

Historical Dialectic of The Forms of Exchange Value,

from Commodity to Money to Capital --

A Marxian-Algebra-Facilitated Narration.

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Author's Preface. The purpose of F.E.D. Vignette #19 is to model the historical dialectic of the forms of “the exchange-value” as adumbrated in Marx’s dialectical, immanent critique of the capitalist-ideology-compromised science of classical political-economy, using both the Seldonian, nQ dialectical algebra, and the original, ‘Marxian algebra’, out of which the Seldonian algebra arose.

A Note about the On-Line Availability of Definitions of F.E.D. Key Technical Terms. Definitions of Encyclopedia Dialectica technical terms, including of E.D. ‘neologia’, are available on-line via the following URLs --

<http://www.dialectics.org/dialectics/Glossary.html>

<https://www.point-of-departure.org/Point-Of-Departure/ClarificationsArchive/ClarificationsArchive.htm>

-- by clicking on the links associated with each such term, listed, in alphabetic order, on the web-pages linked-to above.

Links to definitions of the Encyclopedia Dialectica special terms most fundamental to this vignette are as follows --

«aufheben»

<https://www.point-of-departure.org/Point-Of-Departure/ClarificationsArchive/Aufheben/Aufheben.htm>

Diachronic vs. Synchronic

<http://point-of-departure.org/Point-Of-Departure/ClarificationsArchive/Synchronic/Synchronic.htm>

Dyadic Seldon Function as “‘Self-Reflexive Function’”

<http://point-of-departure.org/Point-Of-Departure/ClarificationsArchive/SeldonFunctions/SeldonFunctions.htm>

«genos»

<https://www.point-of-departure.org/Point-Of-Departure/ClarificationsArchive/Genos/Genos.htm>

Historical or Diachronic Dialectics

<http://point-of-departure.org/Point-Of-Departure/ClarificationsArchive/HistoricalDialectics/HistoricalDialectics.htm>

nQ dialectical arithmetic / algebra

http://www.dialectics.org/dialectics/Correspondence_files/Letter17-06JUN2009.pdf

«species»

<https://www.point-of-departure.org/Point-Of-Departure/ClarificationsArchive/Species/Species.htm>

Systematic or Synchronic Dialectics

<http://point-of-departure.org/Point-Of-Departure/ClarificationsArchive/SystematicDialectics/SystematicDialectics.htm>

-- and we plan to expand these definitions resources as the Encyclopedia Dialectica Dictionary Project unfolds.

[**Note:** “‘Arithmetical Quantifiers’” vs. ‘Arithmetical Qualifiers’. In the phrase “**3** apples”, we term “**3**” the “arithmetical [“pure”-]quantifier”, and “apples” the “‘ontological’” -- or kind of thing -- “‘qualifier’”. In the phrase “**3** pounds of apples”, we term “pounds” the ‘metrical[-unit] qualifier’ -- or “‘unit of measure qualifier’” -- quantified by the **3**, which, together, ‘quanto-qualify’ the ‘ontological qualifier’, “apples”. A key use-value of the dialectical arithmetics is to provide algorithmic, ideographical-symbolic systems for the various kinds of ‘arithmetical qualifiers’, both with and without the co-presence of “‘arithmetical quantifiers’”.].

Introduction. In this narration of the historical dialectic of the forms of exchange-value, I will limit myself, in the main, to the shorthand that Marx developed to describe human action, human social praxis, or human social-reproductive process, during the epochs of the subsumption of those collective-human attributes by exchange-value, by alienation -- in short, by selling, culminating in the present epoch, the epoch of “the real domination of capital”; the epoch of “‘self-alienation’”, which means, at root, the epoch of ‘self-selling’ [i.e., the epoch of the proletarian condition: of “the wage-labor-relation”, i.e., of “the capital-social-relation[-of-production]”; the epoch of labor-time based compensation in general; the epoch of “*universal prostitution*” [Marx]].

Always remember that this subsumption of humanity by exchange value, a category of human ‘socio-ontology’ also created and sustained by humans, knowingly or not, is and was humanity’s own act, ‘intent-tional’ or not, even though no alternatives to that subsumption can sustainably arise until the human social forces of production exceed the level at which they now reside, and at which they have resided in the past.

Indeed, the central purpose of Karl Seldon’s **Foundation *Encyclopedia Dialectica* [F.E.D.]** can be gasped as developing *scientific dialectics*, based upon the examples of it provided by Marx and Engels, the true fathers of *scientific dialectics*.

