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MARX'S POLITICAL THEORY OF EXPLOITATION

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Presented to the Workshop on Exploitation
Joint Sessions of the European Consortium for Political Research
Barcelona
26-30 March 1985

MARX'S POLITICAL THEORY OF EXPLOITATION

Is exploitation a matter of inequality? If so, is it inequality of consumption? How and when does this inequality arise? Is there exploitation only when the inequality is traceable to coercion? to unequal wealth or bargaining power? to differences in skill? to differential ownership of the means of production?

Is the charge of exploitation valid when any two persons have differential consumption traceable to one of the factors just mentioned? Or must the two live in the same society? or have some more definite social relationship? Or does any differential consumption anywhere count as an instance of exploitation?

Can exploitation be defined non-normatively? Would it be wise to try? Conversely should we adopt a theory of exploitation because it accords with our moral intuitions, ethical theories or view of history? What would make a theory of exploitation true or useful independent of these considerations?

These are questions raised in the recent literature on exploitation, but not clearly explored (see the attached bibliography and list of references). Every writer presumes that certain answers to some of these questions can be assumed, without alerting the reader, and similarly that others can be ignored. While this strategy cuts down on the possible combinations of answers that could be derived from picking one's way through these issues, it does so illogically and covertly. I propose to track my way through these questions, making an effort to address them and to explain why some answers seem better than others. Moreover I shall use Marx as an inspiration but not arbiter, making his position clear as I see it and distinguishing his views ultimately from mine. I think that Marx has been misinterpreted in the literature, and that it is a useful and illuminating exercise to put this right. Moreover I think that he has come the closest to a general, useful

and coherent theory, though one that inevitably has weak points as well as strengths.

I

Marx's theory is historically more general and causally more specific than is generally realised. In his view exploitation is not confined to capitalist society, but it occurs only in societies where a surplus is characteristically produced. While it need not occur in all societies where there is a surplus product, he does not point to any historical case of non-exploitative production, except 'communal forms' where productivity is so low, the surplus so small and the inclusion of everyone in society in the labour-process so complete that the concepts of surplus production and of the consumption of that surplus by non-working 'owners' are hardly applicable (Marx 1867/1976, 171-3). Conversely communist society retains for Marx the production of a surplus by a high-productivity technology, and the consumption of that surplus by non-workers (though not owners), but resolves the problem of exploitation by means that will become clear analytically, if not otherwise.

Besides the analytical requirement of surplus production and the consumption of the product by non-working owners as well as workers, Marx's theory of exploitation stipulates one more factor, which he states in surprisingly precise terms --the possession of 'the monopoly of the means of production' by 'a part of society':

Capital did not invent surplus labour. Wherever a part of society possesses the monopoly of the means of production, the worker, free or unfree, must add to the labour-time necessary for his own maintenance an extra quantity of labour-time in order to produce the means of

subsistence for the owner of the means of production, whether this proprietor be an Athenian kalos k'agathos, an Etruscan theocrat, a civis romanus, a Norman baron, an American slave-owner, a Wallachian boyar, a modern landlord or a capitalist (Marx 1867/1976, 344-5).

Monopoly of the means of production is supposedly the way in which non-working owners are able, physically and legally, to garner products for themselves (for consumption in the strict sense or disposal in other ways) without working at all, or without working in proportion to the rewards that accrue. The measure of work by labour-time is of concern in all forms of society, according to Marx, though treating labour-time as value is peculiar to commodity-producing economies (Marx 1867/1976, 164). Monopoly must surely mean monopolistic control over some resources, rather than monopoly over all resources used for production in society, since Marx clearly understands corvée labour on a boyar's estate as service imposed on peasants, who otherwise have their own means of production. The boyar's estate, for example, is a means of production monopolistically held by him, since peasants have no rights of use (in theory) over the resources which they work or improve for the boyar's benefit (Marx 1867/1976, 346-7).

Marx's theory allows an individual to be exploiter and exploited at the same time, a difficulty that ought to be faced early on in the discussion. On the one hand this makes a consistent line on classes (and hence class struggle) difficult, though not impossible to sustain. On the other hand it offers a theoretical reflection of the complications of social reality where individuals may sometimes participate in the relations of production in more than one way, e.g. as owner of the means of production, and recipient or controller of products for that reason, and as worker contributing labour-time to that enterprise or another, and receiving wages which tend towards subsistence. Owner-managers contribute labour-time socially necessary to production, on Marx's argument; but where their rewards are

in excess of their contribution to the socially necessary labour-time required in production, they are ipso facto deriving a surplus from their position as owners (Marx 1867/1976, 450). A similar difficulty applies to workers with shares and factory owners with jobs off their own premises.

Marx's theory depends on the following stipulations concerning workers, non-workers and work:

1. What is produced is produced by workers, not by non-workers. Non-workers do not contribute 'risk' or 'abstinence' to production; only workers contribute the labour that transforms raw materials into goods (Marx 1867/1976, 283-91).
2. Where a surplus product arises, it arises as the result of surplus labour, not as the result of some natural or accidental process or windfall. Marx translates these events into excesses or deficits of socially necessary labour-time (Marx 1967/1976, 129-31).
3. Some of the product is possessed, used, controlled, owned etc. by non-workers because they have the monopoly of the means of production, not because they cannot work for reasons of age, disability or some other reason for breaking the link between participation in the production process and consuming or controlling resources (Marx 1867/1976, 291-2).

The nub of Marx's view of exploitation, then, is the commonsensical point that exploiters take advantage of the exploited, and that exploitation occurs when they are in a position to do so even if contingent circumstances come between them and what they might get away with. On Marx's view exploitation is a structural feature of an economic system, not merely an effect or result. It exists even if exploiters fail to garner a surplus, make any use of one if they obtain it, or give it back voluntarily or otherwise. Individuals may be exploited and exploiter successively or simultaneously. Or they may be neither, if for instance they

receive gifts or charity in virtue of their inability to work. Moreover workers may be exploited when they cannot work through unemployment, even when they receive transfer payments, because they are excluded from employment by the workings of a system in which the means of production are held by 'a part of society'. Non-workers are exploiters even when their means of production produce no return or a loss, unless and until they are out delivering their labour on conditions set by those who have a monopoly on the means of production, without which their labour is of little use.

Any distribution whatever of the means of consumption is only a consequence of the distribution of the conditions of production themselves. The latter distribution, however, is a feature of the mode of production itself. The capitalist mode of production, for example, rests on the fact that the material conditions of production are in the hands of non-workers in the form of property in capital and land, while the masses are only owners of the personal condition of production, of labour power. If the elements of production are so distributed, then the present-day distribution of the means of consumption results automatically. If the material conditions of production are the co-operative property of the workers themselves, then there likewise results a distribution of the means of consumption different from the present one. Vulgar socialism (and from it in turn a section of the democracy) has taken over from the bourgeois economists the consideration and treatment of distribution as independent of the mode of production and hence the presentation of socialism as turning principally on distribution. After the real relation has long been made clear, why retrogress again? (Marx, 'Critique of the Gotha Programme', Marx/Engels 1980, 321).

II

This view contrasts markedly with John E. Roemer's 'property relations' approach to exploitation, which, he tells us, takes us away from the point of production. But does it? Roemer evidently takes his cue from the 'legal and political superstructure' mentioned by Marx in the 1859 Preface to A Contribution to a Critique of Political Economy and cited again in Capital, vol. 1 (Marx/Engels 1980, 181; Marx 1867/1976, 175 n). A more careful reading of this material reveals that a legal expression for 'relations of production' (surely important at Roemer's 'point of production') is 'property relations', and it is in those terms that Marx defines capitalist (owner of the means of production) and labourer (someone with nothing to sell but labour-power).

Marx's 'free labourer', equal before the law (in theory) with his capitalist employer, and 'voluntary' participant in the contractual exchange of labour-power for wages is also misconceived by Roemer, who attributes to Marx the view that exploitation in capitalism arises out of non-coercive relations whereas in pre-capitalist forms it results from coercion. Coercion or force at the point of production is an irrelevance to Marx's theory, not an inconsistency within it.

Marx refers to the capitalist as a despot and a private legislator, and physical threats to workers are mentioned, but not as a defining feature of the relationship, however much the relationship allows or even encourages this behaviour (Marx 1867/1976, 450, 550). He suggests that the differential in economic power between capitalist and worker makes 'bourgeois' claims about freedom, voluntary contracts and legal equality ring false (Marx 1867/1976, 280). Indeed these fictions disguise the true situation, which is one where differential economic power gives the capitalist an immense bargaining advantage over the worker (Marx 1867/1976, 680). While this differential is not itself coercion of the

worker by the capitalist, the worker is nevertheless constrained by his lack of resources into doing what the capitalist wants.

In non-capitalist societies no theory of coercion is required, despite what Roemer says. Legal requirements and obligations, including slavery, allocate roles in society, such as worker and non-worker, and specify the disposal of the whole product, including any surplus over what everyone's subsistence would total. But whether everyone gets at least subsistence is an open question, as indeed it is in capitalist society, where payment of workers at subsistence is an analytical assumption, like the one that surplus value does not arise from unequal exchange throughout the system as a whole.

The riddle for Marx was not to explain the generation of a surplus by non-coercive relations between producers. Capitalist and non-capitalist relations of production are in practice just as much and just as little coercive as they happen to be in terms of the threats and violence wreaked by one individual on another. In both kinds of relations workers are typically constrained to work beyond the labour-time required for them to reproduce their own subsistence (whether in kind or in value-terms as a wage). In non-capitalist societies there might be a legal or customary requirement to deliver goods to a priest, bureaucrat or feudal lord -- or face the consequences such as punishment or eviction, execution or starvation etc. In capitalist societies the law constrains workers to respect the property of individuals in the means of production and consumption and the validity of wage contracts -- or face the consequences, such as punishment or eviction, occasionally executions or starvation etc. The constraints on workers, for Marx, have altered only a little between societies -- they are legal or customary commands backed up by force on the one hand, or starvation on the other. What has changed is the way these constraints are disguised in capitalist society as the 'voluntary' actions of 'free' agents making 'fair' exchanges, so that workers are still delivering surplus

production by doing surplus labour so that non-workers may have the use and control of those products. But now workers perceive themselves as legally 'free' (just like non-workers), as 'voluntary' partners in production (rather than as involuntary servants) and as the beneficiaries of 'fair' exchanges of services for money (rather than as nett contributors to others' benefits).

Marx's problem was never the non-coercive extraction of surplus production, since the extraction of surplus production was never necessarily coercive, merely constrained. The difficulty was in explaining the production of any surplus value at all in a system supposedly predicated on equal exchanges of value between commodity-owners, an issue quite separate from the constraints that operate in practice on labourers and the aspects of their situation that make them vulnerable to physical coercion from capitalists. If, under constraints that are disguised as voluntary action, capitalist and workers make an equal exchange of values, from whence does any surplus value arise? If it does arise, why is it the capitalists' and not the workers'? (Marx 1867/1976, 268-9).

Some political economists admitted that the capitalists' 'share' arose from the workers' labour, but maintained that this was not an extraction of surplus since the capitalist had taken a risk or managed his capital or otherwise contributed to the production of goods with a value-in-exchange. Marx denounced this as rubbish, arguing that risk and abstinence did not contribute anything to the value of the goods produced as commodities, because only labour (as the expenditure of brains, muscles, nerves, etc.) creates value, which on his view was 'embodied' in products as socially necessary labour-time (Marx 1867/1976, 134-5, 297-300). This view is not without its difficulties, but I shall leave them on one side for present purposes.

Other political economists attempted to account for the production of surplus value as profit through the workings of an exchange system that allowed for a 'mark-up' on costs of production -- a strategem dismissed by Marx, who argued

that value was fixed within the system by the socially necessary labour-time expended in production, and that surplus value could not arise through some contradictory process of exchange in which a value-standard allowed exchanges to be equalised by bargaining on the market, but capitalists were allowed either to conjure profits from nowhere or to derive them off each other in unequal exchanges from which it was obvious by definition that no surplus could ultimately arise (Marx 1867/1976, 263-7).

His 'solution', as is well known, was to argue that labour was uniquely the commodity that could create value beyond what was required, in value terms, for its reproduction. Roemer, by contrast, has argued from the fact of economic surplus in money-terms in existing capitalist societies to the conclusion that this surplus could be attributed to any commodity as value-numeraire. Marx's explanation as to why labour has this unique power is unconvincing; Roemer's claim that surplus value can be measured by any numeraire is otiose.

