

Commentary on Ilyenkov's "Abstract and Concrete in Marx's *Capital*"

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This study of the relationship of Marx's *Capital* to Hegel's *Logic* by the Soviet philosopher, Evald Ilyenkov, was published in English in 1982. However, it had been written in 1960, about five years after Ilyenkov published "Theses on the Question of the Interconnection of Philosophy and Knowledge of Nature and Society in the Process of their Historical Development." This latter work announced Ilyenkov's dissent from orthodox Soviet Marxism, speaking for a current of Marxism initiated by the Psychologist Lev Vygotsky, long suppressed in Stalin's Soviet Union. Not only did Ilyenkov anticipate by almost 40 years the intense interest in the West in the relation between *Capital* and the *Logic*, but stands head and shoulders above most recent Western scholarship on this topic. Ilyenkov's work differs from that of all the present day writers on the topic because Ilyenkov approached the topic on the basis that:

Marx's *Capital*, is indeed the highest type of school for theoretical thinking. A scientist specialising in any field of knowledge can use it as a source of most valuable ideas with regard to the theoretical method of research.

Accordingly, Ilyenkov deals with the methodological issues as relevant to all the social sciences. The significance of Ilyenkov's study therefore goes far beyond the reading and interpretation of *Capital*, enriching the Marxist approach to analysis of any social phenomenon or conjuncture. This aligns with this author's aims in the study of *Capital* and the *Logic*.

Ilyenkov addresses three questions: (1) the relation between the abstract and concrete, (2) the difference between the sequence of categories in cognition and in presentation, (3) the relationship between Hegel's Idealism and Marx's materialism in respect to methodology, and (4) the relation between the logical and the historical, and. The book deals exhaustively with these four questions, rather than merely seeking an homology between *Capital* and the *Logic* or aiming at a "reconstruction" of Marx's *Capital*.

(1) The question of the relation of the abstract and the concrete in Marx and Hegel is dealt with exhaustively by Ilyenkov. However, this problem is now widely recognised and I have already written on the topic. (2) I will deal with only briefly. (3) Ilyenkov's views on the difference between Hegel's idealism and Marx's materialism goes to Marx's *critical* appropriation of British political economy which Hegel appropriated *uncritically*, just as he *uncritically* appropriated the positive results of *all* the sciences apart from *Logic* in his *Encyclopaedia*, rather than due to illusions about the spiritual nature of value. (4) Likewise, Ilyenkov differs with present day writers on the topic of the question of the relation between the logical and the historical by 180 degrees.

In dealing with Ilyenkov's views on this matter I will refer to the fact that Ilyenkov is untroubled by the claim to universal applicability of the principles of "materialist dialectics" he derives from the study of *Capital*. This runs counter to present day scepticism in relation to any such universal claims. To establish the limits of this claim to universality, I will draw from Marx's *Theses on*

Feuerbach to establish the basis for appropriation of Hegel's *Logic* and its limits. If we take it that the real subject matter of Hegel's *Logic* was always human practice, then it is clear that the scope of the *Logic* is that of human practice.

(1) The Abstract and the Concrete

Ilyenkov approached all philosophical issues through an immanent critique of the *history* of philosophy, and his examination of the abstract and concrete was no different. Prior to Hegel, no consistent definition of abstract and concrete had withstood criticism, but I will not reprise his analysis of the earlier history of the problem.

Hegel agreed with Kant in understanding "abstractness" to mean that "a concept never expresses in its definitions the sensually contemplated reality in its entirety." Abstract is therefore like *extract*, in that it indicates that aspects of some reality have been extracted, removed from their connection to the whole of reality. Abstractness, then, refers to a paucity of connections to the full reality of the world. In that sense then, all concepts are to one degree or another, abstract. Thus, for Hegel, abstract referred to "anything general, any similarity expressed in word and concept, a simple identity of a number of things with one another."

