

# The New Dialectic

A reflection on Christopher Arthur's Systematic Dialectic,  
by Andy Blunden, August 2024

While efforts to link the *Grundrisse* to Hegel's logic relied on philology – that is, linking terms and phrases in Marx's text to similar or identical terms in the *Logic* – this was no longer possible in the case of *Capital*. Here parallels tend to rely simply on broad generalisations about the type of logic being used.

Chris Arthur goes further than this. Arthur traces the concepts of Part I of *Capital* Volume 1 (i.e., the first four chapters) claiming that commodities exhibit the logic of Being, money exhibits the logic of Essence, and capital exhibits the logic of the Concept. However, he argues for this relationship on the basis of logical analyses of the economic entities themselves, as described in *Capital*, rather than simply linking or likening the concepts to terms in Hegel's *Science of Logic*. This implies a real basis for the dialectic in the practices of the capitalist economy itself, rather than seeing the dialectic as located in logic as such. According to Arthur, as well as others in this discourse, this relation is specific to capital, deriving from certain features of capital. However, Arthur observes that capital is a much narrower domain of relations as compared to Nature and human activity as a whole. As Arthur notes, the *Science of Logic* was written for the *Encyclopaedia* so it had a much richer array of concepts than are exhibited in the activity of capital. So, only some of the concepts of the *Logic* are traceable in *Capital*. Consequently, Arthur proposes a *partial* homology between the *Logic* and *Capital*.

The key feature of capital is that it is a real self-reproducing *concrete whole*. This implies that the various categories representing partial aspects of capital are determined by the whole, not the other around, and in particular, that the whole creates and recreates the necessary conditions for its own existence.

## Historical dialectic and Systematic Dialectic

According to Arthur, earlier Marxists had understood dialectic to be manifested in history, and a systematic work like *Capital* differed from this 'historical dialectic' by being "nothing else but the historical method, only stripped of history's fortuities" (Engels, 1859).

Arthur says

I draw a distinction between systematic dialectic (which is a method of exhibiting the inner articulation of a given whole) and historical dialectic (which is a method of exhibiting the inner connection between stages of development of a temporal process).  
(2011)

This dichotomy has some relevance to the history of Marxism, but it is not found in Hegel. According to Hegel, the historical dialectic is only relevant to the history of philosophy and history at the broadest imaginable level, but not to any finite domain of human practice. When Hegel said: "To the historian of philosophy it belongs to point out more precisely how far the gradual evolution of his theme coincides with, or swerves from, the dialectical unfolding of the pure logical Idea" (1831, §86n), Hegel used the word "philosophy" deliberately. Despite his broad categorisation of the history of forms of social formations in

the last section of the *Philosophy of Right*, he does not make this claim for the historian in general.

Some remarks in Hegel's systematic study of the State make this clear:

But if we ask what is or has been the historical origin of the state ... all these questions are no concern of the Idea of the State. (1821, §258n).

However,

The state is an organism, i.e. the development of the Idea to the articulation of its differences. Thus these different sides of the state are its various powers with their functions and spheres of action, by means of which the universal continually engenders itself in a necessary way; in this process it maintains its identity since it is presupposed even in its own production. This organism is the constitution of the state; it is produced perpetually by the state, while it is through it that the state maintains itself. (1821, §269ad).

In this latter excerpt Hegel is (1) claiming that a state creates the conditions necessary for its own existence (the key claim also for capital) and (2) the state transforms pre-existing institutions into organs of itself. It follows from this that the *logical* order of consideration is the *reverse* of the *historical* order, a point also echoed by Marx.

where agriculture predominates, as in antiquity and the feudal period, even industry, its organisation and the forms of property corresponding thereto, have more or less the character of landed property. ... The reverse is the case in bourgeois society. Agriculture to an increasing extent becomes merely a branch of industry and is completely dominated by capital. ... Capital is the economic power that dominates everything in bourgeois society. It must form both the point of departure and the conclusion, and must be analysed before landed property.

After each has been considered separately, their interconnection must be examined. (1857, p. 44)

and

It would therefore be inexpedient and wrong to present the economic categories successively in the order in which they played the determining role in history. Their order of succession is determined rather by their mutual relation in modern bourgeois society, and this is quite the reverse of what appears to be their natural relation or corresponds to the sequence of historical development. The point at issue is not the place the economic relations took relative to each other in the succession of various forms of society in the course of history; even less is it their sequence 'in the Idea' ..., but their position within modern bourgeois society. (loc cit)

As Arthur acknowledges, the *Science of Logic* and *Philosophy of Right* are Hegel's model for the systematic dialectic developed by Marx in *Capital* and both writers make the same points about organic wholes and reversal of the historical sequence.

