mortgages, loans, advances of credit also played a part.

Marvin, Ok, I'm going along, all of a sudden I say, wait a minute, this is the way things were swirling around in, what, 1860? Ricardo's monetary principle is being treated like cause and effect. The government/banks (are these now becoming the same thing?) treat this principle like a natural law of economics, determining how much pretend money (paper, securities, loans, interest, credit...?) should be in circulation in proportion to real money (gold). Turns out the supposed law of economics is a surefire recipe for disaster because it reduces the amount of pretend money available just when it is needed most, when the gold supply is down. Meanwhile prices flutter up and down, businesses are blown out like candles.

You're correct to wonder about the difference after the 1860s. Marx kept waiting for the collapse from over production, and he never quite understood how young capitalism was until close to his death. He was also naive about the possible future of capitalism. He did not, for example, think that wars could get too out of hand because the capitalists would unite enough never to destroy their property. He would have been as

demoralized as Lenin had he lived in 1915: imperialism--expansion of capital outward--and world wars took care of the surpluses through 1945. Japanese Marxists have the best take on this period.

But . . . banks.

Governments go back to the ancients, but banks? As soon as you start thinking about this process, the bank has got a hell of a lot more to do with it than the government.

The whole subject of modern banking and the national debt has to be understood if you want to see how the state protects capital. There were banks of deposit before there were banks for interest-bearing loans. A bank of deposit was a mint. You hired someone to watch your gold and silver and they kept it in the mint—at least in England--where you could turn it into coins or get it back.

People wanted their own gold and silver back in the same shape they deposited it. Interest was not paid on these funds: you merely left the money with someone to guard. Notice this in Robinson Crusoe. Robinson leaves his treasure with a friend's wife. Capitalists did not put their money in banks until they could rely on kings or popes leaving it alone.

Charles I, for example, raided the mint when he need a loan because parliament would not grant subsidies. He did leave an I. O. U. Once the kings are controlled, after the bourgeois revolution, you can leave you money in the Bank of England protected by statute.

I guess that's your point, huh? We may be conned into thinking it's otherwise, but, duh, we are in a capitalist mode of production every living breathing one of us, and the interest rate and the price of things has nothing to do with the will of the people. Bank of England? Is there a Bank of the United States? What's the Treasury?

I have never done the whole history of our national bank. It was fought against during Jackson's administration, and we did not have another one until after the Civil War. That is why the civil war is our bourgeois revolution: we begin the national debt in a serious way. The treasury comes in after the Great Depression makes the state take on the circulation of capital through selling protected debt. The Bank of England was transformed in the same way after the depression.

Is this where it splits in two and there's a part that just prints up money (supposedly in accordance with gold reserve?), while another part concerns itself with loans and interest and debt ...? Oh lordy, is this the National Debt we're talking? (Most of us morons you know don't know the difference between the national debt and the budget deficit. By the way, what is the difference?) Now I am back in 1844, seeing how the Bank Act will muck things up.

I've only studied the history of the Debt in England. It got more and more complicated after the first hundred years, but, essentially, the bank pumped in or pulled out money from circulation. The relationship between the gold reserves and the money circulating is basically a fiction. The fetishism of a commodity. It is also so wildly abstract that it is impossible to measure. The National Debt functions as a way of alleviating the surpluses: it flushes out the system when it is clogged. However, the capitalist class did not know this until after the 1930s depression. They treat the debt something like the scientist treated Copernicus' discovery: it took economists hundreds of years to figure out how the debt worked: I'm not sure that many of them understand it even today. They keep fussing about the debt.

The deficit is how much the debt is growing in relation to the whole debt. If it grows too fast, you have inflation. Lenders hate inflation because they want back un-inflated dollars. If you buy a house for 50,000 dollars and it doubles in face value because of inflation you pay back only half of what you promised to pay. That is why the capitalists made such a fuss about inflation and debt: they hired Reagan to reduce debt by cheapening the cost of labor. (Workers who owned house made out like bandits when house prices sky rocketed in the 70s. They suddenly had real capital, and they partially escaped the clutches of the capitalists. The debt is a commodity like any other, and it too can cost more or less depending on the cost of labor. A good depression increases the value of debt held: it makes it harder to pay back. Right now, I think, the western states want to end national debts and create international ones. You pay off the capitalists here,

and they send their money to Africa, Asia, and Latin America to make higher profits in lands where labor is cheapest.