Hegel was, Ilyenkov says, the first to define the concrete as "unity in diversity, as unity of different and opposing definitions, as the mental expression of organic links, of syncretism of the separate abstract definitenesses of an object within the given specific object."

The concreteness of a concept referred to the multiplicity definitions simultaneously connecting the concept with other concepts. Abstractness on the other hand, refers to single properties of things, a feature which may be exhibited in common by many different things, but fails to express any real connection between them. "Unity in diversity" implies the necessary and simultaneous connection of different definitions of something, not simply attributes combined by an "and" or an "or."

A word referring merely to the *abstract similarity* of a number of individual things, phenomena or mental images, then is not a *concept (Begriff)* for Hegel at all, merely an "abstractly general representation (*Vorstellung*)," a "pseudoconcept," that which may allow you to recognise or refer to something, but which does not express any comprehension of the thing.

Reality itself is concrete, because every real thing or phenomenon is connected by a billion material threads to every other part of reality. But any everyday representation of any part of reality, its species, its size, its location, its present disposition, is bound to be abstract. "Everyday" concepts may be concrete where the concept in question is a part of someone's everyday life, the different aspects being unified in a person's practical experience. However, in everyday concepts borrowed from science, such as "atom" or "value," the connection between entities and phenomena is not reflected in any *theory*. If a term is used which locates the concept in a theory, such as a scientific concept, then the relevant concept is to that degree concrete.

All concepts remain, of course, to a greater or larger degree, abstract. But a concept which is part of some scientific theory or other human practice necessarily entails connecting an object or phenomenon to many others

simultaneously in a multiplicity of real and meaningful connections which cohere together. In line with Soviet practice, Ilyenkov does not include the “other,” and restricts concreteness specifically to *scientific* concepts. To the extent that a theory expresses more than simply a categorization of phenomena according to attributes held in common by a set of things, then we can talk of a concrete concept of a thing. It is these connections with other concepts are referred to by Hegel as the *content* of the concept.

Words can indicate concepts only to the extent they that belong to some theory, some *system* of concepts, which gives to each word a connection with other concepts. Taken out of the theory of which a word is a part, a word can only *designate* some object or, more correctly, some collection of features.

Thus, the concrete, essential nature of some problem is revealed by elaborating the content of a concept, the many interrelated definitions of the concept and endeavouring to grasp the necessary *unity* of these abstract definitions, rather than by seeking a simple definition. That is what is meant by taking a problem *concretely*.

The establishing of the connections between things which makes it possible to form concrete concepts is based on human practical activity. Ilyenkov sees Hegel’s idealism in his conception that it is thought alone which makes these connections, which forms concrete concepts. But in reality all phenomena are connected with each other by innumerable threads.

The concreteness of a conception of some phenomenon is not created by reflection, but is a characteristic of the phenomenon itself. The task of cognition is, so far as possible, to reproduce this concreteness in conception. This concreteness is not necessarily preserved in the sensuous representation of a phenomenon or in a theoretical conception resting on sensuous representation alone. Concreteness can be characteristic of rich, well-developed, profound and comprehensive knowledge, just as abstractness can be characteristic of sensual knowledge which is poor, meagre and lopsided. The concreteness of a conceptual understanding of a phenomenon to the extent that abstract definitions retain their connections with each other:

“Each of the numerous definitions forming part of the conceptual system of a concrete science, loses its abstract character in it being filled with the sense and meaning of all the other definitions connected with it. Separate abstract definitions mutually complement each other, so that the abstractness of each of them, taken separately, is overcome.”

Abstractness can also be a characteristic of real phenomena, most famously in the case of what Marx calls “abstract labour.” “The reduction of different kinds of labour to uniform simple labour devoid of any distinctions ‘is an abstraction which is made every day in the social process of production’. It is ‘no less real (an abstraction) than the resolution of all organic bodies into air’.” citing Marx (1859). Ilyenkov explains:

‘The abstract’ in this kind of context, very frequent in Marx, assumes the meaning of the ‘simple’, undeveloped, one-sided, fragmentary, ‘pure’ (i.e., uncomplicated by any deforming influences). It goes without saying that ‘the abstract’ in this sense

can be an objective characteristic of real phenomena, and not only of phenomena of consciousness.