Therefore the labour theory of value is also irrelevant to Marx's general theory of exploitation for two reasons:

1. The general theory of exploitation applies to non-commodity-producing societies where the labour theory of value is not applicable, though rough measures of labour-time may be possible.
2. In capitalist society the general theory of exploitation applies, even if production is not measured in value terms of any kind, because the benefits of goods produced by workers still accrue to non-workers, however those benefits are mediated by any system of exchangeable value.

(These points are somewhat laboriously made in Cohen 1979.)

The examples in Roemer 1982b can now be re-analyzed. In his pre-capitalist economy (Roemer 1982b, 256-9), even though all are workers, no one

works for anyone else, and no one produces the means of subsistence for anyone else. We still have exploitation in Marx's general sense, in so far as there are different initial endowments of produced goods controlled by individuals to their own advantage, which in this example is the differential consumption of leisure time.

By introducing a labour market (Roemer 1982, 259-63) Roemer reveals that exploitation typically occurs when some workers (the inefficient ones who must work more time than is socially necessary to generate their subsistence) are hired by others, and thus allow their exploiters to consume a subsistence bundle of goods without working at all, or without working as much as the time socially necessary to produce their own subsistence. Thus some people (those in classes 1 and 2) are getting benefits (in terms of leisure) by 'optimization on competitive markets and differential ownership of the means of production'. Those in the middle who work only for themselves are neither exploiter nor exploited -- at the moment. Given Marx's assumption that competitive markets are dynamic vis-à-vis any individual, the existence of this category is not much of a problem. And there is no danger of collapsing communism (where exploiters and exploited vanish) into a petty-bourgeois utopia of subsistence producers who neither hire others nor hire themselves out, because communism is not, for Marx, about the unplanned provision of subsistence by one-person units of production.

Roemer's substitution of a credit market for a labour market merely results in the receipt of subsistence by the leisured and comparatively leisured classes via a return on credit rather than an appropriation of the workers' and worker-creditors' products in exchange for wages. His emphasis on the differential ownership of productive assets is not quite square with Marx's, since Roemer counts skill and other individual endowments on a par with produced means of production, which Marx does not. Hence from Marx's point of view Roemer's

differentially efficient producers are merely consuming unequal amounts of leisure (or surplus goods, if Roemer would let them), while exploiting no one, as long as they are using their own skills. Conversely in so far as they are controlling differentially efficient means of production they are exploiters.

The ten examples cited in Roemer 1982a, 287-304, can be re-evaluated as follows:

Example 1. No exploitation, because no one is working for anyone else, not because of equal labour-times and consumption. No one is deriving benefits from others' products because of a monopoly on some means of production, though obviously there is inequality of a kind incompatible with Marx's communism.

Example 2. There is exploitation here, because the S group is subsidizing the H group on the land (the less efficient technology), though the H group is obscurely not able to use its control over the efficient technology to generate a surplus. They could use this to expand the oddly inelastic capital Roemer has given them so that they reduced the time they would have to spend working on the land to zero.

Example 3. The peasants are exploited, because they are denied access to the benefits of the highly efficient technology that the capital-owners control, whether the owners are using them as an industrial reserve army or merely locking them out for obscure reasons. In so far as owners of the means of production control access (or deny it) to capital and control the expansion, equilibrium or contraction of capital, the groups that Roemer calls 'unfairly treated' are exploited in Marx's terms because owners are taking advantage of them, even if the advantage is obscure from the economic point of view.

Example 4. The R group has locked out the P group, so there is

exploitation from Marx's point of view.

Example 5. The R group is consuming surplus leisure, having got the benefit of the labour of the P group, so the P group is exploited -- as was concluded under Example 4.

Example 6. Surely some workers may be rich (because of a higher standard of subsistence and high real wages) and exploited a lot (because of their high productivity) and others very poor (because of a low standard of subsistence and low real wages) and exploited only a little (because of their low productivity). Roemer's view is very odd in referring to workers in the USA as not exploited at all compared with poor workers elsewhere. The perception of the complicated relationship between exploitation, subsistence and productivity is a problem for proletarian solidarity, as Marx recognized, but Roemer misses the crucial point -- that exploitation is not essentially about comparative living standards.

Example 7. Roemer's views on workers and non-working capitalists are truisms, with respect to Marx's views on exploitation as I have outlined them, but his failure to include all aspects of control over the means of production (such as the lock-out) in the way that exploitation may manifest itself leads to his formulation of the unnecessary and unsatisfactory category of the 'unfairly treated'.

Example 8. Roemer's conclusion that the unemployed are not exploited is similarly unnecessary, since private ownership of the means of production allows or creates situations in which workers are denied access to the production process itself.

Examples 9 and 10. These two examples are substantially the same as those outlined in Roemer 1982b, 256-63, and discussed above. What is crucial is the extent to which owners of the means of production control

it by excluding or including others on their own terms to some advantage which is not necessarily measurable as material consumption. Roemer's lock-out must count as some advantage to those who own his means of production in certain examples, simply because they have controlled resources themselves in this way, and others are not deriving the benefits, whether according to need, skill or absolute equality, that they might derive if the use of capital were collectively controlled.

Marx uses counterfactual societies such as 'socialism', where rewards do accrue to skill (though not mere ownership), and 'communism', where rewards accrue only to need (Marx 1867/1976, 172; Marx, 'Critique of the Gotha Programme', Marx/Engels 1980, 317-21). These are foils to societies where exploitation takes place. Exploitation is not 'proved' by a counterfactual 'withdrawal' to some condition where the exploited would be better off in terms of material consumption alone. Exploitation for Marx is demonstrable without the counterfactual societies, though it is not fully understood unless the counterfactual comparison is drawn.

Thus for Marx exploitation applies to economies where the means of production are differentially controlled, because this allows non-workers to take advantage of workers by getting the benefit of what they produce in terms of goods (whether surplus or subsistence) and leisure (whether complete or as a reduction of work-time).

Roemer is unhelpful in equating exploitation with all differential consumption, since the crucial notion that some persons who could work are deriving benefits from the work of others is missed out, and the spurious view that differential consumption alone determines exploitation is introduced, thus muddling exploitation with the more general notion of inequality. Marx had nothing against differential contributions to production and differential consumption --'from each according to his abilities, to each according to his needs' -- but rather a lot against

the maxim of exploitation -- 'from those who work, to those who own'. Since Marx never claimed to generate any consistent theory of class the fact that some exploited workers may be richer than some of the exploiters in society (perhaps even on occasion richer than their own exploiters) is not analytically a worry. And I suspect that he would have objected in principle to Roemer's view that exploitation in surplus economies is really the result of a counterfactual comparison which, as he admits, might sanction some exploitation (superior returns to some merely as owners) as 'socially necessary' in making the exploited better off than they would be otherwise. For Marx exploitation is a form of subjection disadvantageous in itself and only weakly excusable on historical grounds (Roemer 1982a, 309-10). Roemer's conditional withdrawals from society provide a curious contrast with Marx's communist counterfactual, since Marx's claim is that removing exploitation (in his sense) would itself be a benefit, leaving communist society itself to determine the aggregate balance between goods and leisure. Roemer naturally does not see this, and casts his counterfactuals in terms of improvements in income.

Roemer's discussion of socialist exploitation (as opposed to status exploitation under 'socialist' regimes) is not square with Marx's charge that this transitional 'stage' is based on returns to an unequal standard or 'bourgeois right', though Roemer's qualified defence of this form is interesting insofar as it is analogous with 'bourgeois' claims that returns to capitalists are the 'wages' that accrue to skilled labour. How far this could be pushed would be intriguing, particularly if pushing it constituted an attack on rentier income and inherited wealth that few 'bourgeois' theorists are concerned to make.

Roemer's property-relations approach puts the correct focus on differential ownership of the means of production in capitalist exploitation, but his conception is misconceived in two ways:

1. Property-relations, as Marx said, are another name for certain relations of production, whereas Roemer wants to contrast the two.
2. Roemer defines the phenomenon exploitation in terms of its effects, whereas not all differential consumption is the result of exploitation.

Marx's view is weak in that the line between rewards derived from ownership of the means of production and those derived from labour as such cannot be drawn, even in general, with very much clarity, because of the difficulties (and, I think, fallacies) involved in his notion that work can be resolved into multiples of simple average labour and that in capitalist society this resolution is effected by the markets where goods and services are valued in money-terms (see Carver 1982, ch. 6). In feudal and slave economies Marx's view that goods and services can be roughly equalised in labour-terms provides only problematic support for his charge that those to whom goods and services are owed as a matter of custom and legality are contributing too little to production in proportion to the benefits they derive. The same considerations apply to the 'socialist' economies where rewards accrue to status. Moreover the lack of fit between Marx's view of exploitation and the categories rich and poor and the process of class-formation in society, however acceptable analytically, does not seem politically exciting.

Roemer is dedicated to the economists' measure of social success -- optimization of resources to maximize consumption. This accounts for his inability to see Marx's vision of communist society, where increased returns do not necessarily accrue to efficient optimizers of resources. Roemer's nearest approach to this involves a highly speculative redistribution of inalienable assets, such as skills, so that all producers became equally efficient, and somehow stay that way.

Marx's communist society abolishes exploitation and the kind of inequality it allows. The inequality that it substitutes can be defended, but not by appealing to the view that workers should have their whole product or that surplus products

or leisure should accrue to the efficient. Rather what Marx proposes, in abolishing exploitation, is that products should not accrue to those who merely own (whether they are full-time or part-time owners), and that owners and/or their representatives should not act as 'private legislators' in realms of social activity that are of necessity public if we are to use highly productive technology and of crucial importance if individuals are to fulfil themselves in society.

III

Coercion and the labour theory of value are not essential to Marx's general theory of exploitation. Surplus production is assumed as typical of economies which contain exploitation as a structural feature, because exploitative relations are, so Marx suggested, the only way that surpluses emerged historically, though this does not prove that logically the world could not have been otherwise. Non-surplus economies interest him only as the limiting case ('communal forms') where the concept of exploitation has little meaning, if any. Only socialist society retains surplus production while abolishing exploitation, because the means of production become collectively controlled. Production proceeds according to a plan, even if distribution according to a labour-standard (not a value-standard) results in inequalities in distribution that proceed according to different inputs of labour. Communist society rearranges the inequalities by distributing according to need, and substitutes production according to abilities for the economic incentives and constraints that operated in the transitional socialist phase. Production according to 'abilities' presumably includes some set of social obligations and constraints.

Coercion and the labour theory of value are relevant in Roemer's theory only in so far as he misconceives the critical relationship of his work to Marx's.

Exploitation, in Roemer's view, is not a structural feature of surplus economies in history so far, but a contingent circumstance in any of the economies (including the not very credible non-surplus ones) that he considers. Moreover the contingent circumstance can only be established by a counterfactual comparison between existing arrangements and alternative ones in which produced means of production are redistributed on a per capita basis to coalitions where economic agents control resources (as individuals? as a collective?) in order to optimize pay-offs for their group. Marx's communist counterfactual has neither the same structure nor the same function.

Roemer defends his work as a political theory when he argues that his definition identifies as exploiter and exploited rich and poor in a society -- the two groups must have some economic contact and not exist autarchically. Here he trades on the conventional notion that some are in fact getting the benefit of others' products disproportionately to the work they contribute, and that establishing this mobilizes political consciousness to hasten the counterfactual arrangements that would make the exploited better off and the exploiters worse off as separately conceived but economically related groups. Evidently socialism on Roemer's definition consists of non-exploitative game-play by individualistically determined coalitions, rather than Marx's vision of the classless society where the economy is collectively controlled by all citizens, with suitable curbs on the reintroduction of status as a form of ownership and the recurrence of exploitation (Marx, 'Civil War in France', Marx/Engels 1980, 287-9).

Thus in Roemer's view rich and poor are defined contingently and counterfactually. On Marx's, exploiter and exploited are defined structurally, in that they appear as categories within surplus economies where economic returns can accrue according to ownership of the means of production. Whether or not any surplus is produced and whether or not any rewards accrue to owners in excess of

any labour they contribute (if they contribute any) are mere contingencies for Marx and do not themselves affect the determination of the economy as exploitative and the existence of exploitation within the system. This is because the potential for exploitation to occur is at least as important for him as the fact, since these potentials are likely to be actualized for obvious material reasons. Exploitation does not vanish as a structural phenomenon when contingencies of production and distribution take a particular, and Marx would argue, atypical turn. Such contingencies would disguise this important feature of the system, if we did not look beneath them to examine the elements of the economy that make it possible for some in society to get the benefit of others' products.