I have to go now because there is a strange young woman sleeping in my bed, and I have to figure out how she got there and what I do with her now.

Marvin, Marx is leaving the banks for the moment to return to pre-capitalist relations, which is where the usurers started collecting interest on loans as far back as ancient Rome, where it affected the way slavery operated (not exactly sure how), and now usury is making its way through the centuries, the church, even, knowing there's something "bad" about it, and of course it would make Martin Luther flip out.

The thing to note here, because everyone gets it wrong, is that Marx does see "capital" in the ancient and feudal worlds. These are primitive forms of capital, like usurer's money, and they tend to interfere with the development of "real" capitalism. They are parasitic forms of capital where high interest rates or buying cheap selling dear attracts money. In real capitalism, interest rates and prices continually fall.

Marx uses religion as a foil. "The monetary system is essentially Catholic; the credit system is Protestant."

Marx saw that capitalism had to produce its own religion to break loose from feudal fetters.

If Capital is like a 5-act play (you say Marx is into Shakespeare), I'm entering act five. If there's going to be a shock of recognition, it's going to be really shocking.

It may shock you indeed. He has still to introduce you to the landlord. By the way, the third volume is incomplete. He just stopped writing when he finally got the whole thing together. He ends with his attempt to define class. I think that he did it, but most people don't agree.

The plot is maintaining its intensity, but I am a cooperative and working audience member, much like Shakespeare's audience who would work to glean his many meanings to increase their enjoyment, unlike our tv generation, me, not so much you (radio, right?), and our students to the nth, zoned out on media.

I have read through Capital about six times now. Each time it does what Shakespeare does to me when reading Hamlet or Lear again. In short, if you ever do it again, it will thrill you even more.

Start here, dude.

That was last week. I am into the Russian Revolution in Western Civilization, and the Revolution of 1688 in English history. In short, it is the stuff that I know best. I begin by dealing with Crusoe.

The Theories of Surplus value is volume four, but it contains three volumes. It is basically made up of Marx's notes on Adam Smith, Ricardo, etc. I have read in those volumes, but I have never studied them the way that I have Capital. They now have a good introduction to them in the complete works of Marx, and you can order those volumes separately from that series. I think that the next thing that you want to read by Marx is The Critique of Political Economy. It was written in 1859, and it is very short. His first putting together of ideas for Capital, but it also contains part of his theory of history.

I think it was Borges who said, "There's no such thing as reading, only re-reading."

As Thanksgiving approaches, I begin to feel freer and freer. I do not do Thanksgiving or Christmas, and that gives me more time than most people.

I'm working my way through differential rent. The theory of value is that it comes out of work. That's why land (and water and air and gas) can't have it until somebody puts some work into it.

In this case water, air, and gas can have use value without having exchange value. As long as someone mixes his/her living labor with nature. Nobody thought of the idea of rent, until profit started coming out of the land (or water or gas).

Rent is a different category than profit. I can have a piece of land that has no rent value because no one can imagine any way of profiting from renting it. Profit, however, comes only after I rent the land and the renter hires labor power to transform the land. Therefore, a relationship exists between two different characters in capitalism: the landlord and the capitalist. If you look at the very last chapter on Classes, you will be amazed to find that there are three classes in capitalism, not two. All three classes struggle over their share of M' . The landlord gets rent, the capitalists (plural) get interest and profit, the working class gets wages.

So rent is just transformed profit.

Not exactly: Rent is a deduction from profit, interest, and wages. The landlord does nothing to earn it: that is why everyone hates landlords. They just have the land, and we have to bribe them to use it. How did they ever get it? They tricked someone into believing that they had the right to the bowels of the earth. What a stupid species we were (are?)!