Thus “reduction to labour devoid of all differences appears here as an abstraction, but as a *real* abstraction.” Thus both “abstract” and “concrete” can be descriptive of forms of development of nature, society or thought.

Ilyenkov demonstrates the significance of concrete and abstract conceptions by contrasting the definition of humans as creatures with ear lobes (the only feature shared by all humans) and Benjamin Franklin’s definition of a human as “a being producing implements of labour.” Very few people actually produce tools, but it is the practice of tool-making (a *concrete universal*) from which the diversity of human types can be comprehended, and in that sense it is a *universal* characteristic of human being, rather than an *abstract general* feature, like ear lobes. Thus the question of the universal character of a concept is transferred to another sphere, that of the study of the real *process of development*, rather than simply surveying the variety which exists. It is not the concept as such which lends concreteness to a definition, but the process of development itself, which can only be represented in a theory of that process of development.

What makes the concept of “commodity” or “value” concrete is not the concept of “commodity” or “value” as such, which can be revealed by an examination of the concept of “commodity,” but the economic concreteness sensuously exhibited in the practice of exchanging commodities. It is the examination of this practice from which the concreteness of the commodity relation can be appropriated. The *universality* of the category of value is first of all a characteristic not so much of the concept, of the mental abstraction, as of *the objective role* played by the commodity form in the emergence of capitalism. The words “commodity” and “value” were, after all, widely known and used long before and independently of the science of political economy. It was only with the attempt to create political economy as a *system*, beginning with William Petty, that the question of the *real source* of value, the *substance* of value, was raised. This led to the discovery that the substance of value was contained in social labour. This discovery was achieved by studying one practice alone, that of exchanging commodities.

Ilyenkov points out that entities interact not through an *identical* (internal) feature in them (in fact interaction is possible only thanks to *difference*), but in sharing a common relation to something *outside* of them, such as shared land or shared needs. It is this – difference in commonality – that *concrete* links consist. Recognising this, each thing can be conceived concretely as one unit of a *concrete universal* substance. Concrete unity like this is the basis for real, objective connection between objects, rather than the cognition of a subject which cognises this concrete unity. It is this same unity-in-difference which distinguishes Linnaeus’s taxonomy from Darwin’s theory.

And it is this sense that labour in general appears in political economy as a concrete universal substance, because each individual labour is in common part of universal, social labour and each labourer merely an organ of that labour. Abstract labour, labour devoid of all difference by the industrial system, is likewise a *real abstraction* and each individual commodity is a manifestation of this universal essence.

This concept of concreteness is at the heart of how Ilyenkov identifies Marx's concept of the "cell":

"A concept, inasmuch as it is a real concept rather than merely a general notion expressed in a term, always expresses the *concretely universal*, not the abstractly universal, that is, it expresses a reality which, while being quite a particular phenomenon among other particular phenomena, is at the same time a genuinely universal, concretely universal element, a 'cell' in all the other particular phenomena."

Marx was able to form a concrete definition of 'value in general' or 'value as such' on the basis of concrete consideration of direct exchange of one commodity for another involving no money, abstracting from all other other kinds of value, i.e., value based on surplus-value, profit, rent, interest, and so on. Marx began by limiting himself to *one* kind of value which proves to be elementary, primordial both logically and historically, constituting the generic essence of all the other particular categories of value. But it was only with capitalist development that value as such became the universal form of economic relation, displacing all other pre-capitalist economic relations.