For Roemer class membership for individuals is determined by their actual economic pay-offs at any given point compared with their counterfactual payoffs, which, as Elster rightly observes, is not a conclusive way of determining a comparison (Elster 1982, 367). Only the very rich and very poor can be at all sure, and the important middle ground is indeterminate. With Marx the middle categories are exploited to some degree so long as they are employed by other economic agents, irrespective of their comparative wealth relative to their employers. Indeed the comparative wealth of individuals is entirely irrelevant, since an exploiter might very well be a state or enterprise (rather than some discrete set of individuals) that maximizes the extraction of surplus labour, and wealth may be positively misleading, since a wealthy and highly productive worker may be producing large amounts of surplus labour for the benefit of others who do not work at all, or not enough.

Roemer's political theory of exploitation is curiously static, because his examples have their dynamic qualities removed -- the working-out, or likely working-out of various features over time. His assumptions move from the individual to the coalition but not to the collectivity, for no stated reasons, other

than his preference for a game-theoretic methodology. And his primitive notion of class struggle (rich vs. poor) does not address itself to the complicated way that differential productivity may cross-cut differential returns amongst individuals in an economic system.

Roemer's view hardly promotes class struggle in the way that he would like, since continuous counterfactual comparisons would be a poor way of mobilizing those with more resources than the very poor, and they might very well justify the position of the very rich as socially necessary for all to be as well off as they are. Marx's structural definition of exploitation, while more complicated, is more promising, in that anyone in society might qualify as exploited merely by working for an employer, and the defence of economic returns accruing to those who merely own looks much less plausible than in Roemer's account, because non-work is factually observable rather than counterfactually deduced.

Roemer has chosen a labour-embodied standard of comparison for economic goods in society because it favours, so he thinks, the poor. Marx's theory of exploitation proceeds from the notion of non-work (mere ownership) to the normative deduction that owners, merely because they are owners, should not get the benefits of work done by others. Marx's basic criterion is a distinction between work and non-work, rather than the more complicated premises necessary to make products and labour itself comparable as a labour-embodied theory requires. Marx additionally accepted such a view, but at its most basic level his general theory of exploitation does not depend on it, since non-workers need only get the benefit of products produced by workers, whether or not workers' contributions are comparable according to a rough or precise measure which also renders their products roughly or precisely comparable. That is another argument.

Roemer's theory is normative because of its purposive character, as he states. Its purpose is 'to construct a theory in which the two antagonistic sides

[poor workers and rich capitalists] become classified as the exploiters and exploited' (Roemer 1982b, 274-5). In Roemer's view Marx wrongly sought to explain surplus production from the exploitation of labour alone; Roemer says any commodity may be exploited in this way. In my view Marx's general theory that owners are getting the benefit of workers' products is a reflection of the economic systems up to the present where a surplus is produced, and that it is out of that insight that a successful politics of class struggle must arise. Pre-existing notions of class struggle need clarification, on Marx's view, not mere reinforcement, and the stark contrast between worker and non-working owner does not require a labour theory of value for support or even a theory of embodied labour-time -- merely a labour theory of production that, in principle, is hard to refute at this level. Roemer's theory allows Rawlsian doubts to arise about this crucial distinction -- perhaps the inequalities enjoyed by non-working owners are excused on grounds we would be worse off abolishing them? Marx's criterion gives his theory a firmer empirical and normative basis than Roemer's.

However, it is true that unless we add further propositions about how to judge the comparative contributions of workers and the rewards that they receive, Marx's theory does not work well for the owner-managers, executive directors and ultra-rich entrepreneurs that arguably contribute some work in capitalist production, but seem to collect disproportionate benefits compared to the low-paid and unemployed and therefore are deemed in receipt of goods as owners. To the extent that Marx himself relies on actual hierarchies of rewards as confirmation of his view that skilled labour counts as a multiple of unskilled labour, his argument approaches a vicious circularity, since it is not clear then that we would have any way of distinguishing proportionate from disproportionate contributions and the extent to which some are receiving rewards as owners whilst also receiving wages as workers (Carver 1982, 96). What is clear, though, is that Marx's general theory

of exploitation does not rely on naive notions of the return of the whole product to the labourer, or even strictly proportional returns to workers, because private ownership of the means of production begs the very question how this could be achieved.

Whatever the difficulties of his theory, Marx has put his finger on the right sort of factor -- a structural element in the economic system -- rather than the inter-personal and counterfactual comparisons that Roemer favours. Marx's theory requires a simpler theoretical apparatus than Roemer's -- only work and non-work, not labour-comparability of goods and services. It is dynamic, because it leads to thinking about how an economic system works, not merely what results it turns up on occasion. And it is more intriguingly political, in that it provides an insight which agents might employ in developing class struggles.

Roemer chooses an existing notion of struggle as the supposed validation of his theory, a move which takes politics for granted as a realm outside theory. This suggests to me that however ingenious his work in theoretical terms, it is not politically creative, and it is creativity in politics that we might reasonably expect from a normative theory of exploitation. Marx's political theory of exploitation is subject to many criticisms, but the relationship between theory and politics that it presupposes is clearly one in which theory has an active role in changing the world, not a passive role in merely interpreting such changes as are foisted upon us.

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Private Property, Competitive Markets and Exploitation

Some comments on the new directions taken by J.E. Roemer

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Presented to the workshop on 'Exploitation', at the
European Consortium for Political Research, Joint
Sessions, Barcelona, March 1985

The work of contemporary philosophers, economists, sociologists and historians on the Marxian theme of exploitation can be seen as symptoms of the disintegration of the Marxian system into its component parts. In its original formulation exploitation was defined by a dialectical method of interpenetrating historical and conceptual analysis. Capitalist exploitation could only be understood as the product of capitalist society taken as a dialectical totality, a network of interrelating institutions governed by certain essential relationships.

The process of disintegration has seen the liberation of exploitation from this complex bewildering background by restricting discussion of exploitation to different compartments within the limits of the axioms and methods of mutually exclusive academic disciplines. Contemporary researchers have been responsible for a greater consistency, transparency and originality than was possible by exegesis of Marx's original formulations.

This superiority can be seen by comparing the work of philosophers such as Husami, Zimmerman, Cohen and McMahon who have kept within the limits of a purely moral theory of exploitation and unjust economic relationships with Allen Wood's approach which has attempted to retain some of the original Marxian interrelation between a sociology of knowledge, a philosophy of history and a condemnation of capitalism in terms of progress and human liberation.

In strict symmetry with the moral philosophers, J.E. Roemer has reproduced an equivalent of the general Marxian theory by working strictly within the bounds of neo-classical equilibrium theory. Such a property relations view of Marxian exploitation is compatible with Cohen's reinterpretation of exploitation precisely because both theorists have disembarassed themselves of the traditional labour theory of value with its ambiguous merging of "scientific" economics and ethical theory.

By in a sense abandoning the dialectical method of Hegel for the geometric method of Hobbes, Roemer is able to make a clear distinction between

and competition, (b) political exploitation arising from the role of the state's monopoly of violence and (c) alienation or labour process exploitation as described by Marx and Braverman. It is one of his chief aims to prove the primacy of materialist (i.e. economic) explanations over political and 'psychological' models. The isolation of the different variables does in fact make it a lot easier to assess the relative importance of economic, political and managerial factors by identifying precisely the point at which they enter in the production and maintenance of inequalities. It enables us to ask just the kind of questions of causal efficacy of different factors that the Hegelian global treatment obscured. Furthermore even within the economic sphere Roemer makes analytical distinctions between Marxian, socialist and status forms of exploitation, all of which were subsumed under the Hegelian concept of systemic capitalist exploitation with the further typically Hegelian confusion that one was not sure whether it was a question of an abstract model of capitalist society or the existing historical capitalist society which was in question.

Before considering Roemer's work in detail I would like to place it in context by discussing briefly the classical Marxist position. Like other intellectual revisionists such as Cohen, Roemer wishes to preserve the revolutionary core or spirit of Marxism by liberating Marx's essential insight into exploitation from its Hegelian intellectual scaffolding which is seen to be increasingly vulnerable to the attacks of critics.

The great distinctiveness of classical Marxist analysis of exploitation lay in its embedding of a exploitative relationship in a specific configuration of social institutions at a specific point of time and its supposed demonstration of the causal relationship between changes in these institutions over time and changes in the nature of exploitation.

The Marxian analysis of exploitation depends on the validity of a complex set of equations which begins with something like the Ricardian relationship between profits and wages and ends up with a condemnation of an entire society

with all the complexity of its social relationships and all the specificity of its concrete historical evolution. The claim can be characterized (roughly) in the following manner.

The inverse relationship (zero sum conflict or contradiction) between stock and wages determines the general rate of profit (A). The institutions (or specific economic forms) which determines the rate of profit (or unpaid surplus labour) determines the patterns of production, exchange and distribution of the economy as a functioning system (B). The economic system determines the division of the society into rulers and ruled (C). This division is in turn the 'hidden basis' of the entire social structure including the political form of the state (D). This in turn determines the superstructural patterns of ideology (E). The chain of equations has the advantages of the radical reduction and idealization typical of ideal types or theoretical models yet also claims the advantages of a historical explanation of existing societies doing justice to the specificity and complexity of the concrete. In other words it claims the benefits of methods which are usually seen as antithetical, the abstracting theorizing of thought constructions and the historical judgment of specific and unique configurations of events in all (or at least some) of their existential complexity.

Marx himself has emphasized the importance of the reductions and abstractions of the classical school. "It did so by reducing interest to a portion of profit and rent to the surplus above average profit." The significance of these formulae only became apparent when we apply them to existing societies. Interest = Financial Institutions = all social transactions involving credit = moral questions of distributive justice involving credit i.e. which of these transactions are to be considered legitimate and which usurious or exploitative. For Rent = agricultural class = landowners = moral problems raised by the physiocrats, i.e. what legitimate return is owed to the landowners for their specific contribution to the productiveness of society.

By "reducing" rent and interest to the general laws governing the rate

and distribution of profit Ricardo has in effect eliminated them as independent forms of exploitation. Given the other great classical simplifications and reductions the only independent and exclusive form and source of exploitation in the theoretical model is the relationship between "capital" and "labour".

The next stage in the chain is the transformation of the economic model into an equivalently abstract and simplified sociological model which reduces all factors to the fundamental "political" relationship between rulers/ruled. This in turn is converted into a model of the entire social structure once we accept the Hegelian principle of the conformity of the different institutions of a society to a set of determining essential relationships. Finally we step outside the chain of ideal types to identify the existing historical society as an individual instance of the general type of "capitalist society". This enables us to read off the exploitative relationship between capital and labour (or more strictly profits and wages) as the fundamental cause of exploitation in contemporary society.

The last step which alone makes the set of ideal types useful is in fact the most problematic of all, as the existence of any extraneous or pre-capitalist relationships will prevent the straightforward application of the model as Marx himself stated.

Now precisely because of these simplifications and abstractions there are great tactical advantages in regarding exploitation as a characteristic of capitalistic societies as such. Exploitative relationships can then be presumed to be pervasive, thwarting and perverting all social institutions and discoverable, if not by definition at least by intuition, as the root cause of all conflicts whose polarization of friend/foe must ultimately be aligned to the basic relationship of capitalist exploiter/exploited.