Anyway, this is how I've been working my way through the long rent section, where tables and graphs go sailing by and lands A,B,C, & D are run by farmers who pay

owners rent on their lands of varying productivity, which produce commodities that enter the marketplace and are subject to all its whirlwind forces. But here I am down on the farm, the relative fertility of the soil, exploring land rent (the same as ground rent? And what about the places people live in and rent, or the house we own along with the bank?), and wondering when it's going to turn into renting theater space in Manhattan, when all of a sudden there's this: "The relatively greater advance of constant capital reduces the cost price, other things being equal, as it also reduces the value of commodities. Hence, although profit arises simply from surplus labor, i.e. from the employment of variable capital, it can seem to the individual capitalist that living labor is the most expensive element in production costs, which should be reduced to the smallest possible minimum. This is simply a capitalistically distorted form of the correct statement that the relatively greater application of past labor, compared with living, means an increase in the productivity of social labor and greater social wealth. This is how everything appears from the standpoint of competition: incorrectly and standing on its head."

Wow.

I'd been wondering why Marx sets up his rent tables based on the worst land. Capital invested on the worst land is the measure of rent. Why? Because that's the way the market works. It's the other side of the coin of competition. It's like the Gators playing (down or up) to the level of their competition: if they play a shitty team, they play shitty; if they play a good team, they play good. Competition gives the illusion that forces frantically racing against each other are actually going somewhere other than in circles (or spiraling out of control). When the point is: it's not a race. You said a long time ago:

"Men don't make progress by racing against each other, but by standing on each other's shoulders."

Nothing has any exchange value except in relationship to something else. The greatness of Marx is that he presents everything as a constantly changing and moving relationship in the process of decoding everything.

Borges. Jorge Luis Borges. Author of *The Labyrinth*, *Ficciones*. Won the Nobel Prize. He's called a "fabulist". There's no way for me to read Marx without thinking of Borges and his labyrinth. Don't you find Marx like a labyrinth? That you have to find your way through.

I see. I gave up reading novels a while back, and I must do it again just to know what people are talking about. I did the same with films for a while, and then when they came out on videos I spent about six months catching up on the important ones. Sometime I will have to do the same with novels and plays. It is so hard to keep up these days.

I've peeked ahead. Marx is going to do more history in the remaining pages of Vol 3, and illuminate the shadow game of competition. Then, yeah, onto *Critique of Political Economy*.

I was excited by suddenly remembering Rosdolsky, and even more excited to find it still in print. I ordered it yesterday. I remember discovering it in 1989 when I was on sabbatical in London. I had decided that I had to read the entire Capital to be able to write my book, but I was having a difficult time understanding much of it. I was using the University of London library as my research center -- it is across the way from the British Museum where I was also working -- and I had stack access to a wonderful collection of books. I scoured the Marx section looking for aids in understanding, and I came across Rosdolsky. It is quite simply the best introduction to Capital. He clarifies and illustrates the process by which Marx produced the work, and it made my reading a lot easier: it also showed me where Marx was going to go if he got time: Marx never got there. I hope that I did part of his uncompleted work in my book because that was my intention. It will be interesting to see what you think. You will be one of about ten readers that I have had who have read Capital. I am very fortunate to know that many. I have become a proselytizer for getting people to read Capital. It used to be said, that one good socialist makes two: in that way, the revolutionary movement always grows. I think that one good reader of Capital gets two others to do the assignment: in that way, we reach the communist stage of history faster. Your turn to get two. (They have to be as good at reading as you are.)

When I retire, or before, I will make my way through the complete works. It is a good exercise to just read the introductions to each volume. An international group of scholars put the new complete works together, and they wrote long introductions to each volume. Helpful stuff.

I hurt myself badly playing tennis, and I have been hobbling since Wednesday. Going for a drop shot was a big mistake. The pain is less every day, and I was lucky not to need surgery. I went down hard.

Marvin, I hope you're not in the Xmas spirit. Afterall, we are pagans, aren't we? I am cooperative and cheerful, and my paychecks go toward presents, but I don't buy any, there's no tree, and we are generally not into it -- all on my account. Surely there would be caroling and tinseling etc without me to say, not bah-humbug, but 'what for?' What's the Marxist take on Xmas? Marx was a jolly guy, especially for his family, would he knock back an eggnog w/ the old lady?

I usually make up my Marx to fit in with what I want him to think about these things. His take on most similar subjects was that workers needed everything they could get--including religion--to make it through their lives. That included opium and booze. As for his own life, he seems to have been a loving father and a horny man: he had an affair with his maid.