The point for Hegel is that history is *intelligible* (this is the meaning of “rational”), but that does not mean that history unfolds in an unalloyed logical sequence. All real processes of development, both natural and human, entail the intersection of a vast array of otherwise mutually alien, independent processes each of which are initially external to one another. A systematic concrete whole is an *outcome* not a pre-condition of historical development, which is necessarily affected by contingency, accident and human fallibility.

On the other hand, one specific practice, insofar as it exists in isolation from other processes of development, once initiated does unfold in a sequence which is essentially logical, despite the presence of some degree of contingency. While Arthur and others correctly locate the source of the logical character of capital in the fact that it is a concrete whole which creates and fosters all the subordinate relations which constitute it (and this presumably applies to other instances of concrete wholes). Arthur’s explanation of how it is that Hegel’s logic describes the logic of a concrete whole is just that “his logic of categories is well suited to a theory of *forms*,” such as the value-form. On the other hand, the content of the value-form, namely products, can be understood only if we “enter the hidden abode of production” (citing Marx, *Capital*, chapter VI, v. 1).

Is production such a hidden abode though? Production is, after all, nothing but the practice of moulding Nature to human requirements, and is consequently a *rational* and *intelligible*, process. Indeed, it is noted by many commentators that since the beginning of industrialisation and full-blown capitalism, Science has become intimately connected to the development of capital. Science is itself such an organic whole, eminently susceptible to Hegelian logic, as Hegel himself was a pains to demonstrate. So to the extent that Science becomes integrated in production, among other processes and a multitude of contingencies, production is itself in part a complex whole. Surely, this is what is implied in Marx’s dictum: “the material transformation of the economic conditions of production, [...] can be determined with the precision of natural science” (1859).

The point is that the relation *between* complex wholes is subject to a *different* logic and it is not the Essence Logic. To be a complex whole is not to exist in isolation from other processes to which a complex whole relates in the first place externally and only with the passage of time do complex wholes interpenetrate, modify and ultimately merge with one another. This is a different logic, the *Concept Logic* in fact.

In Arthur (2015) and somewhat more extensively in Arthur (2009), Arthur identifies in Chapter 1 of *Capital* the following concepts from the Being Logic: Determinate Being, being-for-itself, genuine infinity, being-for-self, attraction, quantity, quantum, pure quantity, unit, number, magnitude, measure, ratio, series of specific measures, up to real measure, which Arthur thinks should belong to the Logic of Essence. He claims that “we can speak of value as the essence of the commodity.” As *Capital* moves to money, this leads through the categories of reflection, semblance, external reflection, appearance, the first intelligible world, the second intelligible world, reflected and immediate totalities, essential relation, actuality with possibility, contingency and necessity and activity. Arthur does not follow the logic of the Concept beyond its first appearance in Chapter IV of Volume 1, and his claim that capital exhibits the Logic of the Concept is only ever stated in very general terms, and is effectively unsubstantiated. Actually, I agree with this last claim though.

This shows quite a considerable degree of correspondence to the main concepts of the first two books of the *Logic*.

I should qualify this with the following observation. Like all the other writers in this discourse, Arthur takes “Essence” in its *formal* meaning, as the truth underlying an outward “Appearance.” This is not quite how Hegel understood these terms however. Setting off from the understanding of Essence in traditional logic, Hegel takes Essence to be the *process* of going behind the surface to find something deeper. This process is illustrated in greater detail in the “Moments of Reflection” (identity, likeness, diversity, difference, opposition, contradiction, ground) whose conclusion is *Ground* not Essence. Ground is understood to be a contradiction which is found to be the ground for a contradiction which is manifested through analysis of the immediately given semblance. However, this contradiction must itself be probed. Thus, Essence is a continuing process whose outcome is the *Abstract Concept*, not “the essence.”

Likewise, “Appearance” for Hegel is a concept which contains a contradiction within itself because appearance refers to another; appearance is always the appearance *of* something else, which lies behind appearance and *appears*. This is not just a matter of words, because all the concepts of the logic are found to harbor internal contradictions like this. Marx is much praised for disclosing the internal contradiction in value – being both exchange-value and use value. We don’t say that the concept of “value” is ambiguous because of that or a bad concept. On the contrary, the double nature of value is key to its productivity as the theme of the whole analysis. When we reduce “essence” and “appearance” to formal concepts, making a binary distinction between two realms of reality, the result is just to replace one fixed conception with another.