The tactical advantage lies in the fact that if exploitation is so pervasive it must appear in many forms and guises and hence there is no necessary contradiction in identifying its cause and consequences differently. Marxist accounts of exploitation have focused on

(1) Parasitism. A leisured social caste of non-workers live off unearned income. G.B. Shaw and Veblen have given the most effective analyses of the formation and social values of a genteel class for whom any involvement in productive work is degrading. It might be objected that parasitism is not a fit candidate for Marxist theories of exploitation as it is a phenomenon restricted to the sphere of distribution and furthermore the leisure class rested on an anachronistic survival of pre-capitalistic aristocratic values. This may well be true and some may argue that this merely proves that Shaw's socialism was a superficial feature of a writer whose real intellectual allegiance is to the radical bourgeois work ethic of Ruskin and the arts and crafts theorists whose main function if not intention was to remove the last vestiges of aristocratic cultivated resistance to the protestant work ethic. And yet the existence and values of a genteel leisure class lasted well into the twentieth century in the most advanced industrial country. This makes the ambiguity between capitalism defined as an ideal type and existing societies which can be labelled "capitalist" of crucial importance. Any attempt to equate the two so that descriptions of exploitation can be read off the theoretical model to apply to the existing society would only be valid if the existing society corresponds in all relevant aspects to the model and clearly this will not be possible if there are significant pre or non "capitalist" dimensions that are relevant to the relationships being attacked as exploitative.

(2) Property Relations. The capitalist class in so far as they have a monopoly of the means of production are able to use this strategic advantage to exploit the bargaining weakness of those who have no alternative but to seek employment at terms offered by the owners of the means of production.

(3) The Employing Class. As such irrespective of whether they are capitalist defined in (2) or the controllers/managers of any large organization that is organized hierarchically such as state owned enterprises or the armed forces. The employing class claim that they alone have the capacity to organize and run things and by appropriating this capacity from

their employees/subjects they exploit them both materially (by making "management" the basis for differential distribution of goods) and psychologically (the over development of valued capacities of some is only made possible by the atrophy of the same faculty in others). While the form of exploitation of (3) is historically related to (2) conceptually they are radically different as the work of Weber (and for that matter Marx, Braverman and the labour process school) clearly illustrates.

(4) The World Economic System. Because this system is based on "blind competition and the profit motive" it is unable to match the world's productive potential to a distribution based on need. Again like (3) this form of exploitation has been historically related to the spread of "capitalism". There is no necessary connection. There is no intrinsic reason why "national economies" jointly owned by their citizens should not take advantage of a superior bargaining position to exploit others. A similar phenomenon within a national economy has been referred to as "trade union capitalism" where organizational monopolies such as closed shop practices are used to gain advantage over other groups of workers who are not organized. Other examples of this partial or relative exploitation have been used to explain sweetheart arrangements, "aristocracies of labour" and collusion between employer and employees in developed countries to exploit third world workers.

The significance of this approach lies in its assertion that any competitive system is necessarily exploitative as there is an irreducible conflict between producing for profit and producing to satisfy needs. It is necessarily implied that the only rationale for the introduction and maintenance of such a system is to ensure that the system benefits some at the expense of others. Competition and profit are inseparable from sinister interests. This approach is sometimes supported by a cultural critique which equates competition with aggressive anti-social attitudes in contrast with cooperative attitudes and interests.

(5) The Ruling Class. Unlike the first four categories which define the

relationship between exploiter - exploited in the context of economic institutions this perspective identifies any form of dominance whether legitimized as political authority or existing privately as de facto institutional power as a basis for coercion. Exploitation is regarded as either the direct or indirect consequence of coercion arising out of any relationship of unequal power. (Indirect exploitation describes a situation where the person taking unfair advantage of the vulnerability of another was not responsible for placing the victim in the disadvantageous situation). Advocates of the ruling class model see the classical locus of exploitation as the state and tend to regard all forms of "exploitation" which can be explained in terms of domination as equivalent. For example unequal distribution resulting from force and fraud, from socially "legitimate" institutions such as slavery or serfdom and from the operation of free market are all equally exploitative.

The tactical advantages of a theory which locates exploitation as an essential feature of a society seen as a configuration of integrated institutions exhibiting isomorphic structures and functions are indeed great.

All of the five categories (and many others) can give rise to conflict and so it becomes natural to assume that "big business", the employing class, the ruling class, the capitalist class etc. are synonymous and that their various victims, the mass of workers, those who labour in factories, shops and offices, those who can only make a living by working for others also share the same essential situation of being exploited by those who "run society".

The five different categories of exploitation have all been taken from Chris Harman's pamphlet on the miners' strike and the struggle for socialism admittedly not intended as a scholarly work. It has been chosen to show how the Hegelian or dialectical model of Marxism tends to obliterate differences and assimilate different forms of conflict, injustice or exploitation under the general formula of capitalist exploitation. While this might be attractive tactically in the long run it can only be disastrous as the differences and unresolved problems reemerge. Roemer's work provides a

useful antidote and is further more consistent with the historical precedent of the "Bourgeois revolution" which was not an attack on all pervasive exploitation of an organic "feudal society" but a long series of specific battles on quite specific terrains, economic, religious and political.

However even if it could be shown empirically that there is overlapping membership and structural similarities between these different categories this would not be sufficient to prove that the same form and degree of exploitation occurs in each area.

John Roemer's 'new directions' attempt to isolate the specific causes of material exploitation not by attempting to identify some overall societal exploitation endemic to the system but by remaining strictly within the limits of economic categories.

In order to evaluate the innovative and revolutionary nature of Roemer's work it is useful to distinguish between the technique or methodology used and the interpretative claims made about the usefulness or application of these techniques. This is not to question the validity or usefulness of the techniques themselves but to ask whether logically these models can bear the weight of the claims made on their behalf.

The technique consists of the construction of a series of abstract ahistorical logical models derived from modern mathematical economy especially general equilibrium theory and cooperative game theory. Roemer uses the model to throw light on a bewilderingly wide range of disparate problems ranging from an evaluation of the achievement of modern socialist societies to abstruse technical economic problems. But the claims that are relevant to us are:-

(1) The models can be used to generate situations which are the logical equivalent of situations which from a Marxian or common sense moral position are condemned as "exploitative" such as slavery, serfdom, wage slavery. Further that different models together with different moral judgments can be used to generate conceptually distinct forms of "exploitation". That is the causes and solutions of 'capitalist' (Marxian) exploitation are different from

causes and solutions of 'socialist' exploitation where the skilled exploit the unskilled or from 'status exploitation' where those with political or social position use that position to exploit. Finally that these models can be arranged in an historical sequence of epochs of exploitation.

Therefore the objective of human liberation is not achieved by the logically impossible task of eliminating "exploitation" as such but only the dominant form of exploitation of the epoch in question in order to move onto the next or higher stage of exploitation. In other words models are meant to correspond to the spirit of historical materialism unlike claims that the end of capitalism will witness the end of history and human exploitation which are revealed as utopian and anti-materialist. While this is immediately appealing it does not clarify the task facing socialists today as Roemer is well aware. It would seem obvious that the contemporary task should be defined as eliminating "capitalist" exploitation by abolishing differential ownership of the alienable means of production and to leave the task of eliminating exploitation arising from inalienable means (skills arising from 'natural' causes) to the society which succeeds capitalist society.

But the model of "capitalist exploitation" is an abstract ideal type which in several important areas does not and cannot be applied to contemporary society. I shall return to this problem later.

(2) Within each epoch the models identify the cause, the "real culprit" responsible for that particular form of exploitation. For example, the model identifies property relations and the competitive market as primarily responsible for 'capitalist exploitation'. Explanations in terms of domination exerted at the point of production are subsidiary and superfluous, therefore analysis of exploitation in terms of the labour process like Braverman's is misplaced.

(3) The identification of the real culprit also 'suggests' the relevant moral theory for condemning capitalism, although Roemer recognizes that only a "sociology of injustice or moral beliefs" (not necessarily the same as a theory of justice) would be necessary to ground such judgments.

For the moment we will have to be content with the following definition of the 'exploitation phenomenon'; private property which is inequally distributed leads necessarily to a social relationship "where j is exploiting i in the sense that she is able to work less than socially necessary labour time because i is working more; somehow, i is working "for" j and i's surplus labour time is transferred to j through the market...she is somehow expropriating labour from i" (Roemer, New Directions, p. 258). If we accept this consequence as morally reprehensible then it would follow that we ought to condemn private property which is the necessary cause.

The same ethical imperative also urges us to remove the cause of exploitation in this case by ensuring that "the exploited coalition has access to its per capita share of society's alienable productive assets" (Roemer, New Directions, p. 279).

But do the models "fit" the conclusions that Roemer derives from them or is the interpretation he gives of his own models misleading? There does seem to be something odd about the use of the models to prove that property relations as such is the real culprit and secondly while the models do generate a symbiotic and apparently parasitic social relationship between unequal partners where the losses of one is necessarily caused by the gains of the other, it is not obvious that this inequality is either unfair or unjust or even if it is that it corresponds to common sense or Marxist condemnations of "exploitation", or even "class exploitation".

Roemer uses his primary model, the model of exploitation without a labour market, to establish a strong link between inequality and exploitation in so far as inequalities in the ownership of produced goods (assets whose function as finance capital makes available certain production possibilities) necessarily causes exploitative relationships. The relationship of wealthy/poor in a common economy is equivalent to the relationship between exploiter/exploited. Private property rights are the culprit in so far as they inevitably lead to unequal distribution of assets.

The link between inequality and exploitation is proved economically by

the introduction of the average or socially necessary labour term (SNLT) which spells out the social consequences of differences in initial individual assets. If we postulate that each producer has the same subsistence needs and that each is motivated by self interest to minimize the labour spent on production of sufficient goods to exchange in order to purchase these needs then we can work out for any given economy an average labour time (SNLT). Now if there is an equal distribution of assets then under equilibrium conditions each producer will need to work no more than the SNLT to achieve his economic ends.

It is then assumed that such an equal distribution is incompatible with the institution of private property. However if there is an unequal distribution then we get what Roemer calls "an exploitation phenomenon" (General Theory, p. 43). Although he admits that given the model alone he cannot justify using the word "exploitator" to describe this phenomenon "other than by reference to the Marxian phenomenon which goes by the same name" (p. 42 General Theory). The phenomenon results from the fact that given unequal distribution of assets the "asset rich" will work less than SNLT and the "asset poor" longer than SNLT. This fact is interpreted as equivalent to the production and appropriation of surplus value. But the charm of Roemer's interpretation lies mainly in the emotive use of the term social in socially necessary labour time and its implicit link with the idea of an 'economy' as a society of equal producers. The objection to the model lies not in the fact that it is 'a historical' but that while it abstracts away the dimension of entitlement (the model merely states that the economy has a certain number of assets which can be distributed in any number of ways between producers) nevertheless it smuggles in an assumption that a certain distribution of assets is right, natural and non-exploitative. This lays the model open to all the familiar objections of Nozick against presumptions in favour of end state distribution which ignore the question of legitimate entitlement. In Roemer's model the question of how the 'wealthy' came by their assets is irrelevant, the use of unequal assets competitively is in itself exploitative.

This however appears to be counter-intuitive and flies in the face of a long tradition that asserts that inequalities especially in pre-capitalist subsistence economies can be justified provided that (a) it can be shown to have been 'earned' by the individual benefitting from it (b) it does not significantly injure the interests of others i.e. its effects are marginal and do not affect the status of other producers by reducing them to servants or slaves (c) the inequalities are either transient or open to all i.e. that they are not used to create a permanent social monopoly which restricts the possibility of others gaining the same advantage.

It could further be argued that far from being exploitative coming to terms with at least some forms of inequality is a moral requirement necessary for any society to operate tolerantly and efficiently. If there is such a phenomenon as a narcissistic egoism which regards any inequality as a threat to self esteem then Roemer's models which cannot differentiate between degrees and causes of inequalities cannot account for it.

The problem of entitlement and exploitation can be illustrated by varying Roemer's basic model. Let us imagine a society where every producer has the same endowment of labour and 'capital', and are therefore all working the SNLT. A new member (A) is admitted with a super endowment of capital goods say a new form of mill which halves the time necessary to produce flour. A's entry will lower the SNLT but also it now generates an exploitative phenomenon because A will now also be working for less than the new SNLT while the others will all be working for more as the new equilibrium will now be inegalitarian.

Are the original members entitled to demand a new redistribution so that the equilibrium will return to an egalitarian solution even though this entails appropriating A's goods on which they have no moral claim? Is this not exploiting the 'asset rich' and does it not entail permanent intervention to confiscate unequal assets no matter how they were acquired?

This illustration can also be used to show that problems arising in Roemer's economic equilibrium models are reproduced in his general theory of exploitation. Some critics notably Elster have attempted to distinguish

between the economic models which are supposedly 'causal' and valid revealing the real mechanisms and social relationships of exploitation and the general theory which is invalid because of its reliance on counter-factuals. But in fact the same assumptions about perfect competition, and bargaining are made in both. They either stand or fall together. The general theory is based on the idea of exploitation as the possibility of a better alternative. Or in other words (Roemer, p.279, Politics and Society) "the test for capitalist exploitation amounts to equalizing every agent's access to society's alienable property (means of production).