Scientific dialectics had heralds and precursors in Heraclitus, in Plato, and in Hegel, all of whom, however, mystified dialectics, and grasped dialectics mystically in the main.

That is, a central purpose of **F.E.D.** is to redress the consequences of the fact that Marx died trying to complete *Capital*, and did not live to undertake the work which he repeatedly set for himself as his next scientific task -- to “write the book” on scientific dialectics in general -- and of the fact that Engels essentially died editing *Capital* -- that is, died soon after sending **volume II** and then **volume III** to press, and did not live to develop, and to complete, and to publish a finished work from the draft that he left behind, of his *Dialectics of Nature*.

Now first, it is true: Marx’s account, in *Capital*, is, directly, a systematic presentation, a presentation of **present** human society in terms of its fundamental social relations categories, ordered systematically, **not** necessarily chronologically.

It is **not** meant to present the history of human social relationships from the beginnings of the human species.

Marx’s account belongs, first and foremost, to *Systematic Dialectics*, not to *Historical Dialectics*.

However, there are, present, strong components of the history of human social relations, and of the chronological order of their genesis, “behind” Marx’s systematic account, which he deliberately accentuates, especially in the first chapters of **volume I**, on Commodity, Money, and Capital respectively.

Marxians, by and large, have not fully appreciated the meaning and the import of the two fundamental concepts that permeate Marx’s “Marxian” works from beginning to end --from *The German Ideology*, through the *Grundrisse* and *A Contribution to the Critique of Political Economy*, to all four volumes of his *Capital* -- namely the concept of *the social forces of production*, and the concept of *the social relations of production* [the latter was originally named, by Marx and Engels, the “*forms of [human, social] intercourse*” as of the time that they wrote *The German Ideology*, and later re-named].

But it is clear, at least, that, besides the social relations of primitive, communal hunting and gathering extended-familial groups, of slavery, of feudal serfdom, etc., the term “social relations of production” was intended, by Marx and Engels, to encompass the forms of “the exchange value”, principally Commodity [“the Commodity-relation”], Money [“the Money-relation”], and Capital [“the Capital-relation”].

So let us describe these three social relations of production, in the chronological order of their arising, using Marx's shorthand, and, thereby, reveal the human-historical dialectic that "they" -- that human beings, "personifying" them [cf. Marx] -- have created.

The "dialectical algebra" developed by **F.E.D.** is rooted in this shorthand developed by Marx.

Consider the Commodity-relation, as it arises, historically, prior to the existence of -- prior to humanity's discovery and embodiment of -- either the Money-relation or the Capital-relation.

The human praxis around this, first, form of exchange-value, is **commodity barter**, or, in Marx's shorthand --

C -- C'

-- describing the kind of human act in which the human holder of one kind of commodity, denoted by **C**, exchanges it for a different kind of commodity, held by another human holder, denoted by **C'**.

This is the highest form of exchange-value praxis that humanity manifests -- the highest form that the level of the human social forces of production, or of "human [self-]productivity", can either support or necessitate -- for many millennia.

It already requires a level of the productive forces capable of producing a **surplus production** of the commodities traded between communities -- too much of one commodity produced for all of it to remain use-value in one community, too little of it produced in the other, barter-partner, community.

But the **C -- C'** human praxis / process both expresses a rise in the human, social forces of production, and stimulates a further rise in those social forces of production, as the **production for exchange** motive emerges from the previously predominating **production for use** motive.

Gradually, social [self-]productivity, social [self-re-]productive force, grows to the point where a money-commodity -- eventually, a precious metal -- separates itself out, in human praxis, from the rest of the commodities, and, at length, congeals, in human praxis, as full-featured Money.

The Money-relation is born, from out of the womb of the Commodity-relation.

Each unit of Money is a 'meta-Commodity' unit, made up out of -- in the **MINDs** of the human agents of exchange -- a heterogeneous multiplicity of the limited ensemble of the units of all of the different kinds of Commodities for which Money will effectively trade, given the social conventions of the time and place in which those agents reside.

Money is thus not exclusively a physical-material reality, but **a psychohistorical materiality**, combining both physical objects and meme objects, or mental objects.

Thus, the action of the growing population of Commodity-relations, of "**Cs**", among themselves -- as that population of **C**-relations expands and densifies with the growth of the social forces of production -- at a certain threshold in that growth, irrupts a whole new kind of human social relation, called the Money-relation, which Marx "shorthands" by "**M**".

As a result, the “circulation” of human production takes a new, Money-mediated form --

C -- M -- C'

-- the “money-mediated circulation of commodities”.