On the one hand, Ilyenkov shows how this approach to the definition of value echoes Hegel's definition of a geometric figure (which Aristotle showed is developed from the triangle, while the triangle simultaneously exists side by side with the other particular figures developed from it) and uses Hegel's inadequate definition of value in the *Philosophy of Right*, so show that Hegelian dialectics was inadequate. However, it seems to me that Hegel made no effort to create a scientific concept of value in line with the *Science of Logic*, but instead borrowed it without criticism from the political economists. It is surely *in this* that Hegel's idealism lies.

This view of concepts presupposes an *historical* view the object. Development can only take place through what is initially an exceptional individual instance of the entity (such as value), which develops to become a particular case alongside others, finally becoming the universal form. Development can happen in no other way. This is in contrast, for example, to the utopian vision in which the hoped-for universal form can never exist as an exceptional individual relation alongside others, and so remains a mere fantasy.

The Unity of the Abstract and the Concrete

Having identified the commodity as the cell of bourgeois society, then by considering the commodity *abstracted from* its relation to all the other phenomena of capitalist production, it becomes possible to express its unique form of dependence on the system of production relations as a whole. Because the commodity form proves to be the economic universal relation between people in capitalism, purely abstract consideration of the commodity reveals at the same time a "*universal* theoretical definition of *the system as a whole*."

Another form of value, such as profit or rent, if considered in abstraction from other forms of economic connection, would fail to reveal the specific nature of capitalism. These other forms of value in capitalist society can only be analysed after surplus-value, money and commodity have been analysed first.

The point is to choose the starting point of the analysis such that the abstract consideration of that relation 'in itself' happens to *coincide directly* with a concrete consideration of the system as a whole. If any other relation, such as profit, is chosen as the starting point, then its consideration cannot lead to an understanding of the system as a whole. Ilyenkov refers to this fact as the *dialectic unity* of abstract and concrete.

Another criterion for identifying the cell of a complex phenomenon which Ilyenkov observes is the *mutual conditioning* of the relations between the various interconnections with other aspects of the whole. This is manifested in the fact that the system continuously reproduces the cell as a condition for its own existence, thus distinguishes an essential relation from relations entailed only in the original generation of the phenomenon. Capitalism not only grew out of trade, it continuously commodifies other non-trading relations, just as human continue to make tools as a condition of their own existence. It is this process which transforms what may have been an isolated practice into a self-perpetuating *system*. This *circularity* of relations within a system presents problems for logical analysis; one appears to have a system of mutual interrelation in which neither is primary. The only way out of this vicious circle is through the study of history, how the system came into being.

Capitalism does not produce the natural resources it needs of the labour force (though it does *commodify* the labour force, making it available for exploitation); in fact, it uses these up. Other processes produce these conditions for capitalism. It is only the the commodity form which is not only necessary for capitalism, but is continuously reproduced by it.

Although changes in the productive forces are well-known to be the cause of development of capitalism, Marx shows that it is capitalism that is the cause of development of the productive forces. The development from capitalism in which *absolute* surplus value drove the production process, lengthening the working day, brought about the change to *relative* surplus value as the driving force, reducing the cost of labour-power. This was brought about by the transformations in the labour process through the invention of new machinery. So it was the commodity relation itself which was the ultimate driver for development of the productive forces, which then became a cause of the development of capitalism. Thus capitalism is conceived as a system, governed by its own internal laws, rather than being essentially the product of other conditions.

It is the circularity in which customary and legal relations necessary for capitalism become a proximate cause of features of capitalism which lay behind Hegel's taken law and custom to be the ultimate cause of changes in economic activity, rather than its product.

(2) The Method of Investigation and the method of Presentation

Ilyenkov devotes a chapter to the question of ascent from the abstract to the concrete, relying on the famous passage on this topic in the *Grundrisse*, and repeating much of what has been said earlier. He points out that the transition from theory to practice is also an instance of the transition from abstract to concrete. He also points out that in rising to the concrete, the reverse process also constantly takes place, analysis and synthesis must be closely interwoven.