To return to our illustration, the coalition of (N-A) producers would certainly be better off if they would withdraw from the economy with their per capita share of society's alienable productive assets. That is they would now withdraw with their 'per capita' share of A's super endowment. The obvious injustice of this solution is concealed by the ambiguity of the term "society". By joining an economic community A's super assets become 'social' in so far as they are a factor in social exchange even though the assets are privately owned. However when we consider rules of withdrawal "society" is now seen as the legitimate owner of all economic assets and hence it is only fair, that the equal members of society (equal as traders not necessarily as owners) should be allowed to withdraw their fair share (= per capita share) of common (= social) assets.

It could be objected that my example of an asset rich individual joining an existing egalitarian economic society is as ambiguous as Roemer's example. While A has undoubted property rights over an asset he alone has created nevertheless he benefits from the new situation where his superior assets enable him to enjoy favourable terms of exchange, terms which only become available when he joins the economic community, and he has no 'right' to demand entry. It could well be that the existing members either would not accept his entry on terms which would allow the maximum exploitation of his advantage. This brings us back to the platonic model of value. Has a community the right to use its authoritative powers as a political community

to lay down standards of value governing the division of labour within the community to ensure a fair distribution of costs and benefits in terms of a commitment of all members to an economy with agreed production targets and rights to distribution? Ultimately as Arneson has made clear questions of exploitation revolve around what one considers an "economy" ought to be and the relationship of an 'economy' to the 'society' composed of the economic actors.

By avoiding this issue the Roemer models like Sraffa's prove the futility of separating technical or scientific economic model building from moral judgments about distribution. Such a disjunction enables us to eliminate the embarrassment of theories of value which are indefensible on strictly "economic" grounds. As a consequence purely economic models can only generate "exploitative phenomena" either by imposing moral standards quite arbitrarily or else by "interpreting" the economic models in an illegitimate way.

Roemer has defended his model by stating that it corresponds to the basic Marxian connection between exploitation and class struggle in the most direct and simple fashion. The most elementary form of class struggle is between the wealthy and the poor. Such struggles can occur in societies which do not have labour markets, institutions for labour exchange or even constant capital accumulation. Therefore a Marxian theory of exploitation which is limited to capitalist appropriation of surplus labour value cannot explain these primary forms of exploitation. Roemer provides the elementary form in terms of private property and the competitive market entailed by the legitimacy of private property. This elemental form can be shown to be more fundamental and essential in that it can with a minimum of modifications be shown to account for all the aspects of exploitation found in the more sophisticated capitalist economy characterized by labour and credit markets and the existence of social classes.

But when we look at the model again we can see that the class conflict equivalence claim is based on a verbal ambiguity. By definition an

egalitarian solution of the model is only possible if some producers work less than SNLT and some work more. By definition any deviation no matter how small will lead to a differentiation between the "asset rich" and the "asset poor". But are we entitled to read off this quantitative inequality as equivalent to historical societies in which conflict occurs between "the rich" and "the poor"? Roemer is committed to the thesis that any difference no matter what its origin or consequences will generate a conflict between asset rich and asset poor. For example large farmers with capital intensive assets such as a workshop or mill are exploiting smaller farmers who have to pay for these goods with labour intensive goods which force them to work more than the socially necessary labour time. Grumbling and resentment perhaps but do such differences lead to the burning sense of injustice and oppression which in both common sense and Marxian terms we associate with "exploitation" whether it be "material" or "psychic"?

The failure of Roemer's model to make any distinction between degrees of exploitation, to indicate a threshold when a quantitative difference becomes a qualitative one is not restricted to Roemer's analysis of pre-capitalist subsistence societies. In his attempt to lay the blame fairly and squarely on property relations and the competitive market Roemer generates his models of societies with credit and labour markets and hence "classes" from the basic assumptions of the elementary model so any flaws in the original are translated into the more complex models.

But in both the common sense and Marxian analysis of exploitation it is assumed that there is a qualitative difference between the lot of the exploited and the exploiters no matter how hard it is to describe the difference accurately. While it is meaningful to describe any individual circumstance no matter how unique, inconsequential, where A takes unfair advantage of B's vulnerability as "exploitative", we normally reserve the term for basic social institutions which systematically and significantly affect the fate of the exploited. In this sense Braverman's basic distinction between the organizer-manager class, the active agents of economic activities

and the organized, the intransigent subject matter, the permanent subject of the calculations of others, is closer to both Marxian and common sense notions of the exploiter/exploited relationship. This qualitative difference is very obvious when we consider slavery. The terms used to describe the consequences of slavery as degrading, brutalizing, dehumanizing, merely express in common sense language the Aristotelean philosophical paradox that a slave must be considered as both human and non-human in the same relationships. Economically the slave functions (as is defined institutionally) as a tool, a factor of production with no privileged right to be treated differently from any other factor of production animate or inanimate, and yet as a 'human being' the slave has the right to be considered justly in terms of his capacities and needs. In one of the most powerful passages of Capital, Marx states that the only way open to the slave to prove his humanity is to brutalize the animals he works with and to destroy the inanimate means of production.

Although the function of slavery, its 'cause' might be strictly economical, its consequences for the slave are not restricted to the material sphere and it is because of the consequences that we condemn slavery. The consequences can be summed up by pointing to a systematic difference in status such that the different status of the slave.

- (1) Significantly lowers his "life chances" over a wide range of social institutions.
- (2) Significantly degrades his public status so as to prevent normal appropriation of or access to public goods such as culture, science, decision-making.
- (3) Significantly devalues him in the eyes of other members of society, in that they apply lower standards of consideration in social relationships with him than they do to normal members of society. Being treated as 'invisible', as 'part of the woodwork', without respect, etc. is a familiar finding in work done on the "hidden injuries of class".

Now it is interesting that all the historical examples of exploitation

indicated by the persistence of class struggle correspond to this quantitative difference which can be referred to as "species differences" the relations between the advantaged and disadvantaged appear as if they were relations between different species of beings who have nothing or very little in common. If we wish to restrict the use of "exploitation" to exchanges between free partners then slavery is not a case of "exploitation".

Yet it is clear that in a free market system that is supposed to eliminate the possibility of exploitation the same paradoxical categories that characterize Aristotle's attempt to justify slavery reappear. These paradoxes are symptoms of the intellectual strains caused when social institutions are making incompatible demands on the behaviour and attitudes of its members.

This intellectual double think has been captured perfectly in R.J. Wolff's analysis of the crazy logic of capitalism which demands that "workers are treated in law, in ideology, and in philosophy as small producers, petty entrepreneurs who bring their product, like any other capitalists, to the market and exchange it for the products of other capitalists' enterprises" (Wolff, p. 110).

Instead of treating workers consistently as capitalists owning labour producing industries, capitalism can be made consistent in the opposite direction by treating workers as means of production. As Sraffa has pointed out from this perspective the economic status of a wage is no different from the inputs of fuel and food needed to service machines and animals and therefore subject to the same competitive forces which have the effect of eliminating inefficient techniques of production (Wolff, p. 118).

Braverman's critique of the science of management demonstrates the same peculiar results when the peculiarly human skill of economizing is applied to human subjects. Roemer dismisses the labour process analysis too summarily as merely concerned with 'alienation' regarded as a subjective psychological phenomenon or else as a matter of work organization.

The original version of this paradox can be found in the philosophical foundations for classical political philosophy provided by Locke. The

category of "servant" created the same difficulties for Locke as "slave" did for Aristotle.

On the one hand the "servant" qua human must be on an equal footing enjoying the same freedom and status as his master, this is essential to the ideological and juridical defence of legitimate property rights. But in economic activities the servant can only function as a tool or factor of production on a level with other factors of production animate or inanimate, "Thus the grass my horse has bit, the turfs my servant has cut...became my property without the assignation or consent of any body" (Locke, Second Treatise, ch. V, para. 28).

The solution to these incompatible states is the "servant contract" made possible by the separation of the servant owner from his 'property', his right to labour, which he exchanges in return for a wage. Marx's own distinction between labour and labour power in his analysis of the labour theory of value is a reworking of the Lockean dual status of the servant as simultaneously independent and dependent. Like Aristotle's ideal slave this is not a logical contradiction, it is logically possible for natural slaves to exist who would therefore benefit from the guidance and protection of a moral slave owner. Likewise it is logically possible for the servant to make it a condition of the "servant contract" that he is to be treated as a partner providing a service in a common enterprise, that he be exempted from the competitive pressure of the market which must apply to other factors of production such as the master's horse whose costs of subsistence must be met as cheaply as possible. Historical and social realities such as the reserve army of labour, the cultural differences between masters and servants and the organization of the enterprise itself make such a contract of equal exchange as impossible in practice as was Aristotle's category of legitimate slavery.

Having considered Roemer's account of elementary exploitation I would now like to move on to Roemer's extension of the model to cover Marx's account of exploitation in a capitalist system characterized by the labour market and capital accumulation.

What is the institutional cause of exploitation in a capitalist system? Roemer gives two logically different answers to this question which he illegitimately conflates. The two different answers are based on different sets of assumptions in his model. We will call these two distinct sets of assumptions, property assumptions and bargaining assumptions.

As we have seen Roemer asserts that the institutional culprit responsible for capitalist exploitation is private ownership of the means of production, or more accurately the concentration of such ownership in the hands of a small class. Roemer is of course referring to the historical process whereby small producers lose ownership of their tools and workshops and are forced to choose between not producing or working for those who now own the necessary means of production. The crucial distinction revolves around private property rights in the means of production.

However Roemer also gives an explanation of exploitation in terms of 'lack of access' or coercive bargaining positions which he says is similar to Nozick's arguments about coercive contracts not being valid. Now the culprit for exploitation is seen as differential access to the means of production and the proletarians are exploited precisely because they are denied access to them (Roemer, General Theory, p. 12).

At first sight it would appear that Roemer's two explanations are merely different aspects of the same thing as the point of private property is to deny access to non-owners. However Roemer has made it very clear that he does not mean by "access" mere ownership of the means of production because this is insufficient in itself to cause exploitation. It is easy to imagine non-exploitative exchanges between owners and non-owners, everything depends on the relative bargaining position of the two parties. A private owner of a library, a hospital, a newspaper or a football team may own all the relevant means of production and can deny access to those who don't own them. But faced with the fact that his assets are useless unless put into operation and faced with either a natural or artificial monopoly of workers with the relevant skills or rights to operate them, the owner could well find that he

is not in a position to dictate terms to potential employees. And it is precisely this coercive situation, take my terms or starve for there are many others competing for this job that create the exploitation phenomenon.

This had already been seen by G.B.Shaw, Hayek and others, the modern battlefield lies either in the existence of welfare benefits which removes the need to accept employment at the lowest market wage, or the existence of trade union monopolies to reduce the bargaining position of the employer. But as Romer himself points out the same effect can result from a natural shortage of the relevant labour which would then force owners of stock to compete and can theoretically eliminate the owner's ability to make a profit by exploiting their position as owners of capital.

Therefore when Roemer specifies the conditions for exploitation (General Theory, p. 11) he puts all the weight on the Marxian theory of the reserve army of labour i.e. (1) a class of propertyless producers, in relative abundance to the supply of capital which can employ them; (2) the existence of an inferior technology which can keep the unemployed industrial reserve army alive, so they continue to exert their downward pressure on the real wage next week.

Now Roemer's models have shown that unless these conditions which we can call "bargaining or monopoly conditions" are met exploitation cannot arise because the operation of the competitive market will prevent owners from exploiting the potential of the assets. So it is clear that there are two heterogeneous sets of assumptions and of the two the real culprit is not the first (property rights and competitive market) but the second, a bargaining situation where one group because of its monopoly of the means of production is able to exploit the competitive situation created by a large number of vulnerable people competing against each other for access to the means of production. This shifts the whole terrain of exploitation from property to the rights and wrongs of monopolies, and particularly on the role of social classes as means of preserving monopoly advantages over generations.