¿So, what part do we have, via the above, of the whole [her]story and [his]story of humanity so far?

The symbol **C** denotes the original form of exchange-value, the “Commodity” of the Commodity barter process, and of the Commodity-social-relation-of-production.

The internal action within the growing manifold of **Cs** -- of humans “personifying” the Commodity-relation -- reflecting the growing human social force of human social re-production, at length irrupts something new, which Marx notates as “M”, “Money”, the Money-social-relation-of-production.

So, historically, “**C of C**” still reproduces **C**, but, past a certain productive-force threshold, also produces something new, **M**:

C of C becomes C + M.

That is the first phase of an “historical dialectic”.

The “original” or “thesis” form of exchange-value, **C**, acting on/within itself, further expands itself, but also gives rise to a new, *supplementary opposite* form of exchange-value, **M**, so that, where once only **C** existed, later both **C** and **M** co-exist, together, or --

C goes, in time, to **C & M**: C ---> C + M + ...

Then also, **C** and **M** do not merely coexist, but they *synthesize*, in human action, into a unified, society-wide *process* of the human movement of human products, forming a third category, “**circulation**”:

C -- M -- C' -- M -- C'' -- M -- C''' -- M -- C'''' -- ...

In **F.E.D.** notation, this story can be summarized, in “shorthand” [in terms of what we call a “Triadic” Seldon Function] as --

C ---> C + M + q/MC

-- wherein q/MC “shorthands” that dialectical *synthesis* of **C** and **M** which is “the movement of the **circulation** of Commodities, mediated by Monies”.

As humanity’s productive forces grow further, higher -- in part, under the stimulus of “trade”, of this expanded and accelerated exchange and circulation of Commoditys to those who want/need them, that this mediation by the Money-relation enables -- a second threshold is crossed.

“Reflection” of “the Money/Commodity Circulation Process” upon itself reveals / produces its own inversion --

$C \text{ -- } M \text{ -- } C' \text{ -- } M \text{ -- } C'' \text{ -- } M \text{ -- } C''' \text{ -- } M \text{ -- } C'''' \text{ -- } \dots$

-- becomes, or also soon includes --

$M \text{ -- } C \text{ -- } M' \text{ -- } C' \text{ -- } M'' \text{ -- } C'' \text{ -- } M''' \text{ -- } C''' \text{ -- } M'''' \text{ -- } \dots$

-- and the Capital-relation, **K**, is borne, e.g., at first, in the “antediluvian form” of “merchants’ capital”.

In **F.E.D.** notation, this further story can be summarized, in “shorthand”, as --

$\underline{C} \text{ ---> } \underline{C} + \underline{M} + \underline{q/MC} \text{ ---> } \underline{C} + \underline{M} + \underline{q/MC} + \dots + \underline{K} + \dots$

Each unit of this “new category on the block”, this new *supplementary opposite* to both Commodity and Money, this new kind of exchange-value, this new social relation of production -- namely, “the Capital-relation”, which we “shorthand” here as “**K**”, or as “**K**”, from the German «**Kapital**» [and since “**C**” and “**C**” are “already taken”, by Marx’s and our notation for the “**Commodity-relation”] -- is “a *meta*-Money’ unit, made up out of a multiplicity of [past profit/loss-]Monies units”.**

E.g., a merchant’s capital, or “retained earnings”, come to be made up out of the net proceeds of that merchant’s history of trades, as reflected in that merchant’s “period[ic] income statements”, of the net of that merchant’s negative [net loss] and or positive [net gain] monetary results over time, over many [accounting] periods:

$M' \text{ minus } M = \Delta M'$;

$M'' \text{ minus } M' = \Delta M''$;

$M''' \text{ minus } M'' = \Delta M'''$;

$M'''' \text{ minus } M''' = \Delta M''''$, . . .

“**C of C” becomes $\underline{C} + \underline{M}$, and then, later,**

“ $\underline{q/MC}$ of $\underline{q/MC}$ ” becomes $\underline{q/MC} + \underline{K}$.

The money-mediated circulation of commodities [$\underline{q/MC}$] still persists, but some of it later turns into the circulation of [the total social] Capital, mediated by Money-***Capital*** and Commodity-***Capital***, the new forms that the ancient Money and Commodity relations take on when they have been subsumed by their successor form of exchange-value, namely, by Capital-value.

