

First Marxist Political Economy Training Workshop (2012)

IIPPE's first Marxist Political Economy Training Workshop took place on 25 and 26 June 2012 at the School of Oriental and African Studies, University of London, with financial support from the Barry Amiel and Norman Melburn Trust. The event was a major success, drawing in 41 participants over the two days. Participants included masters' students, doctoral students, young academics and activists, mostly drawn from within and beyond the London area (including Aberdeen, York, Lincoln and Bath), although a handful of participants came from overseas (Mozambique, Netherlands, Italy, Turkey).

The workshop was organised over four three-hour sessions (two each day), detailed in the programme below. Each session was presented by a different speaker, drawn from a different academic institution. Powerpoint was used as a visual aid for the presentations and the slides were circulated to all participants after the event. In addition, presenters were asked to provide a small list of key references defining the debate pertaining to the topic they had presented.

Audience response showed that there was a real demand for something like the Workshop. The enthusiasm of participants also showed that the level and balance of the Programme was about right, and their responses to a short questionnaire have encouraged us in our aim of continuing the Workshops project through 2013.

We hope to offer two IIPPE Training Workshops in 2013, one of which will be held in London (March 2013) and the other as a precursor to the IIPPE Annual Conference in The Hague (July 2013). We hope to find new sources of funding to support these activities.

Simon Mohun and Elisa Van Waeyenberge



Barry Amiel &
Norman Melburn trust

Marxist Political Economy Training Workshop

SOAS, Vernon Square Campus, Room V121

25-26 June 2012

Monday 25 June

09:30-09:55 Registration

10:00-13:00 Session 1: Value and capital as the basis of the contemporary world financial and economic crisis (Andy Brown)

Part 1: First steps in explaining the crisis: method, value and money

Methodological difficulties in explaining the crisis

Myriad well-known causes of the crisis from sub-prime to collapse of Bretton Woods

But how to comprehend these as aspects of the system as a whole?

Materialist dialectics as a helpful method for comprehending the system as a whole

'Method of enquiry': from concrete (e.g. profit) to abstract (commodity-value)

Importance of value theory in explaining the crisis ('cell-form')

'Method of presentation': from abstract (commodity-value) to concrete (money, capital and beyond)

This development from abstract to concrete is what we see in Marx's 'Capital'.

Provides orientation for detailed concrete investigation of the crisis (not an explanation in itself)

'Deepening' of the materialist interpretation of value theory

First steps from abstract to concrete: the development from value to money

Commodity

Use value / Exchange value

Value as abstract labour 'congealed' in commodity

Two-fold character of labour in commodity

Commodity as form of value

Derivation of 'dazzling' Money-form

Commodity fetishism

Part 2: The process of exchange and the development from money to capital

The process of exchange: how value and money actually emerge

Appearance of capital form: from C-M-C to M-C-M'

Contradictions in capital form

Labour power as overcoming the contradictions

Value of labour power

Capitalistic exploitation as explanation of surplus value

Conclusion: Abstract theory an orientation for detailed concrete investigation of the crisis (not an explanation in itself)

14:00-17:00 Session 2: Capital and surplus-value; accumulation and crisis (Simon Mohun)

Recapitulation of labour theory of value

Exchange and production

Circuit of capital

Brief digression on productive and unproductive labour

Value of labour-power

The labour process and the valorization process

Capital; constant capital, variable capital, surplus value, rate of surplus value

How capital creates surplus value:

Length of working day; production of absolute surplus value

Drive for productivity increases; division of labour; production of relative surplus value

How surplus value creates capital

Simple and extended reproduction

General law of capitalist accumulation

Accumulation and crisis

Competition and many competing capitals

Law of the tendency of the rate of profit to fall and counteracting tendencies

Outline

Interpretation

Typologies of crisis and current conjuncture

Tuesday 26 June

10:00-13:00 Session 3: Money, credit and finance (Photis Lysandrou)

Part 1: Marx on Money, Credit, Finance and Crises

Simple Commodity System

Money as measure of value and medium of circulation. The abstract possibility of crisis.

