

Capital as ‘abstraction in action’ and economic rhythms in Marx

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Capital, as self-valorising value, abstraction in action, Hegelian syllogism or self-organisation of economic rhythms oriented to the unique goal of profit production, is based on the reversal of subject and object in capitalist society. The producer is subjugated to their own social relationship that acts as a subject and treats them as its object. The fetishism of social reproduction manifests itself more clearly in structural crises, in which the system persists only through accelerated social regression.

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1. Introduction

In his major contribution to the ‘critique of political economy’, *Capital*, part 1 of volume 2, Marx introduces the notion of capital in its fundamental form, that is, ‘industrial capital’. Industrial capital is, of course, a social relation based, on the one hand, on the exchange of equal values in the framework of the general circulation of commodities, and, on the other, on the exploitation of the working class, which produces more value in the production process than the value of its labour power.

Marx explicitly argues that industrial capital is an opaque and particularly complex class relation. Analysing its ontological status as ‘abstraction in action’, subject (part 2), syllogism or autonomous logic of economic rhythms (part 3), one can better understand economic crises as a manifestation of an economic ‘arrhythmia’, which can be triggered by multiple causes and not only from the fall in the rate of profit.

The fetish character of the commodity, that is, the fact that the product of labour seems to possess the occult power to control its own producer, a very specific form of alienation, is an integral part of the ontology of social relations under capitalism. This is why, in this article, particular emphasis is given to Marx’s theory of fetishism.

2. Capital as subject

Capital, as self-valorizing value, does not just comprise class relations, a definite social character that depends on the existence of labour as wage-labour. It is a movement, a circulatory process

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through different stages, which itself in turn includes three different forms of the circulatory process. Hence it can only be grasped as a movement, and not as a static thing. Those who consider the autonomization [*Verselbstständigung*] of value as a mere abstraction forget that the movement of industrial capital is this abstraction in action. (Marx, 1992, p. 185)

Capital is not just a class relationship like the relationship between freeman and slave or lord and serf. As Marx explains, it is something more because of the ‘autonomisation of value’. This ‘autonomisation’ may only mean that industrial capital is the subject of capitalist production. In more usual terms, capital is the logic (and the objective appearance of the logic) of an economic life that escapes not only from the control of the working class but also from conscious human control more generally.

Even before Marx introduces the class character of the capitalist society or the notion of capital itself, he writes that ‘the labour of private individuals manifests itself as an element of the total labour of society only through the relations which the act of exchange establishes between the products, and, through their mediation, between the producers’. (Marx, 1976, p. 165). In other words, the ‘labour of private individuals’ is only recognised as part of a system in which the individual labour is already alienated, that is, in which the producer already lost control over their labour and its product. This is why the social relations between the producers ‘appear as what they are, i.e., they do not appear as direct social relations between persons in their work, but rather as material [*dinglich*] relations between persons and social relations between things’. (Marx, 1976, p. 166).

This reversal of subject and object, this specific alienation present in a capitalist society, is not only a matter of ‘false consciousness’ (Mandel, 1976). Capital is an ‘autonomous’ social relationship in the sense that it obeys its own inherent criteria, subjugates people to its own purpose and transforms them into its object and is capable of reacting and defending itself. This is why, in the historical self-development of capital, human disasters are treated the same way as ‘inevitable secondary damage’ in a war. Marx’s discussion of ‘false consciousness’ only explains the spontaneous production of ideas in the production and reproduction process of capital that allows the persistence of the system. Capital seems to have ‘will’, the production of surplus value and its expanded reproduction, and ‘soul’ because in its various appearances as ‘object’ or ‘body’, it preserves, as value in process, its identity within itself. Capital preserves itself (through its reproduction) and multiplies itself (it creates surplus value), assimilating or interiorising its environment (the solvent human needs), just like the living organism conceptualised by Hegel (1970, 1989, 1991).

Alex Callinicos argues against this interpretation noting that ‘chaos and complexity theory emerged precisely to study the way in which systems develop spontaneously in nature with the ability to maintain and sometimes to reproduce themselves. [...] Capital as conceptualised by Marx is undoubtedly a complex system in this sense. But the development of self-organised systems in nature is precisely *spontaneous*: no one planned them, and the systems exhibit no ‘will’ or ‘soul’. They are not subjects and neither is capital’. (Callinicos, 2014, p. 218).