The substitution of “essence” for Ground in the reading of Hegel’s *Logic* obscures the fact that for Hegel the process of “going behind” does not terminate in an invariant essence in a single step, but requires extensive enquiry into form and content, cause and effect, possibility and necessity, so as to ultimately reveal a self-reproducing though initially abstract *concept*. Otherwise, the essence is reduced to an arbitrary and subjective projection. This contrasts with the concept of Ground whose internal contradictions continuously lead beyond itself.

Arthur (2011) has pointed out that there has never been in history any such thing as “pure commodity production.” While commodity exchange is a necessary pre-condition for the historical emergence of capital and is (according to Marx) also its *logical* premise, in the past commodity exchange has always played a subordinate and marginal role in social formations governed by other principles, whereas in capitalist society, the commodity relation has become the dominant and all-pervasive relation – “the light of a particular hue were cast upon everything, tingeing all other colours and modifying their specific features” (Marx 1859). A society of “pure commodity exchange” turns out to be of course incompatible with capitalist exploitation of wage labour. The logical and historical sequences are inverted in the case of complex wholes: the historical progression from commercial capital, landed capital to industrial capital is inverted in the hierarchy of domination. But what is dominant in the end was marginal in the beginning.

Arthur says that:

The effort is to deploy a systematic dialectic in order to articulate the relations of a given social order, namely capitalism, as opposed to a historical dialectic studying the rise and fall of social systems.

This is not quite true. The point (for revolutionaries, in any case) of disclosing the inner workings of capitalism is to disclose *contradictions*. By contradictions I mean,, to use Geert Reuten's apt expression. a defect or impediment to the continuity of social life (the ultimate pre-condition for capital), which arises from and is necessary to the existing systematic relations; an impossible situation in other words. Such *impossible situations* have arisen in the past history of capitalism and as a result changes were made to capitalist institutions to overcome the contradiction. When contradictions arise conflict necessarily moves to the political realm where opportunities for the advance of socialist objectives may be pursued. Systematic dialectic is therefore important in working for the overthrow of the bourgeois order. But it is hard to imagine a political economist being able to identify such a contradiction, impossible situation, unless and until that contradiction is *manifested* in a social crisis. And these crises occur in *historical* sequence: "The real subject retains its autonomous existence outside the head just as before ... the subject, society, must always be kept in mind as the presupposition" (*Grundrisse*).

Value-form theory is invariably linked to study of the *Capital-Logic* relation. The thesis of this theory is that "the peculiar form of commodity-exchange that is theorised [is] the prime determinant of the economy rather than the content regulated by it." That is, the ubiquity of the practice of commodity exchange over-rides in importance, for example, which services, manufactured goods or raw materials are exchanged. It also implies that the development of the forces of production, which is affected by a logic internal to the process of production itself, is secondary in its determination of the development of social relations to the demands of the value-form of the products. I think it is necessary to recognise that this is a relative truth. For example, the extreme concentration of retail trade in the hands of Amazon is conditional upon the production of semiconductors and the political conditions necessary for and created by the internet.

In asking the question of why it is that Hegel's logic has an affinity with the 'logic' of commodity exchange, Arthur mentions important two points. (1) Because commodity exchange forces the same *form* on to every product and the relations between entities having the same form is particularly suited to logical analysis. (2) The human bearers of the structure of capital are reduced to being *personifications* of its categories, and consequently, the human will invests the categories with the *self-acting* forms found in Hegel's logic. He says that "they cannot be forms of *thought* as they are in Hegel." In Hegel's *Philosophy of Right*, which includes political economy, Hegel says the categories are forms of the *Will*. Couldn't we simply say that the categories of the *Logic* are forms of *human practice*, as Marx himself advised in *Theses on Feuerbach*? As Hegel says in the Preface to the *Philosophy of Right*:

"Philosophy has to do with ideas or *realised thoughts*, and hence not with what we have been accustomed to call mere conceptions. It has indeed to exhibit the one-sidedness and untruth of these mere conceptions, and to show that, while that which commonly bears the name "conception," is only an abstract product of the

understanding, the true conception alone has reality and gives this reality to itself” (1821, §1)

That is, the subject matter of Hegel’s philosophy is human *practices*, institutions and products, and this is what Hegel means by “thoughts.”

