

**Political Ideologies Contexts, Ideas, and Practices**  
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**Lecture No. 14**  
**Marx Main Concepts Lecture 2.**  
**38:11**

Well, what is it to live and work in the new commodity producing system? It is the system in which goods are produced for sale, or in economic terminology, for exchange. This in turn requires a certain organization of productive tasks and that is the concept of the division of labour. The most efficient form of commodity production, production for sale, requires that all productive tasks be divided into their component elements and tasks are allocated to single workers or single groups of workers; these workers will perform only the set tasks.

This can even involve specialization, but that depends on the jobs concerned. In practice, the division of labour could have one worker fetching, say sand, and another fetching cement. A third would add water and mix the two. A fourth would deliver the mixture to a fifth. And the fifth would apply the wet cement. As a student, I sometimes worked on a construction site to earn money in my free time and spare time and the occasional vacation; and we were a very small organization, so we had to do a lot of this ourselves. But on a larger building site, we would have organized our work in precisely this way - because the work itself, the demands of the work itself, required that division of labour. This division of work increased the speed and volume of production enormously. The concept of it was identified before Marx's time, and Adam Smith's treatment of it is famous.

He's covered the topic, and has really brought it to our attention. Smith greatly approves of the increased productivity which the division of labour entails, and he recognizes that tasks could be, the work can be separately apportioned in industrial systems, to a far greater extent than they can in agriculture. It's much easier to divide labour to create a division of labour and implement it in industrial systems.

Smith is nevertheless deeply troubled about what this process of the division of labour does to the worker. I quote from Adam Smith, Adam Smith's *Wealth of Nations*: 'The man whose whole life is spent in performing a few simple operations, of which the effects are perhaps always the same or very nearly the same has no occasion to exert his understanding or to exercise his inventions in finding out expedients for difficulties which never occur. He naturally loses therefore, the habit of such exertion and generally becomes as stupid and ignorant as it is possible for a human creature to become.'

That is Adam Smith. In the same passage, he adds, 'But in every improved and civilized society this is the state into which the labouring poor, that is the great body of the people must necessarily fall unless government takes some pains to prevent it.' That's the end of the quotation, the two quotations from Adam Smith.

Marx is much more incisive even than Smith about the division of labour. To be human is to act reasoningly upon the world and in that process to transform the world, and ourselves; yet, the division of labour freezes our main activity. It restricts us to a single, very often repetitive task or to a very small range of repeated operations - and it subordinates all our other activity, even most of the rest of our life, to itself. So, all our other activity, even much of the rest of our lives, gets subordinated to our main task or tasks.

The rest of what we do therefore has the purpose of making us fit for our specified task and nothing else. This in turn, means that we have to depend on other people and they're themselves participants in a system of commodity production, and they are also confined to single tasks. We need one group of them to produce the food we eat and even specific groups to produce specific kinds of food, we need another group to produce our clothes. We need yet another produce, to produce our shoes, and so on.

We even need specific groups of people to deliver produce to markets near our work, so that we can buy food and other supplies on the way home or when we are not at work. In effect, the division of labour, and that is a necessary feature of commodity production, in effect, the division of labour makes us more and not less dependent on others. In addition, commodity production, that is capitalist production, can survive only if all production is turned into commodity production. It is a form of totalitarianism.

We are all locked into it - or the system collapses. The point is here, that in commodity production, we are not directly dependent on the people who produce the goods. And we need the goods, food and vegetables and fruit, vegetables and all the supplies. But we are not directly dependent on the people who produce them - because they are also working elsewhere in the productive system. We are dependent on the objects they produce.

On our way home after work or on our day off, if we can't do our house or shopping, or rely on the ready availability of everyday necessities when we need them, if we cannot rely on that, then we cannot perform our designated work. We can't go off to work ourselves. Everyone else in the system is also dependent on us to turn up at work on time to produce the particular goods we produce in the time specified, so that they can buy the goods in order to keep working themselves.

This universalizes our dependence on others, and depersonalizes our relations with others, because it does not matter who has produced these everyday necessities, as long as the relevant goods are available in the market when we need them, and preferably also *where* we need them. So that means we are now dependent on the objects and not on those who produce them. It does not matter who produces them.