The core of Callinicos’s argument is that capital does not exhibit any ‘will’. The planned economy has a ‘will’ that appears in the decisions of the planning authority. In a capitalist economy, there is no such authority. However, the absence of a planning authority does not necessarily mean the absence of a will. Capital is a teleological process, that is, a process that can be understood, in every single moment of its movement, by its ultimate purpose. Every single act in the reproduction process of capital is

governed by the ultimate goal to create profit. And, as we will show, in this teleology, there is a 'will'. The mechanical, chemical or even chaotic processes in nature (such as the weather system for instance), as complex as they might be, are not teleological processes. They do not have any particular purpose, predestination or final goal. They are, as Callinicos suggests, 'spontaneous'.

According to Marx, the simple circulation of commodities (the process of exchange of equal values in which commodity is transformed in money and conversely), when examined apart from capital circulation (the process of valorisation of value), is not a teleological process because it 'is a means to a final goal which lies outside circulation', whereas 'the circulation of money as capital is an end in itself, for the valorisation of value takes place only within this constantly renewed movement' (Marx, 1976, p. 253). Besides, this is why, as we will see, value appears in simple circulation as 'essence', while in capital circulation, it appears as 'subject'.

In Hegel's discussion of a teleological process, he notes:

End is in its own self the urge to realize itself; the determinateness of the moments of the Notion is externality; but their *simplicity* in the unity of the Notion is inadequate to the nature of this unity, and the Notion therefore repels itself from itself. (Hegel, 1989, p. 742)

In Marx, capital is the perpetual passage from money to commodity back to commodity and money. In this perennial change of form, capital becomes what is supposed to be from the beginning: the unity of money and commodity in a process aiming at the production of surplus value:

If we pin down the specific forms of appearance assumed in turn by self-valorizing value in the course of its life, we reach the following elucidation: capital is money, capital is commodities. In truth, however, value is here the subject of a process in which, while constantly assuming the form in turn of money and commodities, it changes its own magnitude, throws off surplus-value from itself considered as original value, and thus valorizes itself independently. For the movement in the course of which it adds surplus-value is its own movement, its valorization is therefore self-valorization. (Marx, 1976, p. 255)

The social capital may exhibit its 'will' in a particular manner, through the behaviours and decisions of all capitalists who act as a personification of capital and who aim for the reproduction of their capital in an expanded scale. Of course, these behaviours and decisions are free only in the framework of economic processes that are governed by the law of value: this law is nothing other than the alienated form of 'will', that is, a 'will' that loses its individual character in a society oriented to the creation of surplus value. In such an alienated society, the only possible way the social 'will' can be manifested is in the law of value and the teleological character of capitalist reproduction. Therefore, as Moishe Postone argues, the social domination in capitalist societies loses its personal character to become an 'abstract and impersonal domination' (Postone, 1996, p. 81).

This 'abstract and impersonal domination' appears also in the exchange process and more precisely in the contradictory social determination of the quantity of value this process involves. The socially necessary labour-time for the production of a commodity reflects the contradictory nature of the commodity itself: the contradiction between value and use-value. This is why, one can find not one but two definitions of the socially necessary labour-time in the first chapter of volume I of *Capital*:

What exclusively determines the magnitude of the value of any article is therefore the amount of labour socially necessary, or the labour-time socially necessary for its production. [...]

The value of a commodity would therefore remain constant, if the labour-time required for its production also remained constant. But the latter changes with every variation in the productivity of labour. This is determined by a wide range of circumstances; it is determined amongst other things by the workers' average degree of skill, the level of development of science and its technological application, the social organization of the process of production, the extent and effectiveness of the means of production, and the conditions found in the natural environment. (Marx, 1976, p. 130)

However, at a later point, one can find a second definition of the socially necessary labour-time:

He who satisfies his one need with the product of his own labour admittedly creates use-values, but not commodities. In order to produce the latter, he must not only produce use-values, but use-values for others, social use-values. [...] Finally, nothing can be value, without being an object of commodity. If the thing is useless, so is the labour contained in it; the labour does not count as labour, and therefore creates no value. (Marx, 1976, p. 131)

This second definition, which considers the use-value, both complements and contradicts the first definition. The first definition refers to the time of abstract labour (which is the labour considered as simple consumption of identical human working power regardless of the specific characteristics and specialisation of labour), under normal conditions, required for the production of a commodity. The second definition refers to the working time that the society recognises as useful subsequent to the production. The first definition is mainly related to the technological level of development and the skills of the labour force, while the second is mainly related to the distribution of income in society, because some use-values, not only the means of production, can be sold only to a specific social class or earnings group. The first definition refers to the productivity of labour, while the second refers to the balance of power between the social classes.