More importantly it throws doubt on Roemer's solution to capitalist

exploitation. As he makes clear the mere abolition of private property is insufficient because this could merely lead to "public" ownership as opposed to social ownership. But as long as society is stratified in terms of class monopolies of varying bargaining power (professional classes with monopolies based on limiting access to institutions which confer licences to practise, skilled classes based on trade union monopolies or access to apprenticeship training, managerial class based on monopolies over the means of socialization etc.) then it is inevitable that the abolition of private property will merely lead to public exploitation whereas a different coalition of monopolies will replace the existing "capitalist-managerial" exploitation. In this sense labour process theorists such as Braverman are right.

I shall refer briefly to Roemer's claim that his series of models can be made to approximate to a materialist philosophy of history conceived in terms of the progressive elimination of different forms of exploitation. Can Roemer's model of "capitalist exploitation" identify the main source of exploitation in contemporary western society?

The model has been defined at a level of abstraction which defines the capitalist purely in terms of ownership i.e. in Marx's terms he is a coupon clipper whose revenue comes solely from his ownership of means of production, and similarly labour has been defined in terms of homogeneous and identical labour endowments.

However one of the most obvious facts about modern society is the peculiar fusion of skills and property rights both at the levels of "capitalist exploiter" and "labour exploited". Labour is highly stratified and heterogeneous even within the traditional category of the proletariat even without introducing the further stratifications arising from a stigmatized underclass and a privileged professional or service class. Similarly modern "capitalists" have both organized and legitimized themselves in terms of a "managerial class" with entrepreneurial, risk taking and industrial organizational skills. In these circumstances in which there are at least prima facie grounds for saying that the professional classes exploit the non

professional, that managerial classes exploit employees and that a national working class benefits from (if not itself exploiting) the exploitation of workers in underdeveloped countries, it is not at all clear how one would go about eliminating "capitalist exploitation" defined in terms of the Marxist ideal type.

It is not enough to say that at the level of analytical abstraction on which Marx was working the assumptions of homogeneous labour confronting a non-producing ownership class are legitimate. As Roemer himself states (General Theory p. 184) Marx himself believed that the operation of the capitalist system would eventually produce an international society structured in this way. What deductions about exploitation can we deduce from the discrepancy between the model and contemporary society? Are the differentials appropriated by the professional classes based on organizational monopolies supported by a pre-capitalist doctrine of intrinsic status differences?

Is the professional ideology that certain 'mental' occupations are intrinsically more valuable than others a pre-capitalist status distinction, or can the professional margin be accounted for in neo-classical terms of a relative scarcity of an acquired skill for which the market price has been paid? If we assert the former then it would seem that at least one of the main modern sources of inequality and presumably exploitation is the result of resistance to the progressive tendency of capitalism to reduce all labour to an equal market and hence potentially an equal social value once capitalist property relations are removed. In which case the political agenda would be drawn up on the assumption that the time is not right to overthrow a 'capitalist system' which has not fulfilled its potential.

Conversely if we accept professional differentials as inalienable skills then they become a post-capitalist problem. But if this is the case then management itself becomes a post-capitalist problem and the point of a revolution against capitalism would be to remove either a rentier class or the possibility of earning any private income from coupon clipping. In effect a

post-capitalist society would have the same stratificatory profile as contemporary society and possibly the same "ruling class" except that their revenues would have to be 'earned' (according to some unspecified standard of what various skills are worth) and would be paid out of public funds. Non-capitalist property rights including rights to inherit would presumably be untouched.

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Exploiting a Situation and Exploiting a Person

C.1. Contemporary philosophical discussions of "exploitation" tend to focus narrowly on cases of economic exploitation.¹ There the emphasis naturally falls on the production and consumption of commodities carrying value. That, in turn, tends to suggest that a theory of exploitation should be parasitic upon a theory about the creation and distribution of valued commodities. And it further tends to suggest that only certain sorts of things (factors of production) are eligible candidates for exploitation.

But surely that is too narrow an understanding of exploitation. Lovers can exploit one another just as surely as can economic classes. Yet neither party in an affectionate relationship is functioning in any standard sense as a "factor of production." Nor, since neither party is creating valuable objects in any ordinary respect, does it in that context make much sense to define exploitation in the standard economics-based terms of receiving commodities that are less valuable than those one has created.

Economic agents do sometimes exploit one another. Of that there can be no doubt. But I do rather doubt that that (or, indeed, anything else, either) should be taken as the paradigm case for exploitation as a whole. There is simply too great a risk of mistaking what is peculiar to the particular case for what is characteristic of the phenomenon overall. It is better to triangulate on a general theory of exploitation from as many distinct, independent points as possible. That is the spirit in which this paper is offered.

Exploiting a Situation and Exploiting a Person

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Presented to
Workshop on Exploitation
European Consortium for Political Research Joint Sessions
Barcelona
March 1985

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0.2. The minor thesis of this paper is that exploitation fundamentally consists in a certain sort of behavior in a certain sort of situation. The hub of the matter is always "taking advantage," in one way or another. Exploiting a situation amounts essentially to taking advantage of some peculiar features of that situation. Exploiting a person similarly involves taking advantage of some peculiar features of that person; or, less elliptically, it amounts to taking advantage of some peculiar features of the situation in which exploiters and the exploited find themselves, where the "situation" is defined so as to include a description of both personal characteristics and impersonal circumstances.

0.3. While exploiting a person is a special case of exploiting a situation, it is a very special case. The two are interestingly different, most especially in that the former practice is inherently wrong in a way that the latter is not. Built into the concept of exploiting a person is a notion of "unfairness" (of "taking unfair advantage") that is out of place in talking of our treatment of mere situations.

Exploring that sense of unfairness further, I am led to conclude that the morally-charged forms of exploitation consist essentially in deficits of a very particular moral duty. Occasions for exploitation arise when one party is in an especially strong position vis-à-vis another. Those same circumstances impose upon the stronger party a strong moral responsibility to protect the weaker. It is the failure to discharge this duty--playing for advantage when you are morally bound to do otherwise--that we call exploitation. Just as the analysis of the notion of adultery is parasitic upon an analysis of the duty of marital fidelity, so too is the analysis of exploitation parasitic upon

an analysis of this duty to protect the vulnerable. That is the major thesis of this paper.

I. Exploitation in General

1.1. Only persons (or agents more generally, if our concept of agency stretches beyond persons) can exploit anything. As Feinberg says, "Diseases, landlides and tropical storms have never exploited anything."² But there are a great many things that such agents might exploit. Among them are other people, their foibles, phobias and physical attributes. Also among them are inanimate objects, such as tools and natural resources; abstract entities, such as ideas, beliefs and arguments; and various sorts of situations, such as crop failures, natural disasters, miners' strikes, and so on.

1.2. Across all these diverse cases, the core notion seems to remain constant: to exploit something is, most fundamentally, to take advantage of it.³ We must, however, be wary of an ambiguity built into the notion of "advantage." In one sense of the word, advantage₁ refers to a "superior position; favouring circumstance." In another sense, advantage₂ refers to "the result of a superior position: benefit, increased well-being."⁴ The advantage taken by exploiters is of the former (advantage₁) sort.

Certainly it is true that an act of exploitation ordinarily redounds to the benefit of the person who performs it. But the connection between exploitation and benefit is a contingent rather than an analytic one. Taking an advantage is not the same as taking a good. When an Armored Division exploits a gap in enemy defenses to push through to seize control

exploiting anyone or anything--not yet, anyway. Exploitation occurs only when they cash in on the opportunity, and not a moment before.

1.4. Exploitation consists in taking advantage of someone or something, but not every act of taking advantage constitutes exploitation. Retirees who take advantage of their newly-found spare time to learn woodworking would hardly be said to be exploiting the opportunity to learn a craft. Nor does the Norwegian, taking advantage of January's perfectly seasonal snowfall to ski daily, do anything that we would be altogether comfortable describing in terms of exploitation.

One reason we hesitate to apply the term to such situations might be that we see nothing wrong with those activities, and exploitation we deeply suspect must always be wrong. That is true where it is people that are being exploited--of which more later. But that is not necessarily true where things other than persons are being exploited. No one blames philosophers (or perhaps even politicians) for exploiting good arguments. No one blames Javanese peasants for exploiting their exceptionally good climate to grow three rice crops annually, or Wilt Chamberlin for exploiting his remarkable talent for playing basketball to earn a living.

What the woodworking retiree and skiing Norwegian examples suggest instead is that exploitation refers to the taking advantage of an unusual situation. Perhaps strictly speaking any aspect of a thing or situation that can be manipulated to your advantage should be said to be exploitable, just as every opportunity should be said to be an opportunity. But in practice we tend to save those bigger words for what are thought to be more unusual circumstances. A "real opportunity" is something out of the ordinary. So, too, is the opportunity really to exploit something.

of a major city, it takes advantage of one thing (the gap) to seize yet another (the city).⁵ What is seized in an act of exploitation is thus of merely instrumental value. "Take advantage" might therefore be better understood as "turn to advantage" or "make use of."⁶ The value of the act of exploitation to the exploiter is not contained within the act itself, but rather in the further advantages₂ (i.e., benefits) that follow from seizing the (strategic) advantage.₁

Exploitation is an act which, if successful, confers certain benefits upon the exploiter. But to succeed such acts must succeed on two levels: exploiters must not only successfully seize advantages₁ but also successfully transform them into real advantages.₂ Attempts at exploitation can thus fail in either of two respects. People might fail in their attempts to make use (i.e., seize control) of things they are trying to exploit. Or they may succeed in seizing control of those things, but fail in their further attempt to manipulate them in ways conducive to their larger goals.⁷

1.3. Exploitation on this analysis amounts to "seizing an opportunity." But, again, it is the act of seizing that opportunity--it is not the act of seeking it, or creating it, or discovering it.⁸ Foreign aid donors are often setting up a situation which they can later exploit, making the recipient country's economy dependent in various respects on the donor's.⁹ So too are American defense contractors setting up a situation they can later exploit when selling the Pentagon cut-rate airplanes under contracts that will allow them subsequently to charge exorbitant prices for spare parts. And so too are miners setting up a situation which they can later exploit when sinking a shaft down to an ore deposit. But people setting up a situation so that it can later be turned to advantage are not

The connection between the exploitable and the unusual is revealed more clearly in the noun than in the verb. When talking of someone's exploits, we are referring to brilliant feats and rare adventures. It would be simply inappropriate to describe commonplace, humdrum doings as "exploits." Some more unusual is required to warrant that description.

The adjectival use, too, retains something of this sense of the unusual. We have no hesitation in describing as "exploitative" extractive industries like mining; and we would have little hesitation in describing overly intensive cultivation of farmland in similar terms. Consider in contrast, however, a group of farmers or fishermen who practice a form of scrupulously responsible husbandry, culling no more than the maximum sustainable yield each year. It seems inappropriate to describe their activities as exploitative, although they certainly are taking advantage of the resources of the land or sea. The reason the term does not seem to fit is that they are doing nothing that is necessarily unusual. They can repeat their practices endlessly, in a way that miners or exploitative farmers or fishermen inherently cannot.

1.5. Exploitation, then, is a matter of taking unusual advantage. That can occur in either (or both) of two distinct ways. One is by taking advantage of unusual situations. Another is by making unusual use of perfectly ordinary circumstances. There is, for example, nothing in the least unusual about provisions in tax laws allowing farmers to set losses off against earnings in calculating their taxable income. There is, however, something unusual about people buying up failing farms just to make "tax losses" to offset other earnings; and it is by virtue of

that unusual use of perfectly usual provisions that we say that weekend farmers "exploit" rather than merely taking advantage of the tax code in these ways. Or, again, there is nothing unusual about attractive people flirting. But when this is done in order to get a police officer to tear up a speeding ticket, the attractive speeders would be said to have exploited rather than merely taken advantage of their charms--and that because fixing a ticket is such an unusual use to which to put those charms.

1.6. Now, saying that these are "unusual" uses is not to say that they are infrequent ones. Quite the contrary, I presume that businessmen and blonds do just these sorts of things all the time. What warrants the term "exploitation" as applied to such activities is not necessarily that people are making rare or uncommon uses of certain advantages. It may instead be that they are making non-standard or non-paradigmatic uses of them. The standard, paradigmatic use of tax breaks for farmers is to help farm families stay on the land. The standard, paradigmatic use of good looks is for making. When put to their standard, paradigmatic uses there is nothing exploitative about the use of these advantages. When used to fiddle corporate finances or to fix tickets, there is. ¹⁰

Constructing "unusual" in this way avoids prejudicing the question of the frequency of exploitation. If exploitation were defined as "taking unusual advantage," and "unusual" were defined as "rare, uncommon" alone, then exploitation would by definition have to be a rare or uncommon phenomenon. That may be true; it may not. But whether true or false, that must be as an empirical rather than an analytical fact. Any analysis of exploitation that makes it rare by definition is fatally flawed. Saying that the notion of "unusual" straddles "rare, uncommon" and "non-standard, non-paradigmatic" alike successfully avoids that result.