Arthur says that the categories of capital are instances of universals, namely, value. The formation of categories through the ubiquity of the exchange relation is an instance of what Arthur aptly calls “practical abstraction.” Practical abstraction is the general basis for social and natural processes exhibiting logical relations. Money manifests practical abstraction in an exemplary way, but the process in general is not limited to monetary relations.

Arthur says, correctly, that “capital has in part an ideality” (2011). This is the reason that Hegel’s logic is applicable to capital. But he never discusses whether this property of “ideality” which value exhibits is unique to value. This is the principal point I want to investigate. Now it is true that because money provides a pure, objective material expression of value, the reality of value is more striking than it is, for example, in any institution or social movement. But that only means that *Capital* provides us with an archetype for the use of Hegel’s logic freed of its Idealist illusions. When Arthur notes that “But capital as an ideal totality cannot account for what is in excess of its concept of itself, the concrete richness of social labor, not to mention that of Nature,” this is true also, though doubtless in greater degree in reference to other artefacts and institutions. But the idea that “abstraction is out there” is by no means unique to capital. It is present in fact in all human practice.

Arthur makes a nice observation about the use of Hegel’s logic to understand social processes:

The difficulty capital has in practice in achieving its hegemony over the material sphere of production has some analogy with the philosophical problem Hegel has in making this turn from logic to reality; for in both cases pure form has to show itself active in a variety of contingent circumstances.

Arthur argues that:

while I believe capital is an Hegelian Idea, I also admit that in the last analysis, it is not unreasonable to characterise capitalist society as a structure of essence, along the lines of the middle part of Hegel’s logic, that characterised by antitheses, and that it cannot achieve the self-transparent unity of the Concept.

But Arthur overlooks the fact that in the Logic of the Concept, the *Subject* (e.g. capital) enters into relations with other subjects (e.g. the State, Science, the Labour movement, not to mention production and the objective processes of Nature) to constitute the Idea. So the idea of capital exhibiting the logic of the Concept without the transformations necessary for capital to develop in the entire ecosystem of human life on Earth is misconceived.

The Logic of Essence, however, makes some sense as a representation of the logic of *emergence* of capital towards being a subject in its own right. The claim that capital is the logic of essence, based on the appearance-essence relation exhibited in the commodity-money relation is misconceived. This relation is sublated in the development of full-blown capitalism.

When Arthur notes that the scope of capital is broader than that of the Logic, but narrower than that of the *Encyclopaedia*, this should surely give a clue to the inadequacy of the Essence Logic alone as a logic of capitalism. The *Encyclopaedia* manifests dozens of different processes each of them manifesting complex wholes, as Hegel says, "Philosophy is a circle of circles" (1831, §15).

Finally, Arthur correctly notes the importance for this project of one passage in the *Science of Logic*:

Let us look at how the logic is related to the real world. What is striking is that this is thematised by Hegel in the part preceding the Absolute Idea, namely Cognition. Here there is a discussion of how, in theory and in practice, the Idea both discovers, and creates, itself in what seems other than it. ... Cognition is surely the hinge of the logical and the real.

*I agree*, and the resources for an interpretation of the part played by Hegel's logic in Marx's *Capital* should *begin* with this passage, "The Idea of Cognition," the second last chapter of the *Logic*. This is the logic which Hegel used in composing the *Encyclopaedia*, and what it tells us is that *Capital* cannot be comprehended in terms of the unfolding of a *single principle*, but on the contrary we shall find in *Capital* several foundational principles.

#### References

- Arthur, C. (2005). The Myth of 'Simple Commodity Production'.
- Arthur, C. (2011). The New Dialectic. In *Towards a Systematic Dialectic of Capital*. <https://chrisarthur.net/>.
- Engels (1859). Karl Marx, "A Contribution to the Critique of Political economy," *Das Volk*, Nos. 14 & 16.
- Hegel, G. W. F. (1816/1969). *Science of Logic*. trans. A. V. Miller. George Allen & Unwin.
- Hegel, G. W. F. (1821/1967). *Philosophy of Right*. trans. T. M. Knox. Clarendon Press.
- Hegel, G. W. F. (1831/2010). *Encyclopaedia of the Philosophical Sciences in Basic Outline. Part I: Logic*. trans. K. Brinkman & D. Dahlstrom. Cambridge University Press.
- Hegel, G. W. F. (1837/1902). *The Philosophy of History*. trans. J. Sibree. American Home Library Co.
- Marx (1857). *The Grundrisse*. Introduction.
- Marx, K. (1859). *A Contribution to the Critique of Political Economy*, Preface. Progress Publishers, Moscow, 1977