This contradiction in the determination of the magnitude of value is not an error of thought but a social contradiction. If the capitalist economy is near equilibrium, this economic equilibrium is always re-established through the constant change in the division of labour across the productive sectors of the economy. Value cannot be understood as a simple quantity, but as the relation between the two definitions of the socially necessary labour-time, or as a Hegelian 'essence':

In Essence no passing-over takes place anymore; instead, there is only relation. In Being, the relational form is only [due to] our reflection; in Essence, by contrast, the relation belongs to it as its own determination. When something becomes other (in the sphere of Being) the something has thereby vanished. Not so in Essence: here we do not have a genuine other, but only diversity, relation between the One and *its* other. Thus, in Essence passing-over is at the same time not passing-over. For in the passing of what is diverse into another diversity, the first one does not vanish; instead, both remain within this relation. [...]

Being or immediacy which, through self-negation, is mediation *with itself* and relation to itself [...], this being or immediacy is *Essence*. (Hegel, 1991, p.173)

To paraphrase Hegel's last sentence, the socially necessary labour-time for the production of a commodity or the immediacy, which through self-negation (in money as the ultimate recognition of the useful expense of labour-time) is meditation with itself and relation to itself, this economic being or immediacy is *Value*.

In the *Grundrisse*, Marx himself formulates the same idea, distinguishing between 'market value' (value recognised through money) and 'real value' (value as an amount of abstract labour):

Market value equates itself with real value by means of its constant oscillations, never by means of an equation with real value as if the latter were a third party, but rather by means of constant non-equation of itself (as Hegel would put it, not by way of abstract identity, but by constant negation of the negation, i.e., of itself as negation of real value). (Marx, 1973, p. 237)

This is why Marx, in his polemic against Proudhon and all those who thought they could avoid capitalist crises by introducing 'hourly labour vouchers' (Marx, 1973, pp. 115–238), treats the latter with disdain. Labour vouchers can only express an 'abstract identity' ($A = A$), which eliminates any possible internal 'tension' in the notion of value. However, this 'tension' is essential to the notion of value. Value, in order to reduce its internal 'tension', manifests itself as the principle that constantly regulates the allocation of resources and the division of labour in the capitalist economy.

In more common terms, value can be considered as the language of the commodities in the exchange process. This language presents some analogies to the Platonic dialogue. Socrates, as the embodiment of reason, criticising his interlocutors, recognises the valid component and rejects the invalid component of their views. In this manner, he regulates the evolution of reason. In the exchange process, the general equivalent or the universal commodity (money) recognises more or less the abstract work materialised, in particular, commodities, and, through its 'critique', regulates the social division of labour, or the social production of commodities. Therefore, value is better understood as the language of commodities, or as a foreign language for the producers (Marx, 1973, p. 162), than a simple magnitude of abstract labour (Tombazos, 2014).

Through the concept of fetishism, Marx elucidates the spontaneous mechanisms of production of ideology or false consciousness in the capitalist exchange and production process. But the mysticism (i.e., the social beliefs that attribute metaphysical properties to commodities, money and capital) created by the system (Guterman and Lefebvre, 1999) is the only 'spiritual' environment in which the reversal of subject and object can survive. This production of false representations is part of social reality, just like value and surplus value are, and not something in addition to the latter. This is why the overcoming of false consciousness and religion is very explicitly in Marx partly a matter of enlightenment but mainly a matter of social transformation:

The religious reflections of the real world can, in any case, vanish only when the practical relations of everyday life between man and man, and man and nature, generally present themselves to him in a transparent and rational form. The veil is not removed from the countenance of the social life-process, i.e., the process of material production, until it becomes production by freely associated men, and stands under their conscious and planned control. (Marx, 1976, p. 173)

Through the concept of fetishism, Marx not only reveals the mechanisms of production of false consciousness. He also rehabilitates the importance of mysticism in the understanding of capitalist social being: the mysticism is the only 'spiritual environment', in which value becomes the ultimate principle of social and economic organisation. This is why the concept of fetishism is essential in Marx's theory of value and capital. It cannot be separated from the most indispensable determinations of value.

The relation between fetishism and value was also developed in other of Marx's works, especially in the *Grundrisse*. But it is in *Capital* that this relation is presented in the clearest and most consistent way:

The value character of the products of labour becomes firmly established only when they act as magnitudes of value. These magnitudes vary continually, independently of the will, foreknowledge and actions of the exchangers. Their own movement within society has for them the form

of a movement made by things, and these things, far from being under their control, in fact control them. The production of commodities must be fully developed before the scientific conviction emerges, from experience itself, that all the different kinds of private labour (which are carried on independently of each other, and yet, as spontaneously developed branches of the social division of labour, are in a situation of all-round dependence on each other) are continually being reduced to the quantitative proportions in which society requires them. The reason for this reduction is that in the midst of the accidental and ever-fluctuating exchange relations between the products, the labour-time socially necessary to produce them asserts itself as a regulative law of nature. (Marx, 1976, pp. 167–68)

If economic life evolves ‘independently of the will [...] of the exchangers’, as Marx notes, the only way to understand such an economic life is by the notion of ‘alienated reason’ or ‘alienated will’, that is, a ‘will’ that not only escapes from the conscious human control but also, as a new subject, treats the human being as its object (Lukács, 1971). This is why the goal of creating surplus value is not abandoned even when it leads to social regression.