By the “arithmetical”, “algorithmic” rules of Seldon’s notation, this story of the human, historical dialectic -- of the human-social relations of human-social [re]production, explicitly, and also of the human-social forces of human social [re]production, implicitly -- can be re-told, and remembered, in a four-symbol, powerfully semantically-concentrated cognitive form, for the advancing Marxian-historical epochs, generically denoted by **t** [and using **F.E.D.** color-spectrum **ordinal** characters-coding below] --

C^{3t}:

for epoch **t = 0**, **C^{3⁰} = C**,

for epoch **t = 1**, **C^{3¹} = C + M + q/mc**,

for epoch **t = 2**, **C^{3²} = C + M + q/mc + ... + K + ...**

-- and so on, into the possible epochs beyond the present, beyond the society founded upon the Capital-social-relation-of-production, the crowning -- Capital-value -- form of “the exchange value” [Marx].

This historic example --

C ---> **C + M + q/mc** ---> **C + M + q/mc + ... + K + ...** ---> ...

-- or --

C--C' ---> **C--C' & C--M--C'** ---> **C--C' & C--M--C' & M--C--M'** ---> ...

-- is *the* classical example of Marxian, historical dialectic, and all of the developments by **F.E.D.** are an elaboration, an extension, a generalization, and, ultimately, a “universalization” of this classical example.

In our model, “**E**quitism”, the “Way Forward” out of and beyond that self-destruction of capitalism *which is* descendant-phase capitalism, becomes possible human-social-relations-of-[re]production ontology in the next epoch, that of **t = 3** and of **C^{3³}** --

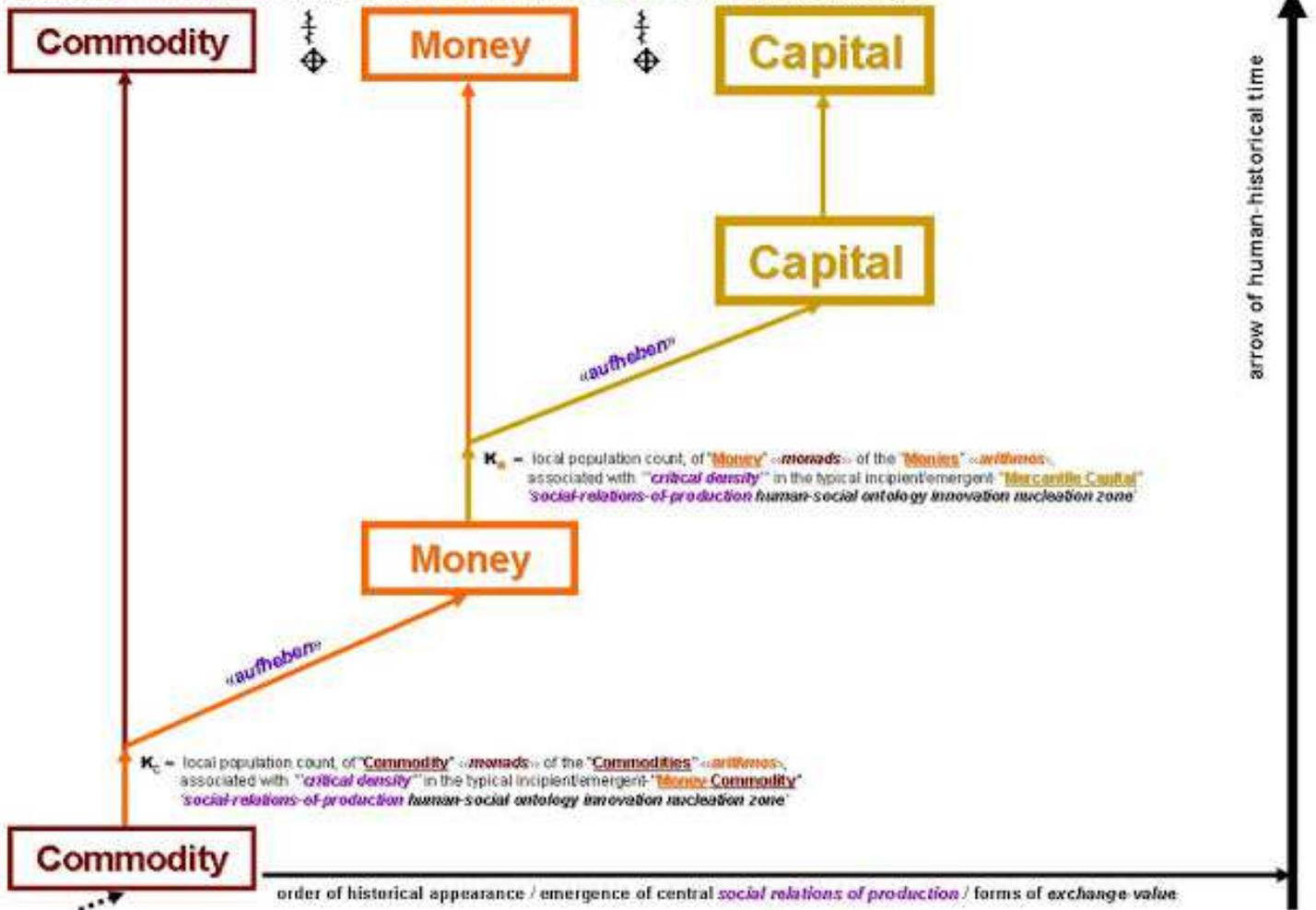
C ---> **C + M + q/mc** ---> **C + M + q/mc + ... + K + ...** --->