It is hardly surprising that "unusual" should straddle these two senses, one frequentist and the other moralized. The cognate notions of "normal" and "expected" outcomes do much the same. When assigning responsibility for some harm that has been done either accidentally or intentionally, we lay the bulk of the blame on those whose conduct has deviated most from the "normal" course of conduct; and "normal" in this context explicitly straddles notions of what people most frequently do and what people morally should do. Similarly, when trying to decide whether a proposal constitutes a threat or an offer, we compare it to the "expected" course of events; and once again, "expected" straddles "predicted and morally required."¹¹

II. Exploiting a Person

2.1. There are various things about people that we might exploit. We might exploit their strong backs or weak minds; we might exploit their fears, ignorance, superstitions, gullibility or naivete; we might exploit their generosity, loyalty or trust; or we might exploit their bad luck, their joblessness, homelessness, or illness.

All these things are, however, merely attributes of people and their circumstances. Exploiting a person's attributes is not the same as exploiting a person.¹² Each of us can sometimes exploit some of our own attributes (a runner her stamina, a boxer his reach, etc.). We would not thereby exploit ourselves--we would just be exploiting certain things about ourselves. Similarly, we can take advantage of a person's trustworthiness to secure an otherwise unenforceable contract; and we can take advantage of a person's blindness to conduct taste-tests

contaminated by visual cues. In both cases, we exploit a person's attributes without necessarily exploiting the person as a whole.

We infer whole-person exploitation from the fact that certain of the person's attributes are being used if they are being used unfairly. Thus, taking advantage of other people's honesty or blindness to steal from them constitutes exploiting those people tout court, whereas taking advantage of those attributes for the earlier purposes does not. Exploiting a person is, thus, essentially a matter of "taking unfair advantage" of that person.¹³

2.2. Here, as in the more general case, what is taken is strictly speaking an advantage,¹ i.e., an advantage of a merely strategic sort. But here, even more certainly than in the general case, some further benefit must necessarily accrue to the exploiter if the act of exploitation is to be said to have been a successful one.¹⁴

Most commentators would claim that the opposite also has to be true, i.e., that the exploited must necessarily suffer a loss (some would go so far as to say an "equivalent" loss) to have been exploited at all.¹⁵ While that is often contingently true, such a condition seems neither necessary nor sufficient for application of the term "exploitation." It is easy enough to see that it is not a sufficient condition: when I give you a gift, you have gained and I have lost, but no one would (by virtue of that fact alone) say that I have been exploited.

Neither is the exploited party's loss a necessary condition of exploitation. Feinberg offers a counterexample that I find compelling. Certainly we would want to say that Norman Mailer exploited Gary Gilmore, the murderer who demanded his own execution, to make a fortune by writing

his inside story of Gilmore's life, The Executioner's Song. But, as Feinberg points out, "Maller ... did little for Gilmore and his family, and for that matter he did little to them either; rather, he took them and left them as he found them, having used them exactly as they were to make a killing for himself."¹⁶ Or, for another example, I think we would certainly want to say that prostitutes are exploited by their clients and pimps, however well paid the prostitutes might be. Both the cases of Gilmore and the prostitutes suggest that the exploited party need not suffer any losses as a necessary condition of having been exploited.

Nor do exploited persons necessarily incur losses even in the form of "opportunity costs." It might seem so in the cases just presented. In our judgment that Maller exploited Gilmore, it seems important that he was selling the "inside story" of Gilmore's life; and in our judgment about the pimps' exploitation of the prostitutes, it seems important that the former were selling the services of the latter. That, in turn, suggests that part of our sense of their having been exploited might turn on the unstated assumption that they could, in some alternative state of the world, have written their own life stories or sold their own bodies. On this analysis, the extent of their exploitation is to be measured as the difference between the benefits or losses the exploited actually incurred and those which they would have incurred in this alternative state of the world where the middlemen have been removed.¹⁷

But that is not true, either. Suppose that Gilmore was no literary craftsman and that a life story, written by his own hand, would have fetched a mere pittance. Suppose, furthermore, that this literary incompetence were somehow essential to who Gilmore was or what he has done, so we could not assume that away also without assuming away Gilmore

himself or fundamentally altering his story. Are we then to say that Maller has not exploited Gilmore at all in writing his life story, even though Maller made a fortune from the exercise? Surely not. Surely Maller has exploited Gilmore, even though there is no alternative state of the world in which Gilmore could have done any better for himself.

Thus I am led to conclude that, while interpersonal exploitation must necessarily entail some benefit for the exploiter, it need entail no losses for the exploited. It is contingently true that often they will suffer losses. But it is not analytically necessary that they suffer losses (compared either to their immediately prior position, or to their position in some counterfactual circumstances we might imagine) in order for them to have been exploited.

2.3. Exploitation in general is morally ambivalent. There is nothing wrong (nothing necessarily wrong, anyway) with exploiting waves or rocks or sunshine. It is only as applied to our treatment of people that "exploitation" acquires inevitably pejorative connotations. Why that should be so--what is morally objectionable about exploiting people--is something that requires the careful attention of the next several sections. But of this much there can be no doubt: an act of exploiting a person always constitutes a wrong.

To say that such an act necessarily constitutes a wrong is not, however, to say that it is necessarily wrong on balance to perform that act. There might be all sorts of other countervailing considerations which, when taken into account, would make an act of exploitation morally permissible (or even desirable) on balance. But those countervailing considerations do not cancel or erase the unfairness of the act, nor do they cancel or erase our moral objections to that unfairness. They merely override those objections.¹⁸

2.4. The wrongfulness of exploiting people is presumably connected, somehow, to its unfairness. After all, only one thing has changed in shifting from the exploitation of things to the exploitation of persons: the qualifier "unfair" has been added in the general formula of "exploitation = taking advantage." It is in this notion of unfairness that the source of our moral objections to the practice of exploitation is most naturally sought. There are, however, many ways of cashing out this notion. And, as I shall spend the balance of Part II demonstrating, none of the standard substantive senses of unfairness quite seem to capture the wrongfulness of exploitation.

Perhaps the most obvious reading of "unfairness," especially in the context of exploitation (and more especially still in the context of economic exploitation), is in terms of force and coercion. On this reading, we say that slaves are exploited by masters who force (or coercively threaten to force) them to work on their behalf; feudal serfs are exploited by lords who extract part of their produce by force or the threat of force; and, on Marxian analyses, the wage laborer is exploited because he "is forced, by his propertylessness, to work for the capitalist."¹⁹

That would be to assimilate the notion of exploitation to that of theft, with which (at least in certain contexts) it obviously has much in common. Such an interpretation is borne out by the way we characteristically speak of exploiters "extracting" benefits from the exploited: to extract is by definition to "take out by force," or to "draw forth against a person's will." Viewing exploitation in this light would, furthermore, make it abundantly clear what is morally wrong with the practice.²⁰

Further reflection reveals serious flaws in this analysis of exploitation as coercion, however.²¹ Strong though the link between them might be in cases of economic exploitation, it seems peculiarly weak in other contexts. When exploiting friends or lovers, we are not forcing them to do anything whatsoever. They do what they do happily, willingly, voluntarily.²² If there is any force involved at all, it is purely self-generated. Perhaps our friends or lovers do what they do under mental duress, in the sense that they do not want to believe that we, whom they regard as friends or lovers, do not reciprocate their feelings. In that way they may be forcing themselves to do or believe something, in some sense. But we are not forcing them in any sense at all.

Moreover, if a transfer were effected through sheer brute force, we would ordinarily not describe it (not primarily, anyway) as an act of exploitation at all.²³ The thief who simply seizes his victims' property does not just exploit them--he robs them. Exploitation implies some measure of cooperation, unwilling or involuntary though it may be, on the part of the exploited. Extortionists, blackmailers, and con artists all enlist the reluctant or unintentional support of their victims in this way. That is the reason we are more comfortable in saying that they exploit their victims than we would be in saying the same about clever cat burglars or smash-and-grab men.

2.5. A second way of construing the unfairness that lies at the core of interpersonal exploitation might be as "a certain kind of lack of reciprocity."²⁴ In the tradition of Broad, Hart, and Rawls, unfairness is standardly analyzed in just those terms.²⁵ And it is true that many central cases of exploitation (again, economic exploitation most especially)

display precisely that property. Crucial to claims of interclass economic exploitation, for example, is the notion of "unequal exchange" between the First World and the Third; crucial to Marxian claims about the exploitation of the proletariat is the notion that (at the very least) capitalists take more than they give in the relationship; and so on.²⁶

Again, however, this analysis does not offer a wholly adequate account. It may not be altogether adequate even for the analysis of economic exploitation. We would not, I think, want to say that absolutely everyone who has driven a bad bargain is thereby necessarily exploited. Some people just cannot be bothered to shop around for the very best price available, and therefore end up paying more than strictly necessary for their goods and services. But surely we would not want to say, by virtue of that fact alone, that they have been exploited.²⁷

Beyond the bounds of economic relationships, the shortcomings of this analysis of exploitation as non-reciprocity become more apparent still. There is nothing reciprocal about a gift: I give it to you free and simple, with neither hope nor expectation of return. Yet people can hardly be said to have been exploited every time they have given someone a gift. Indeed, it is crucial to any affectionate relationship that we should not keep too keen an eye on the balance of benefits and burdens. Someone who repays a favor too promptly, or gives back to friends exactly the same gifts they have previously given him, is abiding by the rules governing the repayment of commercial loans rather than by the rules governing friendly gestures.²⁸ Striving for strict reciprocity is inimical to the spirit of affectionate relationships. Yet, on the analysis here in view, doing otherwise constitutes exploitation. An analysis that makes affectionate relationships inherently exploitative is absurd.

Perhaps in affectionate relationships it is something other than benefits that we expect to be reciprocated. It is only decent for people to try to reciprocate the feelings of those who care about them. But since feelings are not (or not completely) under our conscious control, we can hardly be blamed for failing to succeed in that task. It is unfortunate, no doubt, but certainly not unfair that you should fail to reciprocate the feelings of someone who cares about you. Whether or not you have exploited the other's affection depends on whether or not you have taken unfair advantage of it. But that is not a matter of how close you came to matching the other, gift for gift, or of how close you came to reciprocating the other's feelings. It is instead a matter of how well you adhered to the standard canons of decent treatment of vulnerable others.²⁹

2.6. A third set of interpretations of exploitation center loosely around the notion of "manipulation."³⁰ In the parlance of games, fair play requires everything to be above board. Manipulation is akin to cheating. And perhaps that is precisely what people are doing when exploiting one another.

This interpretation is not entirely out of place in the context of economic exploitation. Multinational corporations exploit Third World suppliers of raw materials by manipulating prices; OPEC exploits petroleum users by manipulating supply; and so on. But this analysis of exploitation as manipulation is obviously most at home in non-economic (and especially affectionate) contexts.

Manipulation has three salient features. One is that it is an active rather than passive concept. When you manipulate something, you do something rather than just sitting around and letting something happen. A second feature is that manipulation is deceptive, and characteristically

hidden from view. A third feature is that manipulation is contrary to the putative will of the persons who are being manipulated.³¹

If exploitation does not characteristically display all these features as well, then it will not be properly analyzed in terms of manipulation at all. The third feature presents few problems. It is highly likely (although not, strictly speaking, analytically necessary) that people suffer from being exploited and therefore would prefer it not to happen to them. The other two features are more problematic, however. Many very standard cases of exploitation fail to display one or the other (or both) of these other two defining characteristics of manipulation.

Take first the matter of deception. Much exploitation is indeed surreptitious, and in purely pragmatic terms necessarily so: it simply would not succeed if the exploitees saw what was happening.³² But

much exploitation is right out in the open. No one can deny that OPEC is exploiting its near-monopoly on oil to extract high prices from users of petroleum products. Yet no one can deny that they do so in full view, in their regularly scheduled meetings with the world's television news cameras in attendance.

