

# THE BUYING AND SELLING OF LABOUR POWER

[A summary of Marx's *Capital*, Volume One, Chapter Six]

The buying and selling of labour power is the historically distinctive characteristic – the *differentia specifica* of the capitalist mode of production. This heralds self-expansion of value; its change occurs not in money itself, nor in the second act of circulation (C – M'), but in the commodity bought by first act, M – C. The change originates in the use-value of the commodity, i.e., in its consumption. Moneybags find within the sphere of circulation a commodity whose use-value possesses the peculiar property of being a source of value – labour-power. Labour-power or capacity for labour means the aggregate of mental and physical capabilities existing in a human being, used to produce a use-value of any kind.

But in order that the owners of money may be able to find labour-power offered for sale as a commodity, following conditions must first be present: Firstly, the labourer must be the untrammelled owner of his capacity for labour. Freed from pre-capitalist relations of slavery and serfdom, he must constantly look upon his labour-power as his own property, his own commodity, and this he can only do by placing it at the disposal of the buyer temporarily, for a definite period of time. Secondly, the labourer must not be in a position whereby he can independently produce some commodity with his own means of production and labour-power. Instead, he must be obliged to offer for sale that very labour-power, which exists only in his living self, in order to be able to make a living.

For conversion of money into capital, the owner of money must meet in the market with the free labourer, free in the double sense, that as a free man he can dispose of his labour-power as his own commodity, and that on the other hand he has no other commodity for sale, in short everything necessary for the realization of his labour-power. A new market emerges – the labour market, which the owner of money regards as a branch of the general market for commodities. This is historical, not natural. Nature does not produce on the one side owners of money or commodities, and on the other men possessing nothing but their own labour-power. This relation has no natural basis, neither is its social basis one that is common to all historical periods. It is clearly the result of a past historical development, the product of many economic revolutions, of the extinction of a whole series of older forms of social production. The economic categories bear the stamp of history. Production of a very specific kind, capitalist commodity production has come into existence not only with the completion of the separation of use-value from exchange-value, which first began with barter, but with the separation of labour-power from labour – labour's use-value from exchange-value. The historical conditions of its existence are by no means given with the mere circulation of money and commodities. It can spring into life, only when the owner of the means of production and subsistence meets in the market with the free labourer selling his labour-power. And this one historical condition comprises a world's history. Capital, therefore, announces from its first appearance a new epoch in the process of social production.

We must now examine more closely this particular commodity, labour-power. Like all others it has a value. Value of any commodity, as also of labour-power, is determined by the labour-time necessary for its production. Labour-power exists only as a capacity, or power of the living individual. Its production consequently presupposes his existence. Thus, the value of labour-power is the value of the means of subsistence necessary for the maintenance of the labourer. Labour-power becomes a reality only by its exercise, only by working, whereby a definite quantity of human muscle, nerve, brain, &c., is wasted, and

these require to be restored day by day by satisfying his natural wants – food, clothing, fuel, housing in accordance with his circumstances. Secondly, the owner of labour-power is mortal. So he must perpetuate himself by procreation involving subsistence for his children who will substitute him. In order to modify human organism to acquire a skill education and training are required. These expenses in terms of labour-power also enter into the total value spent in the production of labour-power. The owner of money intending to convert his money into capital pays this value as a social average. If it falls below, the labour-power can be maintained and developed only in a crippled state.

The alienation of labour-power and its actual appropriation by the buyer, its employment as a use value, are separated by an interval of time. Payment is made after the work. Whatever the mode of payment, actually, the use-value of the labour-power is always advanced to the capitalist: the labourer allows the buyer to consume it before he receives payment of the price, which is fixed by a contract. He everywhere gives credit to the capitalist. Labour-power is sold, although it is only paid for at a later period. The consumption of labour-power is at one and the same time the production of commodities and of surplus-value. The consumption of labour-power is completed, as in the case of every other commodity, outside the limits of the market or of the sphere of circulation. The process goes on in the hidden abode of production, where we shall see, not only how capital produces, but how capital is produced – the secret of profit making.

The sphere of sale and purchase of labour-power upholds the rule of Freedom, Equality, Property and Bentham. Freedom, because both buyer and seller of a commodity, say of labour-power, are constrained only by their own free will. They contract as free agents, and the agreement they come to, is but the form in which they give legal expression to their common will. Equality, because each enters into relation with the other, as with a simple owner of commodities, and they exchange equivalent for equivalent. Property, because each disposes only of what is his own. And Bentham, because each looks only to himself. The only force that brings them together and puts them in relation with each other, is the selfishness, the gain and the private interests of each. Each looks to himself only, and no one troubles himself about the rest.

On leaving this sphere of circulation, which furnishes the “Free-trader Vulgaris” with his views and ideas, and with the standard by which he judges a society based on capital and wages, we think we can perceive a change whereby the previous money-owner now becomes capitalist; the possessor of labour-power follows as his labourer. The one with an air of importance, smirking, intent on business; the other, timid and holding back, like one who is bringing his own hide to market and has nothing to expect but — a hiding [in the sphere of production].

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