They in turn, whoever's produced them, depend on us to buy the objects, and it does not matter who we are. Well, that is what Marx sees about the consequences of the division of labour. Smith is worried, deeply worried, about what the division of labour does to us as workers, working on a production line or other system of, if you like, systematic production. But Marx shows how this depersonalizes our relations with others who produce the things we consume, and their relations with us are thereby depersonalized, and he shows how we are all dependent on somebody else's production of the objects. In effect we are dependent on the objects, because it does not matter who produces them. And it does not matter that we produce one particular set of objects or someone else does so, because somebody else is going to buy them, but has to depend on the objects that are produced somewhere else, just as we are dependent on objects produced somewhere else - and by people we do not know and may well never meet.

Well what is that condition in such a system of production? This universalized and depersonalized dependence, a kind of dependence of all on all, separates us and sets us apart from our fellow workers. It is not the everyday kind of dependence that we might experience in our family lives, or if somebody is doing a local job for us and so on. This is universalized and depersonalized independence.

It sets us apart from our fellow workers, but it has another set of very serious consequences. As workers in a system of commodity production, we do not own the means of production - but we still have to participate in the system, or starve to death. The only commodity we have to sell is our labour power, that is, our capacity to work. We sell our labour power to the owners or controllers of the means of production and then we work for them.

We produce goods for them to sell. In return, we receive a wage for the sale and exercise of our labour power. That may seem to be no more than a statement of the obvious, but Marx reveals the consequences. For him, the essence of human nature is that we reasoningly and collaboratively produce things, and the evidence of our humanity is the things we create, including systems and institutions.

But in capitalist production or commodity production, we have no option except to sell our capacity to create, our labour power, to the controller of capital. They then decide what we

create, the conditions in which we create it, and they decide the disposal of it. Therefore, the controller of capital, the capitalist, controls the expression of our humanity. Our humanity itself is alienated from us. It is now embodied in the object or objects we create for the capitalist.

Our humanity then is embodied in say, the billions of matchsticks or paperclips, or anything else that we produce over the course of our working life. And therefore, the capitalist controls the disposal of our humanity. We lose our humanity to the system of commodity production, that is, to capitalism and to the capitalist. We're alienated from ourselves, from nature, and from the rest of humanity.

It follows that as workers, we come to regard free time and free activity solely as time and activity not connected with work. In the *Economic and Philosophical Manuscripts*, Marx says the work is I quote, 'at home when he,' - 'he' he says, 'is not working, and when he works, he is not home. His labour is therefore not voluntary, but compulsory *forced labour*.' Marx actually puts 'forced labour' in italics. 'It is therefore not the satisfaction of a need, but only a means to satisfy needs outside itself. How alien it really is, is very evident from the fact that as soon as there is no physical or other compulsion, it is avoided like the plague' - end of quotation. Marx concludes that as workers, we feel freely active only in what he calls our animal function, eating, drinking and procreating - or, I quote, 'at most in our dwellings and personal adornment. In our human functions were reduced to animals.'

In sum, to sum up, commodity production, the system in which we produce for sale first and foremost, dispossesses us of our humanity. Alienation is a truly terrifying condition. In a system of commodity production, we have to sell our humanity if we are to survive at all. Our labour power is itself a commodity in this system. The question then arises of how this particular commodity serves to make a profit for the capitalist and how it does that systematically, not randomly.

I shall pause there, we need to go on and see how profit is systematically made in capitalist or commodity producing society. This will also mean that we need to cover the labour theory of value and the theory of surplus value. Marx draws upon the labour theory of value for this. This was propounded by Adam Smith, and then later more systematically by David Ricardo, the 18th century economist. Ricardo was a very much stronger supporter of capitalism than Smith, and also made quite a lot of money in speculation, that is on the stock exchange.

Now, Ricardo's main distinction here is between use value and exchange value. The use value of a thing is its usefulness to us that is how useful we find it. Exchange value on the

other hand is the ratio at which commodities exchange for one another, that is the relative price of commodities. Now, how do we measure this? For Marx the standard of measurement inherited from Smith and Ricardo, the standard of measurement, is the amount of labour time which is necessary to produce any one item.