This way of thinking may appear more ‘philosophical’ than ‘economic’, but it does not in fact mystify economic life in the way that some economists who Marx explicitly criticises do:

The law of capitalist accumulation, mystified by the economists into a supposed law of nature, in fact expresses the situation that the very nature of accumulation excludes every diminution in the degree of exploitation of labour and every rise in the price of labour, which could seriously imperil the continual reproduction, on an ever larger scale, of the capital-relation. It cannot be otherwise in a mode of production in which the worker exists to satisfy the need of the existing values for valorization, as opposed to the inverse situation, in which objective wealth is there to satisfy the worker’s own need for development. Just as man is governed, in religion, by the products of his own brain, so, in capitalist production, he is governed by the products of his own hand. (Marx, 1976, pp. 771–2)

The hieroglyphs of commodity and value are not a kind of Hegelian ‘jargon’ used by Marx, but the reality in a society (Lefebvre, 1958, 1961, 1981) in which the product of labour governs its own producer and treats this producer as its object.

Marx uses systematic dialectics to penetrate the opaque reality of capitalist social relationships. However, in contrast to Hegel, his intellectual effort privileges the everyday human sweat and pain more than the intellect as such. As we will see, this different perspective, which brings about the most impressive advancement in critical political economy, subjects Hegel to a profound change.

3. The syllogistic nature of capital and economic rhythms

‘Self-valorising value’, ‘abstraction in action’ or ‘capital as subject’ are alternative ways to articulate that the sense of economic life under capitalism appears as a logical unity. In the first four chapters of the second volume of *Capital*, capital as a ‘unity of sense’ is presented in a condensed manner (and for this reason in an abstract manner, which has to be concretised in order to approach the complexity of reality).

In these chapters, Marx analyses the movement of ‘self-valorising value’, which can be presented in three interdependent processes or circuits. These are the circuits of money, productive and commodity capital. They are discussed in sequence below:

3.1 Circuit of money capital: $M-C\dots P\dots C'-M'$

Money (M) is transformed into productive capital (P), through the purchase of commodities (material means of production and labour power). The production

process, which is also the consumption process of productive capital, produces new commodities of higher value (C') than those purchased (C), as they include surplus value. When sold, they are converted into money (M') of equal value. Hence, M' minus M = Surplus Value. In order to simplify his presentation, Marx initially considers that each stage of the circuit ($M-C$, P and $C'-M'$) is completed before the next one starts, whereas in reality, the three stages run simultaneously.

Marx understands that this circuit illustrates the capacity of capital to multiply itself through the production process and the exploitation of labour power that it involves. Because the quantitative difference between the original M and the final M' is equal to the total surplus value produced, or the total ‘industrial profit’, this circuit illustrates the rhythm of valorisation of value.

3.2 Circuit of productive capital: $P...C^{\prime}-M^{\prime}-C^{\prime\prime}...P^{\prime\prime}$

The means of production (including labour power) are transformed into commodities of greater value than the value of productive capital because these commodities include surplus value. A share of this surplus value, however, necessarily escapes from the circuit because it is consumed privately by the capitalist. In the case of a simple reproduction of capital, the money (M) that will buy the necessary commodities (C) for the new production (the final P) has the same value as the original value of productive capital, since the industrialist consumes privately the surplus value in its entirety. In what follows, to indicate the capitalised surplus value in expanded reproduction, apostrophes for the purchased commodity ($C^{\prime\prime}$) and for the new productive capital ($P^{\prime\prime}$) are used. These apostrophes are put in brackets to illustrate two things: first, that they only apply in the case of expanded reproduction, and, second, that the surplus value to which they refer is only a share of the total surplus value produced ($C' > C^{\prime\prime}$). In other words, $P^{\prime\prime}$ minus P = Surplus Value minus Share of Surplus Value privately consumed by the capitalist.

Therefore, this circuit does not illustrate the rhythm of valorisation of value but the rhythm of accumulation of value, that is, the rate of growth of productive capital.