That Marx uses the ascent from abstract to concrete in *Capital* and his earlier economic works does not mean, however, that the method of presentation differs from the method of investigation. If that were true, *Capital* would offer no guidance to scientific research at all, and the proper material to offer that would be his earlier drafts and numerous notebooks. Ilyenkov points out that the feature of *Capital* which makes it so important as a model for scientific research, is that Marx does not dogmatically present his readymade results, “but rather goes through the entire process of obtaining these results, the entire investigation leading to them.” But:

“Of course, the process of investigation is not reproduced in all the details and deviations of more than twenty-five years of research but only in those principal and decisive features which, as the study itself showed, really advanced thought along the path of concrete understanding. ... and the process of investigation appears in its genuine form free from accidental elements and deviations. ... the method of presentation of material in *Capital* is nothing but the ‘corrected’ method of its *investigation*”

Ilyenkov points out that the sensuously concrete which makes the starting point for investigation refers to “the entire mass of the socially accumulated empirical experiences, the entire colossal mass of empirical data available to the theoretician from books, reports, statistical tables, newspapers, and accounts,” not Marx’s personal observation of economic activity. These data of course contain all the abstract illusions of the writers of these documents according to their times, not the concrete reality of economic life as such. Thus, from the beginning, the researcher must appropriate this data *critically*.

(3) Hegel’s Idealism

Ilyenkov goes on to criticise Hegel’s conception of concreteness on the basis that Hegel held that it is only in *thought* that concreteness existed. Ilyenkov correctly identifies Marx’s materialism in his giving priority to economic life over the other “spiritual” forms of activity, while Hegel gave priority precisely to these “spiritual” forms of activity, such as law, religion and philosophy. But at the same time, implausibly in my view, chides Hegel for failing to ascribe concreteness to Nature. I part ways with Ilyenkov here because the real subject matter of Hegel’s philosophy is human practice. His idealism lies in taking the “spiritual” aspect of human practice as the decisive one. Hegel here makes the error mentioned by Ilyenkov above, of failing to correctly resolve the “vicious circle” in which production relations determine themselves, but using legal and “spiritual” relations as a means. We should neither follow Hegel’s error, nor ascribe to Nature as the determining factor in human practice, but take *practice*, in its widest possible sense, as the real subject matter of Hegel’s philosophy, albeit misconstrued by him as *thought*.

In Ilyenkov’s words:

“In reality, the immediate basis of the development of thought is not nature as such but precisely the transformation of nature by social man, that is, practice.”

Revolutions in theory always begin with a critical interpretation of preceding theories. Analysis of the facts of economic development coincides with the

critical analysis of the concepts developed by political economy in earlier times. A reinterpretation of the facts recorded by earlier writers entails the formation of new concepts through which such facts can be interpreted. It must be so because analysis and synthesis, induction and deduction are always internal opposites in the process of cognition at whatever stage in the historical development of a science. Every induction which leads to new concepts entails a renewal of the process of induction in the light of new concepts, and a continual renewal of analysis and synthesis. This process is reflected both in the history of science and in the second place a consciously applied methodology.

Furthermore, generalisations always originate in the formulation of laws which arise from the analysis of a single case, not through the identification of common features in a multiplicity of instances. Equally, Marx established the principles for the application of Hegel's Logic by his exhaustive examination of just one topic, political economy, in particular in England, where political economy could be studied in its purest and most developed form, and thereby provided a *paradigm* for all the sciences. It is this aspect of Marx's *Capital* which is of central interest to this author.

(4) Logical Development and Concrete Historicism

One of the problems of applying logical methods to a complex object such as political economy is that the real, historically emerging system, is already relatively complete as an integral system. Ilyenkov says:

“Marx demands from science that it should comprehend the economic system as a system that has emerged and developed, he demands that the logical development of categories should reproduce the actual history of the emergence and unfolding of the system.”