The introduction of credit. Money as means of payment and store of value. The possibility of disruption to credit linked commodity chains.

Capitalist commodity system.

Labour power as a commodity. Exploitation and surplus. The contradiction between surplus appropriation and surplus realisation.

Capitalist crises. Structural causes: disproportionality; underconsumption; profit squeeze; overaccumulation.

The Business Cycle and Monetary Crises: banking and interest-bearing capital; speculation; capital markets; fictitious capital.

Part 2: The Global Financial Crisis.

Outline of events. The CDO market and its collapse. The inter-bank and money market crisis. The banking crisis. Global economic crisis.

The difficulty in applying the orthodox Marxist theory of crisis as an analytical framework for understanding the subprime crisis. Consequent marginalisation of Marxist exploitation-based theory of crisis amongst heterodox economists.

Part 3: An Alternative Marxian Explanation of the Subprime Crisis

Two critical, historically-conditioned limitations in the orthodox Marxist theory:

Narrow conception of the commodity principle;

Narrow conception of exploitation.

The globalisation of the commodity principle. The stretching and deepening of this principle to the point of establishment of a global commodity system. Financialisation as the domination of financial commodities over material commodities.

The globalisation of the exploitation relation. Two consequences of growing global income and wealth inequality:

The increasing reliance on credit by those at the poor end of the inequality spectrum;

The increasing demand for financial securities as wealth storage containers by those at the rich end of the spectrum.

The new transmission mechanism of crisis.

14:00-17:00 Session 4: Development, dependency, imperialism and globalization (Ben Fine)

Why and how should we periodise capitalism? How do we move from abstract to concrete and historical analysis? How do we avoid reductionism and determinism? How do we account for diversity of levels of development? How do we relate the economic to the non-economic. Do we periodise by world economy or by mode of production?

What is the nature of contemporary capitalism? - Take 1

Laissez-faire, monopoly and state monopoly capitalism

Theories of imperialism - Lenin, Luxemburg, Dependency and Unequal Exchange

Regulation and Social Structures of Accumulation - from Fordism through post-Fordism to ...

Globalisation

Financialisation

Neoliberalism

World Bank, IMF and development

What is the nature of contemporary capitalism? - Take 2



Feedback from participants

The university teacher: “Offering training sessions such as this one is a very good move by IIPPE. While all presenters were very insightful I especially enjoyed Photis Lysandrou’s enquiry into the financial crisis. It showed how revealing Marxian inspired analysis can be in tracing and explaining complex structures, processes and tensions in capitalist systems. All presentations clearly demonstrated that Marxian economic analysis is always also political, social and cultural analysis and critique. And that is a key analytical strength and impetus for the years ahead.”

The PhD student: “The workshop was quite effective in its ‘training’ intent: it provided an overview of Marxist political economy starting from its basic constituents, making reference to key chapters of Marx’s *Capital*. This was quite useful for participants who (like me) are familiar with applied Marxist political economy but lack a solid theoretical basis. The combination of speakers with different interpretations of Marx’s work was also effective in providing a sense of the complexity of the debate within the discipline.”

The veteran activist: “I found my two days interesting and rewarding. I’d been wary of attending, and wondered if I would know too much, or far too little to cope. In the event, it went very well with four different presenters, all enthusiastic and knowledgeable about their subjects. When I already knew the material being discussed I found it useful to be reminded; when I didn’t, it was fast-moving and challenging. There were also lively question-and-discussion interludes woven into the sessions. Although it wasn’t usually explicit, the fact that the presenters had rather different takes on the theory they were expounding made for lively non-dogmatic discussion.”

The Masters’ student: “I found the workshop to be a very good introduction, as someone who has read Chapter 25 of *Capital* and no more. I gained a much better understanding of some basic concepts, along with an awareness of how much more there is to grasp. It has also allowed me to feel less intimidated by what can appear to be a very complex and rather overwhelming body of work with which to begin to engage. I came away with a much better understanding of the labour theory of value, but more broadly also, an understanding of why theories of value are so vital.”