3.3 Circuit of commodity capital: $C^{\prime}-M^{\prime}-C^{\prime\prime}...P^{\prime\prime}...C^{\prime\prime}$

In this circuit, the process begins with the social recognition of the value contained in the commodity (C'). For this reason, Marx argues that this circuit pertains to the rhythm of realisation of value. In the case of the simple reproduction of capital, the apostrophes in brackets are not used for the same reasons mentioned above. In the case of expanded reproduction, the apostrophe in brackets assigned to the final commodity ($C^{\prime\prime}$) indicates that its value, which contains the new surplus value produced, is greater than the value of the original commodity (C').

The manuscript of the second volume of *Capital* contains an important footnote, which is not published in the German edition edited by Friedrich Engels. It is published in only one of the French editions of *Capital*, based on Maximilien Rubel’s translation of the German manuscript and edited by himself:

In a review of the first volume of *Capital*, M. Duhring remarks that in my zealous devotion to the schema of Hegelian logic, I discover even in the form of circulation the Hegelian figures of syllogism. My relations with Hegel are very simple. I am a follower of Hegel, and the presumptuous and idle chatter of the epigones who think they have buried this eminent thinker seems to me entirely ridiculous. However, I have taken the freedom to adopt towards my master a critical attitude, to free his dialectic from its mysticism and to subject it thus to a profound change. (Marx, 1968, p. 528)

Why would Marx, while analysing the three circuits of industrial capital, reflect on the Hegelian figures of syllogism? For a very simple reason: he rediscovers them in the context of the capitalist processes.

In Hegel, the syllogism (which is quite different from the Aristotelian syllogism) is always a system of relations between the Singular (S), the Particular (P) and the Universal (U). For example, he describes the ‘State’ in the ‘practical sphere’ (i.e., in the economy) as a triad of syllogisms in which the moments are the State (U), the Civil Society (P) and the Person (S), appearing in a different order in each syllogism:

In the practical sphere, for instance, the State is a system of three syllogisms [...]. (1) The *singular* (the person) con-cludes himself through his *particularity* (the physical and spiritual needs, which when further developed on their own account give rise to civil society) with the *universal* (society, right, law, government). (2) The will or the activity of the individuals is the mediating [term] that gives satisfaction to their needs in the context of society, right, etc., and provides fulfilment and actualisation to society, right, etc. (3) But it is the universal (State, government, right) that is the substantial middle term within which the individuals and their satisfaction have and preserve their full reality, mediation, and subsistence. Precisely because the mediation concludes each of these determinations with the other extreme, each of them con-cludes itself with itself in this way or produces itself; and this production is its self-preservation. It is only through the nature of this con-cluding, or through this triad of syllogisms with the same terms, that a whole is truly understood in its organisation. (Hegel, 1991, pp. 276–77)

In this passage, the general idea is simple. The ‘person’ (or the producer), the particular needs of the individuals that create the ‘civil society’ (or the economy), and the ‘State’ are not static or autonomous realities (‘determinations’), which can be understood independently from each other. Each of them produces itself through its dynamic relation to the other two, and this is how they can preserve themselves as different moments of a unity. They preserve their difference (or relative autonomy) and their unity in a relation in which ‘difference’ and ‘unity’ (or identity) are not only ‘opposites’ but also a dialectical ‘couple’, just as the commodities that can be reproduced as social form only if they are different (as use-values) and identical (as values).

The figures of these triads of syllogisms are:

- a. S and U mediated by P or S-P-U
- b. U and P mediated by S or U-S-P
- c. P and S mediated by U or P-U-S

This is the dialectical relation that Marx attempts to establish analysing the three circuits of capital in the fourth chapter of the second volume of *Capital*:

The total process presents itself as the unity of the process of production and the process of circulation; the production process is the mediator of the circulation process, and vice versa. (Marx, 1992, p.180)

As Marx explains, just as in the triad of syllogisms in Hegel, every functional form of capital is necessarily a starting-moment, a transitional moment and an end-moment in the process:

If we take all three forms together, then all the premises of the process appear as its result, as premises produced by the process itself. Each moment appears as a point of departure, of transit, and of return. (Marx, 1992, p.180)

Marx’s formal presentation does not clearly show the syllogistic nature of capital. However, it is not difficult to transform the descriptive circuits with five terms in the

functional circuits of capital with three terms, in which appears very clearly the syllogistic structure of capital (Tombazos, 2014).