But reproducing the actual history as a logical development faces certain challenges. The logical method must be closely linked to an historical enquiry and *vice versa*. The universal form of value, the commodity form, existed only as a *rare* and *exceptional* case in the past. Thus in criticising the categories of the science, it must be kept in mind that these categories were formulated on the basis of a system which was less developed. But it is pointless to criticise those categories on the basis of facts upon which they were based, which in any case are now long gone and available only through the writings of the time. The categories must be criticised on the basis of present day reality, in which the object is more fully developed.

Nonetheless, it is necessary to make a detailed study of the past in order to understand how it prepared for the present state of affairs.

The history of a science holds up a kind of mirror to a history of the object itself. While the “abstract outlines” of the object remain the same throughout, the categories which were used in the earliest stages of a science disappear. Consequently, the logical mode of enquiry was for Marx the dominant one, while the historical mode of enquiry played an auxiliary role.

Marx says: “To develop the laws of bourgeois economy, it is not necessary to write *the real history of the production relations*,” so Ilyenkov poses the question as follows:

“why and in what way the theoretical analysis (analysis of facts through a critique of categories) proceeding from the results of the historical process, can in itself yield an essentially historical (though logical in form) expression of reality even where real (empirical) history leading to these results is not directly studied in detail.”

The key is that we proceed from the results of this history with the conviction that this result preserves its own history in changed, sublated form. Any real process of development begins from premises created by a different process. The new principle then then grows to become a universal principle dominating the others, transforming them into secondary external forms, organs of its own body. The new form of interaction now generates by its own action what was previous created by the earlier practice. What was a pre-condition becomes a product. The essential feature of the new system emerges as a concrete abstraction carried out by the historical process itself.

Ilyenkov distinguishes between what he calls ‘concrete historicism’ and ‘abstract historicism’.

When a researcher seeks to find the historical origins of some phenomenon the problem arises: how far to go back, where to begin and with what? It seems that one can prove anything by choosing a suitable starting point. For example, one might find the origins of capital in the first historical instance when a great deal of wealth was concentrated in the hands of one individual, whether that was by pillage or frugality. But in such an instance the means of accumulation would have had not the remotest connection with modern capitalism, but rather reflected conditions of quite another time. In reality modern capital reproduces itself by the appropriation of the unpaid labour of free labourers who it retains in a condition of penury through the wages system, ensuring a continued supply of labour-power. This practice emerged only in the 19th century.

“The principle of *concrete historicism* ... imposes the requirement of establishing, in a strictly objective manner, the point at which the real history of the object under consideration begins, the genuinely concrete starting point of its origin.”

A process originates not so much when conditions make it possible to exist, but when the process itself generates the condition for its own existence.

Concrete historicism requires that each concrete object (e.g. profit, rent, exchange-value, ...) must be considered in its own right, in contrast to “history in general,” in which the entire system is considered in chronological sequence beginning from some arbitrary starting point. In considering each category on its own, the beginning must be made on the basis of its priority in the resulting formation, even if at the earlier time that category is marginal. It is not so easy to single out the historical development of a relation which is for a very long time *marginal*, but the aim must be to single out the *cardinal points* in the development of that relation.

As Marx says: “It would be inexpedient and wrong therefore to present the economic categories successively in the order in which they have played the dominant role in history.” Having made a beginning with what had turned out to be the universal form of value in modern capitalism— exchange of commodities — other institutions and practices must then be presented in the logical order in

which they are produced by the dominant relation. In general, this order is the *opposite* of the order in which such relations were dominant in the historical development of the object as a whole.

Observe the contradiction here: the dominant relation which marks the *beginning* of the analysis existed *long ago*, marginal but nonetheless, laying the groundwork for the present system. On the other hand, the historical succession of the dominant relations is *inverted* in the logical development, the most ancient institutions coming last. What was dominant long ago becomes marginal in the present. This principle is true not only of the development of capitalism as a whole, but also applies to transient crises and other phenomena within capitalism. – underlying causes tend to come to light only after the dust has settled.