Therefore, under the labour theory of value, the value of an item is the amount of labour time it takes to produce the item. This, of course, changes over time, because we devise new methods and instruments to help us produce the item. So, the value of the labour, workers' labour power, that is labour power, capacity to produce goods - that is essential to the production of goods, and the value of the worker's labour power is the length of time it takes to produce the food and clothes and shelter which the worker needs in order to be fit and ready for the next period of work, say the next day's work.

This of course is also shaped by the particular historical social period involved, and that is by the state and condition of society to any given time. So that will change with historical time - that is not exactly a problem. But the value of the worker's labour power, the value of the commodity they sell to the controller of capital, is the length of time it takes to generate this labour power. That is the length of time it takes to produce food, clothes, shelter, etc., to get the worker ready for the next day's work.

The use of labour power is what adds value to all commodities, in the process of production. Eight hours of labour adds eight hours' worth of value. But the value of the labour power actually used is the amount of time which was needed to get the worker ready for eight hours work. Furthermore, in any economy that has advanced beyond primitive subsistence levels the length of time - that is the value of the worker's labour power - is invariably less than the length of time the worker can work.

So, if it takes four hours to produce the food and so on that the worker needs, the worker covers the cost of their labour in four hours, and the remaining four hours or however many hours of their working day, adds another four hours to the value of the commodity they produce. A very rough analogy might help here. It might take us half an hour, or a good deal less if we're in a hurry, to prepare and eat our breakfast in the morning. But once we have eaten it, we are fit to work for a much longer period, say until lunchtime. The length of time we can work is much greater than the time it takes to get us fit for work. And therefore, what the capitalist buys is not the workers labour, but their labour power, or as Marx puts it, in *Value, Price and Profit*, one of his works, Marx calls it 'labouring power, the capacity to perform work.'

Now, for Marx the difference between the length of time it takes to get us fit for work and the length of time we can then work, is the explanation of how profit is generated in capitalist production. These profits are not randomly generated, they are systematically generated. The worker is paid the value of their labour power, that is the value of how long it took to get them ready and fit for work. But that is always less than the value that they generate for the capitalist, because they could always work for longer than that. Secondly, the worker produces, physically produces, the next generation of workers by having children who will follow them into the workforce.

Now this explanation of the systematic generation of profit in commodity production is associated primarily with Marx around the world, but it was first articulated by John Stuart Mill in 1848. And as it happens, Marx had great hostility towards Mill for identifying the process, the generation of surplus value, before he himself did. But that is just a historical curiosity for us.

Now, one very important point about the theory of surplus value is that it holds irrespective of the length of time for which the worker works. If the worker works for eight hours, the value of their labour power is always less than eight hours. And the difference between the two is the surplus value the worker creates for the capitalist. Similarly, if the worker works for an hour, the production of the goods to get them fit to work for one hour takes less than one hour, that is to get them fit takes less time than the time they can work for.

Again, the surplus value is the difference between the two lengths of time. The worker's labour time is a commodity in the capitalist system - and it is the only systematic source of profit in that system. It is inherent in the process of commodity production. and therefore, the use of the worker's labour power is the central generator of capitalist profit.

Now, one contemporary question that has been raised, that has been raised about the generation of surplus value, is that of how surplus value is created by the use of labour power in processes which do not produce physical objects for sale as commodities. Now, that question that of how value is generated by services has nevertheless been of interest for some time now. Marx was starting to take note of this issue at the time he died. But that means his notes on it are sketchy and incomplete. We do have some of them in Volumes Two and Three respectively of *Capital*. Simon Marginson shows this, and he proceeds to develop the analysis in more detail, so as to show how services that is, generate surplus value. We need to note how great the importance of this type of analysis is in view of the almost total financialization of the world's economy.

There is a related issue, and that has become much more urgent in today's conditions. And that is whether or not we are producing a condition, a situation in which labour itself - that is, the agent of value, the sole agent of value in commodity production, will become totally redundant. The rapidly widening use of artificial intelligence could well be an example of this kind of process.