Marx’s formula for the circuit of money capital is $M-C\dots P\dots C'-M'$. However, the first C does not function as commodity in this circuit, because it will not be sold in its present form. C simply indicates the function of the original M, which buys the means of production from another capitalist and from the working class. This commodity (C) is ‘passive’ in our circuit and can be deleted. M' can also be deleted because it simply indicates the function of C' converting itself into money. Of course, a part of M' (but not the entire M') will function again as capital, not in this specific circuit but in the following circuit of money capital. For the same reasons, one can eliminate the last term in the other two circuits of capital as well as the commodity that does not function as such in each of them.

Applying this logic, the functional circuits corresponding to the three descriptive circuits and Hegel’s syllogisms are summarised below (Table 1):

We now have a perfect correspondence between Marx’s circuits and Hegel’s syllogisms: The money as general equivalent is the Universal, the commodity is the Particular (because of its particularity as use-value) and the productive unity is the Singular.

In this light, capitalist reproduction appears as a continuous sequence of the three functional forms of capital that coexist at each moment as a result of the total circuit of its transformations. This is exactly how Marx describes, in words and not in symbols, the total movement of capital:

The total circuit presents itself for each functional form of capital as its own specific circuit, and indeed each of these circuits conditions the continuity of the overall process; the circular course of one functional form determines that of the others. [...] Different fractions of the capital successively pass through the different stages and functional forms. Each functional form thus passes through its circuit simultaneously with the others, though it is always a different part of the capital that presents itself in it. A part of the capital exists as commodity capital that is being transformed into money, but this is an ever-changing part, and is constantly being reproduced; another part exists as money capital that is being transformed into productive capital; a third part as productive capital being transformed into commodity capital. The constant presence of all three forms is mediated by the circuit of the total capital through precisely these three phases. (Marx, 1992, p. 184)

These three syllogisms also describe the three fundamental processes of a ‘living organism’ as presented by Hegel’s various contributions. For example, in the three subdivisions of the chapter devoted to ‘the animal organism’ (‘Shape’, ‘Assimilation’ and the ‘Genus-process’) in the *Philosophy of Nature*, and in the chapter entitled ‘Life’, in which the logic of the living organism is also organised around three processes (‘living individual’, ‘the life process’ and ‘the genus’), in the *Science of Logic*.

Table 1. *The circuits of capital and Hegel’s syllogisms*

	Descriptive circuits	Functional circuits	Syllogisms
1	$M-C\dots P\dots C'-M'$	$M\dots P\dots C'$	U-S-P
2	$P\dots C'-M'-C^{(o)}\dots P^{(o)}$	$P\dots C'-M^{(o)}$	S-P-U
3	$C'-M'-C^{(o)}\dots P^{(o)}\dots C^{(o)}$	$C'-M^{(o)}\dots P^{(o)}$	P-U-S

Note: Because here the emphasis is in the function of money as capital, given that a part of surplus value escapes from the circuit to be used as simple money for the private consumption, we transcribe M' in $M^{(o)}$.

In Hegel, the living organism is the notion that has reached the stage of existence (Marcuse, 1987). Everything that is alive is a subject/object or the unity of subjectivity and objectivity. The universality of thought (soul) and the particularity of things (body) form a dynamic unity in movement. The living organism ‘idealises’ the diversity of its ‘objective being’, in which it is omnipresent as soul, as universality, and for which the juxtaposition of matter is devoid of truth. Thus, the living being in its divisibility and external or phenomenal diversity remains one and indivisible: It is ‘the simple oneness (*das einfache Einssein*) of the concrete Notion with itself’. (Hegel, 1989, p. 763).

This ‘idealisation’ has a temporal and a spatial dimension: The living being ‘remains in itself’ and ‘maintains itself’ although it continually changes. But to this, temporal ‘idealisation’ should be added a spatial ‘idealisation’, since the members of the organism are not its parts but they are what they are only in the organic unity. They are, therefore, constantly ‘summed up’ in this unity:

The living being is the syllogism whose very moments are inwardly systems and syllogisms [...]. But they are active syllogisms, or processes; and within the subjective unity of the living being they are only *One* process. Thus, the living being is the process of its own concluding with itself, which runs through *three processes*. (Hegel, 1991, p. 292)

In fact, ‘abstraction in action’, ‘autonomisation of value’, ‘subject’ or notion that has reached the stage of existence represent at the logical level purely terminological variations. It is not at all by chance that, in Marx, one finds three figures of the cyclical process of capital forming a unity, a single movement and a single total process.

The development of these three processes in Hegel aims to show the ability of the living organism to reproduce itself: more precisely, to maintain itself as an individual, to assimilate the external environment (in the process of nutrition for instance) and to reproduce itself as genus (its ability to procreate).