C + M + q/mc + ... + K + ... + E + ...

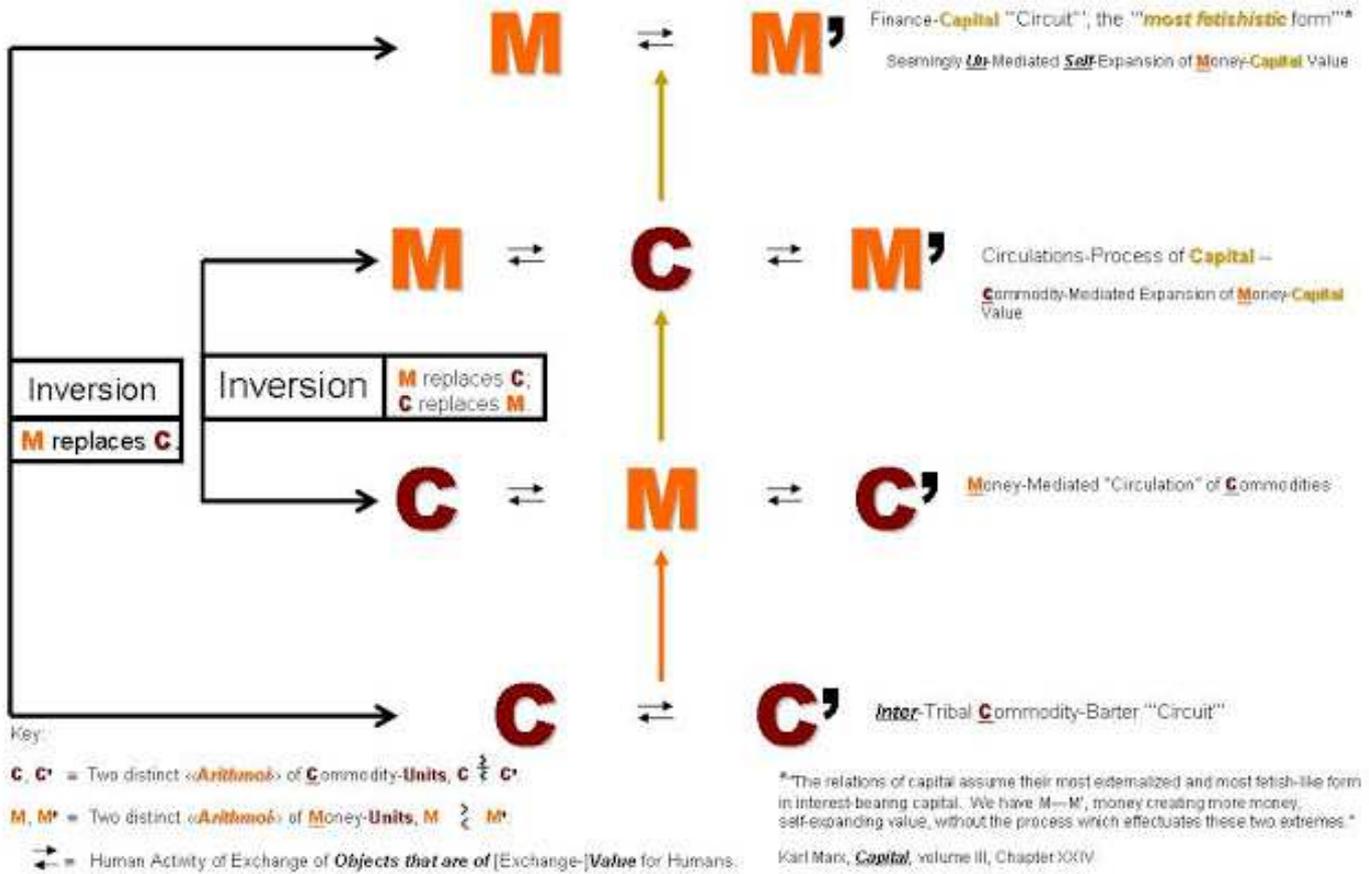
This example, to epoch **t = 2**, can be rendered, in part, pictorially, as below.