“The ‘historically anterior’ continually becomes the ‘logically posterior’ in the course of development.”

The principle of concrete historicism can also be applied to the study of historical development itself. In Marx’s famous words:

“There is in every social formation a particular branch of production which determines the position and importance of all the others. and the relations obtaining in this branch accordingly determine the relations of all other branches as well. It is as though light of a particular hue were cast upon everything, tingeing all other colours and modifying their specific features.” (1859)

The point is that the history of each distinct industry or practice must be studied in its own right, so that its place in the developed system can be comprehended. Cardinal moments arise when one institution or practice moves from a subordinate to a dominant position, and transforms the whole social formation as it does so.

Ascent from the Abstract to the Concrete in Marx’s *Capital*

Ilyenkov defines his aims in analysing *Capital*:

“Our task is that of singling out the universal logical elements of Marx’s treatment of economic materials, the logical forms that are applicable, due to their universality, to any other theoretical discipline.”

Capital begins with an analysis of *value*, because value is the “real form of economic relations that is the universal and elementary form of the being of capital.” However, the immediate subject of analysis is the unmediated exchange of commodities, in the capitalism of Marx’s times a rare practice. Profit, money, wages and rent are not addressed. Nevertheless, this analysis reveals “the objectively universal form of all phenomena and categories of developed capitalism without exception.”

Thus value is not abstracted as a common feature of profit, wages, etc. “The concrete universal concept registers a real objective elementary form of the existence of the entire system rather than an empty abstraction.”

The proposition ‘the substance of value is labour’ is not contradicted by the fact that not all labour creates value (labour may be fruitless) and not all historical forms of labour create value (such as that of the subsistence farmer), far less

does labour necessarily produce capital. Each form of value has to be traced through its real emergence and relations of mutual dependence as it emerged historically, beginning from the simplest form of value, the direct exchange of commodities. This process Ilyenkov calls '*genetic deduction*'.

Contradiction

After a reflection on contradiction in the history of science and philosophy, Ilyenkov points to the most significant contradiction which Marx had to confront in the writing of *Capital*: the specific empirical fact of the uniformity of the rate of profit stands in contradiction to the law of value and exchange of commodities at their value, which leads to variation in the rate of profit according to the organic composition of capital.

It is impossible to bring them into agreement exactly because such an agreement does not exist in the economic reality itself.

Average or natural prices correspond to embodied labour only in the instance where independent producers (not capitalists) directly exchange their products. When capital enters the scene, the price at which commodities are exchanged vary from their prices (in the manner exhaustively explained by Fred Moseley, in line with Marx's explanation), once one takes into account that labour-power is a commodity which produces surplus value for the consumer of that labour-power. Once the purchase and sale of labour-power by capitalists enters the scene, and production entails purchase and sale of commodities between capitalists, then commodities are *no longer exchanged at their value*, and prices are explained by Marx *on the basis of the operation of the law of value in respect to labour-power* and the expropriation of surplus value by capitalists.

A uniform average rate of profit co-exists with the labour theory of value in the same way that a universal co-exists with its particulars. However, this conception is admissible only in the case that Hegel's conception of the concept is accepted, rather than the formal logical concept of concept based solely on the shared features of individual instantiations of the concept, and on the basis of the necessary labour-time as the foundation for the value of all commodities, including labour-power. Such a distinction between labour and the value of labour-power is nonsensical in the circumstance of a hypothetical society of producers directly exchanging their products. The determination of prices via the law of value is made necessary by new facts, namely, the exploitation of wage labour by capital. The point was not to eliminate the contradiction between the law of value and the uniform rate of profit but to *express* that contradiction. Resolution of the contradiction in the law of value was addressed by *new facts*, which had not yet become dominant in the times of Adam Smith or David Ricardo, the commodification of labour-power.