For me, first things get clear, then they cloud up. The whole idea of property starts to blur. You say "the coal mine owners."

In the sixteenth century, Newcastle's leading businessmen bought a lease to mine coal from Queen Elizabeth. The queen, in short, owned the land, and for an annual rental she gave the leading business men of the city the right to mine all the coal they could sell.

The lease was renewed over the years and it finally, after the English Revolution, became the private estates of the former merchants who had become owners of mines and now had the land as well. After that the owner of land with coal on it could either: 1) mine it and sell himself, 2) lease it out to capitalists who would pay rent for the land, or, 3) collect royalties--a certain percentage of the coal mined--in lieu of rent. When the coal mines were inland away from rivers, the landowner could also rent land for railroads (wooden at first) from the mines to the Tyne River. This was the Newcastle story. Once coal became a fuel commodity, however, any landlord in England might do the same. Newcastle coal was close to a river.

You mean they owned the land the mines were on, or just the mines, or both? And when I own my house, do I own the land that it's on too? Am I then a landowner?

There has always been a big argument about how to look at a worker's house: is it private or personal property. Mostly, it is personal property. You don't rent it out, and you get use value from it rather than exchange value. However, the capitalist state treats houses as private property, and you could turn it into that if you lost your job. I do own my mother's house--at least what the bank doesn't own--and I collect rent from her. I get big depreciation deductions on my income tax, and it is a tax shelter. I do own capital. I don't own enough, however, to live off my rents.

How much land do you have to own to be a landowner? What's the difference between a landowner and a property-owner?

You are never just a generic property owner. If you own private property, you own the means of production: money, factories, machines, and raw materials (dead labor in all its forms). Landlords are a different class because they own a special form of what becomes their private property: they own nature. How did they get it? They convinced you that they were divinely inspired. Why did you believe them? You were scared.

Go to the last few pages of volume three. There are three classes in capitalist society: Landlords who live off of rents, capitalist who get interest or profit, and workers who live from wages. You can tell what class you are in by how you gain your revenue. If I lost all my rents and all my profits and interests (from my K plans, pensions, whatever), my standard of living would not go down. It might even go up because now I have to make sure that my mother has comforts--new refrigerators, etc., that work well and don't add stresses to her life. I am a landlord only to protect her. I never see the interest or profits I make on my investment because the university or the bank run that. If I lost my wages, however, I would lose my two houses and have to use up my savings to survive.

(When I retire, my former wages are used to support me. A trick of the capitalist: he pays you wages but takes some back to save for your old age. He invests it, and, if you are lucky and he does not take a hit in the market, you may get your pension.)

If I own the land my house is on, have I not made some primitive acquisition myself -- although it's too tiny to mean anything.

Too tiny to mean anything, but, more to the point, you are not using it to gain rent. It has only use value, not exchange value: see page one and two or volume one.

Then they start buying stock in coal mining. How the hell do stocks work? If I start up a company and I need \$100 to do it, so I ask 8 people to put in \$10 each, and I put in \$20 of my own, can we now be said to own 10 shares of stock? Then how can I sell more stock, if that's all that it takes? You must wonder how I got so stupid.

It is even more cunning than that. If you look again at how the Bank of England came into being (Chapter Three on National Debt). A group of capitalists agreed to lend 1,300,000 pounds to the government if the government would allow them to become the Bank of England and to sell 1,300,000 pounds worth of stock. In short, they didn't even have to put in the 20 dollars that you posit above. The bank stock paid dividends and part of the dividends came from the interest on the National Debt.

The landlord is a sleeping partner of the capitalist, but not really.

I think that the landlords blended with the capitalists after 1688. They would sometimes lend money to those who developed their mines or forests, or they would pass legislation to benefit those partners.

The King has a negative credit rating. You lend money to the King, you probably won't get it back. And you have to lend it to him or he beheads you or some damn thing. But then Parliament gets control of The National Debt, which becomes a thing to invest in, which sails out into the wide world, all those markets. I get it.

The capitalists needed to own Parliament to protect their life, liberty, and property--as Locke wrote.

But is Parliament the House of Lords and the House of Commons? When did that start?

Bet there are some machinations behind that.