Marx shows that capital also has these same three abilities. It maintains itself as an individual entity or productive unity (the circuit of productive capital). It assimilates the external environment, that is, the social needs of the consumers, which can be expressed in money (the circuit of commodity). It multiplies itself by producing surplus value (the circuit of money capital), although the production of surplus value is more alike a ‘theological’ than a biological birth: As Marx argues, capital ‘differentiates itself as original value from itself as surplus-value, just as God the Father differentiates himself from himself as God the Son, although both are of the same age and form, in fact one single person’. (Marx, 1976, p. 256).

The industrial capital, this triad of syllogisms, is an economic notion and, therefore, takes the form of a logical organisation of three fundamental rhythms: the rhythms of valorisation, accumulation and realisation of value. These rhythms are, of course, interdependent. Regular economic growth presupposes that they behave in relative concordance with each other. If the rhythm of valorisation is too fast (i.e., the annual profit rate is too high) in comparison to the rhythm of realisation of value, such as in the 1929 crisis (i.e., the surplus value produced is not converted into money at the expected speed), the rhythm of valorisation slows down decelerating also the rhythm of accumulation. In this case, the fall in the rate of profit is the result and not the cause of the crisis (Duménil and Lévy, 2011). The crisis of the 1970, by contrast, results from the fall in the rate of profit (Mandel, 1982, 1995).

If, therefore, capitalist growth is based on a concordance of rhythms, the economic crisis is nothing other than the manifestation of an economic discordance of rhythms or

an economic ‘arrhythmia’. This ‘arrhythmia’ results from a temporary ‘autonomisation’ (*Verselbständigung*) of one fundamental economic rhythm in relation to the other two.

As Marx argues, the industrial capital is a continuous process in which its functional forms manifest themselves as ‘fluid forms, and their simultaneity is mediated by their succession’. (Marx, 1992, p. 184). In other words, we must read the three circuits of each individual capital, and certainly of social capital, not only horizontally (as a metamorphosis of each functional form) but also vertically (as the simultaneous coexistence of each functional form). The succession of the functional forms results in their simultaneous coexistence. In times of crisis, the incompatibility of the three rhythms of capital, their ‘arrhythmia’, manifests itself as a disproportionality between the three functional forms of capital that coexist simultaneously.

Every capitalist crisis is the manifestation of a discordance of rhythms, in which the causal relationship can be different: The deceleration of the valorisation’s rhythm of capital, or the fall in the rate of profit, can cause a deceleration of the accumulation’s rhythm of capital and economic growth. In this case, the rate of profit explains the crisis. However, it is also possible that the fall in the rhythm of accumulation and the rhythm of valorisation is caused by a structural deceleration of the rhythm of realisation of value. In this sense, Marx’s explanation of the crisis is not mono-causal.

In the process of reproduction of social capital, some quantitative relations between its three functional forms that co-exist simultaneously must be respected. In the last part of the second volume, in very general terms, Marx attempts to determine these quantitative relations or necessary proportions between these functional forms (money capital, productive capital and commodity capital). Thus, a general idea of the schemas of reproduction of industrial capital is formulated. The circuit best suited to the development of such reproductive schemas is the circuit of commodity capital or the circuit of the realisation of value: $C^{\circ}-M^{\circ}-C^{\circ} \dots P^{\circ} \dots C^{\circ}$.

The basic idea is this: a schema of the reproduction of capital can perpetuate itself only if the supply of commodity values of the various productive departments is compatible with a distribution of social incomes that, more or less, ensures the realisation of the commodity values. This means that the distribution of money in the form of income, the distribution of productive activities and, hence, the distribution of particular commodities in a regime of accumulation are interdependent. Let us offer a simple example: if the value of commodities for working-class consumption cannot be socially realised because the social distribution of income does not allow their purchase at their value, the rhythm of realisation of value decelerates. In this case, the three rhythms of capital are not compatible with each other. An economic crisis is nothing other than this ‘incompatibility’ or ‘arrhythmia’.

Some Marxist authors attempt to analyse the so-called financial crisis of 2007–08 and the subsequent recession as a result of the ‘tendency of the rate of profit to fall’ (Brenner, 2016; Chesnais, 2016 and others; Roberts, 2016). By contrast, other Marxist authors (Husson, 2008, 2010; Duménil and Lévy, 2011, 2016; Lapavistas, 2013; Tombazos, 2019) attribute the crisis to different causes. Without elaborating on this discussion, it is important to point out that Marx explores the possibility of a crisis not only due to the fall of the rate of profit but also due to circumstances in which a large part of industrial profit is not invested productively. In this case, such profit is instead used, through credit, to accelerate the process of the realisation of value beyond its sustainable limits:

Taking all other circumstances as equal, the amount of profit destined for transformation back into capital will depend on the amount of profit made [...]. But if this new accumulation comes up against difficulties of application, [...] i.e., if branches of production are saturated and loan capital is over-supplied, this plethora of loanable money capital proves nothing more than the barriers of *capitalist* production. The resulting credit swindling demonstrates that there is no positive obstacle to the use of this excess capital. But there is an obstacle set up by its own laws of valorization, by the barriers within which capital can valorize itself as capital. (Marx, 1991, p. 639)

And of course, this over-supplied money capital ‘develops the need to pursue the production process beyond its capitalist barriers: too much trade, too much production, too much credit’. (Marx, 1991, p. 640).

4. Conclusions

Marx, presenting self-valorising value as subject, syllogism or living organism, makes an extended use of Hegel’s logic of Notion. This use is clear in Marx’s ‘laboratory’ (Bellofiore *et al.*, 2013), especially in *Grundrisse*, where even the language that Marx chooses to use has a Hegelian echo. Some of the ideas that one finds in the *Grundrisse* reappear, in a more refined and detailed manner, in *Capital*: this is the case for capital and this abstraction (thinking), which is also reality (*Abstraktion in actu*).

The notion in Hegel is the overcoming (*Aufheben*) of the duality between ‘essence’ and ‘appearance’ (phenomenon), between thinking and reality in a superior (‘posited’ as Hegel would say) unity. This is why the living organism is in Hegel the notion that reached the stage of existence, or what he calls the ‘immediate idea’.

Of course, Marx also uses the logic of essence, but in *Capital*, insofar the simple circulation of commodities is integrated into the circuits of capital, this logic is under the ‘shadow’ of the notion. There are good reasons for this. It is essential for labour-value to appear in the form of price, for the value of working power in the form of wage and for surplus value in the form of profit. Value ‘disguises’ itself in price, but this ‘disguise’ is also essential to value because it creates the opaque reality of economic life, the only reality in which value can persist. Value never shows its face without its mask. In other words, the phenomenal world is, in the end, the appearance of the essence in itself: essence appears and appearance (*Erscheinung*) is essentialised. If this is the case, the ‘duality’ of essence and phenomenon accomplishes its purpose. Therefore, it vanishes (*geht zu Grunde*) in a posited unity, which is the notion.

In Marx, capital is the unity of economic life. It is rationality and reality forming a posited unity. It is the subject that organises and reproduces itself as a thinking and material social being. Capital in its fundamental form is not a notion but *the* notion of economic life. This is why, where industrial capital exists, there is no other relevant notion (commercial capital, interest-bearing capital, average profit and price of production, wage labour and classes struggle, etc.) outside or independent from it. Even notions that historically precede the emergence of industrial capital, such as commercial capital, acquire a new meaning when examined in relation to capital in its fundamental form (commercial profit, e.g., is part of the industrial profit in Marx). At a certain moment in the movement from abstract to concrete, every relevant notion other than industrial capital finds its place in, or in relation to, the three circuits of the latter.

The concrete reality of social life under capitalism evolves and changes. The technologies, the balance of power between social classes, the modes of regulation and the

schemas of accumulation, change. However, capital, as any subject, remains in itself and for itself in this movement. In other words, as explained by Marx, capital, by reproducing itself, produces the global reality (globalisation of economy, global system of hegemony and domination, global exchange of ideas, etc.) and allows us to conceive the movement itself, as well as the immobility of this movement.

Capital, obeying only in its inherent criteria, treats not only the worker but also the capitalist as its objects (the worker as a 'cog' in its machinery and the capitalist as its 'artificial' or 'mechanical' intelligence). At times of crises, this subjugation of the human being to its own social relationships (unemployment, extreme poverty in reach countries, overproduction and destruction of commodities, bankruptcies of corporations, indifference for environmental issues, etc.) manifests itself more clearly. The theory of fetishism allows us to understand this reversal of subject and object as well as the fact that the same workers who live their life as something alien to them in the capitalistic processes may celebrate the commodity in its different temples. This why fetishism is the ontological essence of capitalist society.

As it concerns the Hegelian idea of liberty in modern times (Fleischmann, 1992), Marx's application of Hegelian categories in the field of economic life truly turns Hegel upside-down. The capitalist society is certainly not the historic stage in which the 'will or the activity of the individuals is the mediating [term] that gives satisfaction to their needs in the context of society, right, etc., and provides fulfilment and actualisation to society, right, etc'. We are definitely far away from the state of liberty, in which individuals obey deliberately their rational nature that their social and political institutions reflect.

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