A similar issue is raised by the practice often used after economic crashes, namely the enormous expansion of credit by central banks. I take those two points from David Harvey's book, written in 2019, on Marx and our contemporary situation. Well, the last main concept or set of concepts in Marx that we need to look at is ideology, which is tied up with commodity fetishism.

In everyday talk, ideology usually means a set of ideas or beliefs about political or social life that is about how we should organize whole societies or about the kinds of policies we should have on say, health care, education and so on. For example, the chapters of my book, which you are using as a set book, and the topics on this course, have titles like fascism, conservatism, and so on.

We also might say, we say it often, an education policy is informed by a social democratic ideology or a neoliberal one, or whatever. We are very familiar with that type of use of the term ideology. But Marx is very precise about what an ideology is. In commodity production, we devote most or all of our working lives to a specific task, which our employer assigns to us or employs us to perform. And out of our wages, we buy the everyday necessities which enable us to perform each day's work.

We have made a contract with the capitalist, we work as individuals doing a job, and out of hours we stop and refresh and restore ourselves. Yet as Marx shows, in such a system, we are more and not less dependent on one another. Because we are at work all day, we need others to produce our daily necessities, that is, to construct also to construct and maintain or repair the machines and instruments we use at work.

We need the capitalists to pay us, and they need us, or rather they need us to exercise our labour power, in order to produce the goods which they sell and from which they make their profits. So, the individual nature of our contract and our work is only a superficial appearance. We are in fact, in commodity production, we are in fact located in a wide range of social relations - which are necessary features of the capitalist production process.

But the process appears to us as an individualist one, that is, a process in which we as individuals, and our employer as an individual, make a contract with one another. The

superficial features of the process look like the reality of it. Yet we are all locked into, tied into, a complete system devoted to commodity production. Our apparently individual contract with an apparently individual controller of capital is misleading, it is a surface appearance, which we take to be the reality of the contract.

If we mistake the appearance for the reality, then we are in the grip of an ideology. Another example of an ideologized concept is the very widespread idea that our contract of employment is an equal agreement, which both sides freely reach. But when we examine the contracts more closely, we see that the parties who agreed the contract are not on an equal footing - the employer can find someone else. But the worker has to accept the job, or go without an income until they find another one, or starve - or starve to death.

Furthermore, even the worker's wage is not freely set by the worker or the capitalist. The wage is the value of the worker's labour power, that is the time it takes in that particular society at that time, to reproduce the workers labour power for the next day. The contract appears to have been reached freely by free individuals, but the economic relations or material relations as Marx calls them, show that this apparently equally fairly, freely reached contract is inherently unequal.

If we think the contract is equal and has been made on equal terms, we are misled by its apparent equality, and therefore we have an ideologized conception of it. The point here is that an ideologized conception is not a lie. And it is certainly not the result of a conspiracy. It is instead the systematically misleading appearance of a system of production relations. Just as importantly, it misleads all who participate in this type of productive system.

The employer and the worker share the same idea about the nature of the contract, because the surface or superficial appearance of the contract misleads both of them. Thirdly, an entire system of production can by its very nature mislead an entire society - that is what Marx means by an ideological misconception. And that is what it is for us to be in the grip of an ideology.

For Marx the way to free ourselves of it is to examine the underlying production relations, that is, to examine who own - which class of people - own the means of production, and which class of people have only their labour power to sell in order to survive. Marx's arguments here are very far-reaching. For example, he never says the system of production relations determines or causes the very...

I will start that again. Marx's arguments here are very far-reaching. For example, he never says the system of production relations determines or causes the various ideas we hold. He

never says the productive system totally shapes our culture or society or both. He never subsides into a totally materialist or mechanistic conception of society.

But his exposure of the nature of ideology, his exposure of it as a superficial appearance of things, shows us that if we want to understand how our institutions work, and why our society has the form it has, we have to include the material relations of production in our explanation. For example, colossal financial crimes have been committed throughout recent history in the form of corporate tax fraud, the comprehensive rigging of interest rates, and much else.

But virtually no prosecutions ever take place. And even when they do, almost invariably it is only minor figures who are convicted. The punishments are often so feeble as to be worse than a joke. Neither the major corporations nor those who had them seem to be prosecuted despite their fear of exposure. It is not an excuse that financial crimes or other corporate crimes can be so intricate that successful prosecution is difficult it can take years, really can take years.