Both houses together make up Parliament. It dates back to the thirteenth century, and it was in the Crown's prerogative to call Parliaments when it needed revenue. The king got this prerogative from the Roman Church. In short, the first estate (the clergy) and the second estate (the nobility) ruled over everyone else in the third estate. The bourgeoisie were leaders of the third estate. See first fifteen pages of the Communist Manifesto. You should also rush out to buy Leo Huberman, *Man's Worldly Goods*. The best history book ever written. (Monthly review still in print.)

The South Sea Bubble comes out of the stock market crash of 1720. Is this one of the first ever stock market crashes, and what's that mean? People try to cash in their stocks and are told they are now worthless. Why? What makes them worthless?

This was the first modern stock market crash in English history. The stock never becomes worthless in England. (It did in France because the king rather than parliament secured it.) How does stock get its value? Good question. It is like asking why Marilyn Monroe's dress is worth 1 million dollars. It has nothing to do with the labor theory of value.

The owner of the national debt owns stock, of course. When the workers unite, the first thing they will do is to refuse to pay back either the interest or capital lent. The stock will be worthless, but there will be the same amount of houses, cars, and everything else. The emperor has no clothes.

Parliament encouraged creditors (capitalists? landowners? investors) who owned the national debt to trade it for South Sea stock, which then rose and then fell bigtime. And parliament said, oops, guess you made a bad investment. But why'd the Bubble burst? Because that's what bubbles do?

Exactly. I will pay only 900,000 for the dress, the next guy offers 800,000, the next 700,000, but maybe someone out there says 750,000. You hear it every day on the news. What you have to realize is that someone has 700,000 in money. The just go from M-M' without producing anything once capitalism gets going.

Landowners are lenders by nature; capitalists are borrowers.

No! Landowners are renters by ownership of nature: capitalists are owners of money, producers of surplus value, sellers of congealed labor value. (Three forms of capitalists. See chapter one. Was the Marx section too dense?)

But that's just to get started. Once you get started in business, you can be both lender and borrower, and this is why you must eventually go crazy.

No! We go crazy trying to understand all this because we live from wages, which we understand all too well. If you don't live from rents, interest, profits, or dividends it is difficult to grasp. Get some capital, and you will understand quickly enough.

I will go on to reading Theories of Surplus Value when I acquire it, which I haven't worked out yet. I may go back to Darwin, as you suggested. Darwin will work. I just read Hedda Gabler. They're going to perform it at the Hippodrome in the spring. Ibsen's right there with Marx and Darwin in the middle of the 19th century.

Ibsen was there. As capitalism became clearer and clearer, it produced its artists. They were all hostile to capitalism.

I have a cold, and so I have taken to my bed, but I had to write you a note. Rush out and get a copy of C. L. R. James, The Black Jacobins. It is terrific. It may be, along

with Huberman, the most readable history written. When you get to about page forty, you start into James' pre-Marvin vision of France as capitalist nation including the sugar industry. What a remarkable work!

I had to let you know just in case I don't recover my illness. This is the book to assign to students interested in Marx, modern history, capitalism, and how it all works. How could I be so old and not have read it yet? Specialization ruins us.

I have loaned many a book to a student and not had them returned. Once I even got a telephone message several years later from a student who said that he was looking through his books and had found one that I lent him. He said that he would return it, but he not only did not do that, he didn't leave his name or telephone number. GRRRr. I now have a rule: I don't lend out anything from my Marxist library. Most of those works are out of print, and I would not be able to replace them. I give lots of gifts to talented students -- or just the ones I like which is saying the same thing. *The Ginger Man* and *Loneliness* are two of my favorite all time gifts.

You might want to get some stuff by Howard Zinn. He is harder to read, but he is awfully good on American history especially in the twentieth century. Do you know him?

By the way, the best book that I have ever read by a Marxist may be C. L. R. James, *The Black Jacobins*. If it is not the best Marxist work, it is certainly the best Marxist biography of anyone. He also has a work that I hear is even better called *Cricket*. (He was a teacher, communist, Marxist, Cricket star, and politician.) *Cricket* is his autobiography. I have not read it yet, but I have it ordered. It is out of print, but Amazon.Com found me a copy.