“Phylogenetic Tree” of [Exchange-]Value-Forms / Social Relations of Production

historical *cumulum* of exchange-value social relations of production 'socio-ontology':



Exchange-Value Based Human-Social Relations of Production: Progressively-Emergent / 'Meta-Meristemal' Circulation-Forms



Links to definitions of additional *Encyclopedia Dialectica* special terms also involved in the discourse above --

«*arithmos eidetikos*»

<http://point-of-departure.org/Point-Of-Departure/ClarificationsArchive/ArithmosEidetikos/ArithmosEidetikos.htm>

category

<http://point-of-departure.org/Point-Of-Departure/ClarificationsArchive/Categorical/Categorical.htm>

category

<http://point-of-departure.org/Point-Of-Departure/ClarificationsArchive/Category/Category.htm>

‘*consecuum*’

<http://point-of-departure.org/Point-Of-Departure/ClarificationsArchive/Consecuum/Consecuum.htm>

‘*cumulum*’

<http://point-of-departure.org/Point-Of-Departure/ClarificationsArchive/Cumulum/Cumulum.htm>

dialectical categorial progressions

<http://point-of-departure.org/Point-Of-Departure/ClarificationsArchive/CategoricalProgression/CategoricalProgression.htm>

[*the*] ***dialectic of the dialectic itself***

<http://point-of-departure.org/Point-Of-Departure/ClarificationsArchive/Dialectics/Dialectics.htm>

homeomorphic defects of models

<http://point-of-departure.org/Point-Of-Departure/ClarificationsArchive/HomeomorphicDefect/HomeomorphicDefect.htm>

[*The*] ***Human Phenome***

<http://point-of-departure.org/Point-Of-Departure/ClarificationsArchive/PsychoHistory/PsychoHistory.htm>

immanent

<http://point-of-departure.org/Point-Of-Departure/ClarificationsArchive/Immanent/Immanent.htm>

immanent critique

<http://point-of-departure.org/Point-Of-Departure/ClarificationsArchive/ImmanentCritique/ImmanentCritique.htm>

Meta-Systematic Dialectics

<http://point-of-departure.org/Point-Of-Departure/ClarificationsArchive/MetaSystematicDialectics/MetaSystematicDialectics.htm>

«*monad*»

<https://www.point-of-departure.org/Point-Of-Departure/ClarificationsArchive/Monad/Monad.htm>

ontological category

<http://point-of-departure.org/Point-Of-Departure/ClarificationsArchive/CategoryOntological/CategoryOntological.htm>

ontology

<https://www.point-of-departure.org/Point-Of-Departure/ClarificationsArchive/Ontology/Ontology.htm>

Psychohistorical Dialectics

<http://point-of-departure.org/Point-Of-Departure/ClarificationsArchive/PsychohistoricalDialectics/PsychohistoricalDialectics.htm>

psychohistory

<http://point-of-departure.org/Point-Of-Departure/ClarificationsArchive/PsychoHistory/PsychoHistory.htm>

qualo-fractal

<http://point-of-departure.org/Point-Of-Departure/ClarificationsArchive/QualoFractal/QualoFractal.htm>

qualo-Peanic

<http://point-of-departure.org/Point-Of-Departure/ClarificationsArchive/QualoPeanicity/QualoPeanicity.htm>

‘*self-meta-monad-ization*’ or ‘*self-meta-individual-ization*’ or ‘*self-meta-holon-ization*’

<http://point-of-departure.org/Point-Of-Departure/ClarificationsArchive/Meta/Meta.htm>

<http://point-of-departure.org/Point-Of-Departure/ClarificationsArchive/MetaMonadization/MetaMonadization.htm>

“solution procedure”: ***the organonic algebraic method for solving dialectical [meta-]equations***

<http://point-of-departure.org/Point-Of-Departure/ClarificationsArchive/OrganonicAlgebraicMethod/OrganonicAlgebraicMethod.htm>