The brute fact is that such crimes are committed by enormously rich bodies and individuals - and that such perpetrators are intimately bound up in networks of social and political power to such an extent that major political institutions and individuals are complicit in their crimes, often because they come under pressure not to prosecute, or because they create a working culture in which regulatory bodies are expected not to implement laws which they, which already exist.

One example is the history of the prescription painkiller Vioxx - VIO double X - made by the firm Merck, this is completely public. The history of Vioxx, well, shows that it has been called the worst drug disaster in history. It shows what seems to have been obstruction and concealment by the Merck Corporation, together with weakness or collusion on the part of the US Food and Drug Administration in licensing the drug in 1999.

In our own time, you may be aware of the issues around the drug OxyContin - these are public issues - which was manufactured, if I am not mistaken, by the Sackler Corporation, perhaps also in similar forms by other corporations. This too has been a drug disaster. I understand that the drug is severely addictive, and that it may now have been withdrawn from use or possibly banned from use.

But that is another example. What is likely to happen is not yet clear. But going by the example of Vioxx, it is more likely that the corporation is concerned, will pay a fund, a sum of money in settlement, rather than go through the difficulty, the publicity of a criminal

prosecution or other type of prosecution. Now, we are familiar with that kind of thing. Vioxx was recalled in 2004 - but the ban was lifted with conditions in 2005.

And yet at the time I wrote this 2016 it had not yet apparently been reintroduced. It was associated with the drug, Vioxx was associated with about 38,000 deaths in the United States. Other scandals around very harmful drugs include the birth deformities caused by Thalidomide in the 1950s and 1960s. The drug was intended to reduce morning sickness during pregnancy. It was many decades before the eventual conglomerate owner, Distillers Company, paid compensation.

At the time of writing, new information was emerging - it is already public now - about what looked very much like highly systematic actions by globally famous car manufacturers to cheat pollution tests by installing a purpose-built device in car engines. Once again, one question will be that of whether or not states take any action against the manufacturers as corporations, or only if individuals in those corporations will be charged, that is, if any action is taken at all.

Now, Marx's arguments over this kind of issue are part of his comprehensive analysis of commodity production. The apparent nature of the production relations involved conceals their true nature. So, the apparent, the surface appearance, of the production relations conceals their true nature, and even the items we produce and consume therefore take on a certain kind of misleading appearance.

That may seem surprising, but the argument starts with the recognition that an object produced as a commodity produced for sale is objectified labour. It is the result of the exercise of the worker's labour power upon raw materials or other materials. So, the object is objectified labour turned into capital, Marx has called it crystallized labour.

But a commodity is only a commodity if there is a market for it, that is, if it has been produced specifically for sale and if there are people willing to buy it. The fact that people want to buy and people, I'll correct that; the fact that people want to buy an item creates a relation between the worker and the buyer. The item is literally an objectified expression of this relation.

The relation of course changes according to the demand for the item or in response to other factors, such as technological improvements or modifications. And as the theory of surplus value shows, the sale of the commodity also makes a profit for the capitalist, because it has been produced in a longer time than the worker's, labour power costs [to reproduce]. Therefore, the worker, the buyer and the capitalist are all involved in a set of relations.

But these relations can now be expressed in terms of the commodity and the state of the market for it and the surplus value which the capitalist makes from its production. The social relation between the people involved is replaced by relations between commodities and that includes the workers labour power that is itself a commodity.

We end up seeing not the social relations, but the relations between objects and systems, such as the production line and the market. And we, we think that we see the objects, the object relations, the relations between objects and systems, such as the production line and the market, where we buy the commodity in question. Marx calls this replacement of social relations by the relationship between things and systems commodity fetishism.

Well, we are now in a position to move on to the major contradictions and incoherences in capitalism. What I have done is set out the main concepts in Marx. We have done the historical background, the biographical background, we have done his intellectual development, and we have done the main concepts in Marx's work. We should go on - I want to look at the major contradictions and incoherences, but we'll do that in our next lecture.