Students have built bookcases for me over the years, and two are very large. One I call John Peer and the other is Tom Mertes. John designed and built the first, and Tom copied the design and built the second. One of the book cases is filled with the Marxist works and the other contains the mainstream English historians. In the meantime, I bought two other bookcases, one to hold the overflow from the Marxist's book case and the other for just the complete works of Marx. I usually hunt used furniture stores for decent bookcases, and I have found others--some new--to fill in other rooms in the house. Those bookcases contain the classics, more history, journals, and, in the basement, a 1922 copy of the Britannica. I also am fortunate enough to have several book cases in my office. There I store the things that I am likely to use in class, that I will never use, and that I give away to students when I like them.

I am sorry that I have not been writing as much as before, but I have been busy with classes, painting a new porch addition to the house, looking out for the garden--already (Global warming is a reality.), and getting ready for a trip to California. I will be lecturing on Luther for a friend, and then on to visit my mother for her 94th birthday. That is a lot of years, but I am catching up with her quickly.

I am still waiting to get rejections from publishers and reading as much as I can. The classes go extremely well this semester: I seem to have a new surge of energy for this term, and that is a good sign for maybe carrying on for yet another year. There are days that I think that it would be good to just stay home for a while, but I would miss the kiddies. I do need that audience to practice my ideas, and this semester it is all about

autobiography. I have lived so long that I wrap the courses into my own years and do a "I was there" portrait of the world.

My big hobby these days is the sixteenth century, or, as historians would say, "The long sixteenth century." That means that you start with subjects like Columbus and end with the idea of Hobbes. (1490s to 1650s). I will have a lot to tell you about that era if you want a reading treat for the summer. If you start with a book by F. Braudel on the Mediterranean, you may get hooked. (Two volumes, often remaindered.)

Time to get a Tuesday going. It is one of my advising days, followed by lunching with widows of dead friends.

CLR James:

The dialectic is a theory of knowledge, but precisely for that reason, it is a theory of the nature of man. Hegel and Marx did not first arrive at a theory of knowledge which they applied to nature and society. They arrived at a theory of knowledge from their examination of men in society. Their first question was: What is man? What is the truth about him? Where has he come from and where is he going? They answered that question first because they knew that without any answer to that general question, they could not think about particular questions.

“The truth is the whole. The whole, however, is merely the essential nature reaching its completeness through the process of its own development. Of the Absolute it must be said that it is essentially a result, that only at the end is it what it is in very truth.”

Thus Hegel in the Phenomenology of Mind; Marx worked on the same principles. The essential nature of man was becoming clear only as it approached its completeness in bourgeois society. It is in bourgeois society that we could see what man really is. And it is “only at the end” of bourgeois society that we can see what man is in very truth. Thus it is in the contemporary barbarism that can be seen most clearly what is the “real” nature of humanity.

The need and desire for socialism, for complete democracy, for complete freedom, that is the “real” nature of man. It is this which explains his past. But it could be expressed within the concrete circumstances of past ages only to the degree that objective circumstances allowed. Did man, therefore, suffer through all those centuries to produce completed man? The defenders of bourgeois society are ready to defend and rage over all these unjustified sufferings of past mankind in their die-hard opposition to the proletarian revolution which will relieve present mankind. They will get nothing to comfort themselves with. “The truth is the whole.” All the various stages constitute the nature of man. Continues Hegel:

“And just in that consists its nature, which is to be actual, subject or self-becoming, self-development.”

Man is the subject, that which is developing itself. The subject becomes more and more real, and therefore the truth about man becomes deeper and wider, more universal, more complex, more concrete. Complete universality, complete democracy in the sense that every man is able to do what every other man does, this is the ultimate stage.

If today we say that now we know what is the “real” man, it is because we see him as a totality, as the result of his whole past. But from there we make another step. The terrible crisis of civilization is the result of the fact that man is at last real, he has become himself, completely developed. But the old type of world which developed him cannot contain him. He must burst through it. That world was a world in which he was subjected to nature. It was in the subjection of nature that he fully realized himself, a continuous negation of the obstacles which impeded his development. That being accomplished, his real history will begin. He negates all that has previously impeded him, i.e. negated him, in the full realization of his inherent nature. Socialism is the negation of all previous negations. It is obvious that these are large conceptions. But the death of a world civilization is not a small thing.