Consider next the active nature of manipulation. Some say that that is a characteristic of exploitation as well, and it seems that they have linguistic warrant for this judgment. Exploitation, after all, is a matter of taking advantage, and "taking" is a distinctly active verb.³³ Some might further try (in my view, unsuccessfully) to trace the wrongfulness of exploitation to this active aspect of the notion, through appeals to the familiar act/omission doctrine.³⁴

The basic premise of such arguments seems incorrect, however. While exploitation might often be active, it is not always or perhaps even usually so.³⁵ Most economic exploitation, for example, takes place without

anyone manipulating--in the sense of actively altering--anything at all. On the Marxian analysis, capitalists exploit wage laborers even (indeed, especially) in a perfectly competitive market, where none of them could, through their own independent actions, alter prices or wages one iota; and this is a feature that the Marxian analysis of exploitation shares with various other non-Marxian analyses as well.³⁶ Or, to put the same point slightly differently: Whatever it is that makes us say that capitalists exploit workers, we would say the same whether the capitalists had sought out the workers or whether the workers had come caps in hand to the capitalists begging for employment. Where the balance of the initiative lies is irrelevant to our judgments of exploitation. The passive sweatshop owner is not, by reason of passivity alone, any the less exploitative.

2.7. Another interpretation, a weakened version of the last, assimilates the notion of "exploitation" to that of "using." There is a clear linguistic rationale for that. "Exploitation" is a matter of "taking advantage of," and (as Section 1.2 suggests) that is equivalent to "making use of."³⁷ This interpretation also offers a ready (although, as I shall subsequently argue, wrong) answer to the question of why exploiting people is necessarily bad while exploiting things is not, viz., it is necessarily wrong to use people but not to use mere things.³⁸

This interpretation escapes more-or-less successfully the objections lodged against the last. Certainly we can use people without necessarily deceiving them: they can know they are being used, and still be used.³⁹ As for the other criticism, although "using" may be a vaguely active verb it is less insistently so than "manipulating." Small manufacturers who are "using" wholesalers to offload their merchandise may be active, perhaps,

But they are minimally so--and certainly are no more so than in the paradigm cases of relatively inactive exploitation described in Section 2.6.

In other respects, however, the analysis of exploiting people as using people is less satisfactory. To say that we "use people" is merely to say that they play a necessary part in the attainment of our ends. We "use" people, in that sense, in all sorts of ways that do not amount to exploiting them, assuming that to "exploit" them is necessarily to do them a wrong. Butchers use bakers to get their bread, and bakers butchers to get their meat. Although each undeniably uses the other in these ways, there is nothing (necessarily) wrong or exploitative about such use. Or, again, in affectionate relationships friends and lovers undeniably "use" one another in the sense described above: each plays a necessary part in the other's plans. But there is not (necessarily) anything wrong or exploitative about that.

Perhaps what is going on in these counterexamples is that consent qualifies the wrongness of use. Perhaps (wrongful) exploitation is not just using people, but using them without their consent. ⁴¹ That is not the whole story either, however. There are some uses to which people should not be put even with their consent, even if it is full, informed, genuine consent. Someone willing to sell a cornea or rent a womb is (or will soon be) legally prohibited from doing so. Presumably it would be wrong--exploitative--to use a person in such ways, even with that person's complete consent. The equation between consent and permissible use breaks down in the converse case, too. We can use people without their consent, and still not exploit them. I do not wrong, or hence exploit, an enormously large spectator at a race meeting when standing in his shadow to block the blinding sun.

2.5. Using people is, I believe, a necessary condition of exploiting them. But it is not a sufficient condition. What more is required in order to make it sufficient is not the absence of consent, or the presence or coercion, or the absence of reciprocity, or the presence of manipulation. What is needed is instead some specification of the ways in which people are being used. This is partly a matter of what is being used--of "the particular traits or circumstances ^{of} the exploited person" that are utilized.⁴² And it is partly a matter of the uses to which those things are being put. The analysis of exploitation thus reduces to an analysis of why and in what respect it is wrong (unfair, exploitative) to use certain attributes of people and their situations in certain ways. It is to this analysis that I now turn.

III. Exploitation as Wrongful Use

3.1. I take it as axiomatic that the concept of "exploitation" must necessarily refer to a process, rather than just some end-state. Being exploited cannot just be a matter of ending up alienated from something you have created, or of ending up getting less than you gave, or of ending up with less value than you have created. It is not a matter of how things end up at all. It is instead a matter of how you got there. The essence of exploitation must be sought in some characteristic of the process, rather than in some characteristic of the end results.⁴³

In this, I am presumably deviating from the mainstream Marxist analysis of exploitation, which tends to define exploitation in terms of end-states and to look upon processes as causing exploitation rather than constituting it. A narrow focus on economic exploitation--where it is relatively less difficult to specify what constitutes a fair

division of benefits and burdens--makes that an easy mistake. But it is a mistake that is easily avoided if we remember that friends and lovers can exploit one another just as surely as can economic classes. In an affectionate relationship, we find it very hard indeed to say precisely what a "fair" division of benefits and burdens would be. (Since neither party is creating valuable objects at all, it hardly makes sense to talk of exploitation in terms of receiving commodities less valuable than you have created, for example.) Although we cannot say what a fair division would be--and although we may even suppose that any ordinary canons of fair division are inapplicable in such insistently non-competitive contexts--we nonetheless can say with confidence that one party has sometimes exploited the other. There, clearly, the unfairness must lie in the process rather than the end result.⁴⁴

3.2. I further suppose that exploitation is a modal category, rather than a scalar one. Exploitation is not a matter of crossing some threshold on a smoothly-sliding scale of greater or lesser advantage being taken of you. If it were, we could sensibly talk of your being "almost exploited" if your treatment fell just below the threshold, or "just barely exploited" if it fell just above. Those locutions are nonsensical. People are either exploited or they are not.⁴⁵

To be sure, there are gradations in how badly people are exploited, and that is rightly analyzed in terms of how much others have profited at their expense. But the gradations here come in the notion of "badness" rather than in the notion of "exploitation." When we say that someone is "very badly exploited," the "very" attaches to "badly" and not to "exploited." Similarly, people either have smallpox or they do not; saying it is a very bad case or a not-so-bad case does not in any way qualify our judgment about the presence or the absence of the viral agents.

3.3. These two factors taken together sharpen my resolve to analyze acts of exploitation as wrongful uses of people and their circumstances. "Wrongful" is a powerfully moralistic notion. I make no apology for that. I shall be offering an explicitly moralized notion of exploitation, because in my view only a moralized analysis will fill the bill set out in the two preceding sections.

On this moralized account, to commit an act of exploitation is to commit a wrong. The wrongfulness (unfairness, exploitativeness) lies in the act, not in the outcome--just as Section 3.1 demands. And on this analysis, to exploit people is to wrong them, however much or little they may lose or you may gain from the act. This makes exploitation a modal notion, just as Section 3.2 requires.

Furthermore, this moralized interpretation fits well with my analysis in Sections 1.4-1.6 above of exploitation in general as being a matter of taking unusual advantage, where "unusual" straddles the descriptive ("rare") and the prescriptive ("non-paradigmatic"). One consequence of my fully moralized analysis of the exploitation of people is a correlative account of exploitation in general that is at least partly moralized. This will afford us some leverage on questions concerning the wrongful uses of mere things, as I shall show in Part IV below.

3.4. Exploiting persons is taking unfair advantage of them, but none of the standard substantive understandings of unfairness surveyed in Part II satisfactorily accounts for the sense of unfairness at work here. Let us begin again, this time taking a more formalistic tack.

Here, as is so often the case, the notion of "unfairness" might best be explicated by reference to the game analogy. "Fair play" is

play according to the formal rules and informal ethos of the game; "unfair play" is play at variance with those standards. 46 "Taking unfair advantage," seen in this light, would consist in availing oneself of strategic opportunities that are denied to one under the rules and ethos of the game at hand.

3.5. What is fair or unfair, exploitative or non-exploitative, will then depend heavily on the nature of the game. A forward pass is fair play in the game of American football, but not in the game of English rugby; and so on.

That seems to me exactly right. What is to count as exploitative should indeed depend on context. An act that would be exploitative in one context would not in another: sharp practice would be deeply exploitative in affectionate relationships (between friends or lovers), but not in commercial contexts. Acts are not intrinsically exploitative. It all depends on the context in which they are performed--on the nature of the game that people think they are playing. 47

This analysis builds an element of subjectivism--and, indeed, of relativism--into the notion of "exploitation." But in my view it does so in about the right place, and in about the right proportions. Certainly we do want to say, with Marx among many others, that people can be exploited without realizing it. Can artists exploit their gullible victims, even if the victims never come to realize that they have been had. So exploitation is not just a matter of subjective perceptions. Yet it is that, at least in part. Exploitation is not like starvation, something that happens objectively and quite independently of local customs and standards. 48 Exploitation is defined as a violation of the norms governing certain social interactions. Like other violations of

social norms (against theft, etc.); people may or may not in any particular instance discover that a violation has occurred; but that does not mean that a violation has not occurred. Once the norms are set, whether or not they have been violated is an objective fact. The subjectivistic, relativistic element comes in the setting of the norms in the first place, not in determining whether or not they have been violated.

3.6. All this relativism notwithstanding, we can isolate one generic flaw in the sort of unfair play that is associated with interpersonal exploitation. To exploit people is to take unfair advantage of them. Heretofore I have been emphasizing the word "unfair" in this general formula. Now, however, I want to turn my attention instead to the notion of "taking advantage." The generic unfairness associated with interpersonal exploitation lies, I suggest, in playing for advantage in situations where it is inappropriate to do so. 49

To say that people are exploiting others when inappropriately playing for advantage is not to say that they are taking advantages₂, in the sense of securing goods inappropriately. Rather, as seen in Section 1.2 above, they are inappropriately seizing strategic advantages₁. Exploitation thus consists in playing games of strategy in circumstances that render them somehow inappropriate.

That, in turn, reveals something about the nature of what is wrong with interpersonal exploitation. It is not, as Feinberg suggests, a matter of the "unjust enrichment" of the exploiter. So the immorality is instead more akin to what is called in tort law "abuse of process."⁵¹ If I have injured you, then you may prosecute me; but you may not threaten to prosecute me with a view to obtaining money from me to induce you to drop the threat. To do so would be to abuse the legal process, to use the law

against injuring people in an inappropriate way contrary to its intentions and true purposes.⁵² So, too, with exploitation. It consists in abuse of the process of bargaining, using it in ways that are similarly inappropriate.

3.7. What conditions will be deemed to make it inappropriate to play for advantage naturally vary. In modern societies, however, they seem to be principally of four kinds.⁵³

First, it is thought wrong to play for advantage against other players who have renounced playing for advantage themselves. Paradigmatically, it is deemed inappropriate (unfair, exploitative) to strive for narrow egoistic advantage over friends and lovers, who have renounced any such pursuit of advantage over you.⁵⁴ Allied to that is the notion that you exploit people when you betray their trust. While those who trust you may not renounce the quest for narrow egoistic advantage altogether, they nonetheless "let down their guard" to some extent with those whom they trust, and it is this very fact that you take advantage of when betraying their trust for your own gain.⁵⁵ Also in an analogous position are those who are engaged in practices of reciprocal forbearances for mutual benefits. Those who take the benefits without paying the price (in terms of forbearing themselves) exploit those who are doing their bit; and the sense of exploitation here again can be traced to the fact that exploiters are playing for advantages in situations where others have renounced playing for advantage (of that particular sort, anyway).⁵⁶

Second, it is thought wrong to play for advantage against other players who are unfit or otherwise unable to play in games of advantage at all. This, I think, is what leads Benn to say that it is unfair, and not just ordinarily dishonest, to cheat a blind person or an idiot.⁵⁷

Something very much like this might explain why we think that dieters are being exploited by purveyors of chocolates who set up displays at supermarket checkout counters to play on their weakness of will. This might also be at least part of the explanation of why we think that drug pushers exploit addicts, and snake-oil salesmen cancer patients: those people are "in no position to bargain."⁵⁸ More generally, those who are in rapidly declining positions and in effect have "no choice" but to accede to whatever demands the other might make are, for reasons much like this one, exploited when that other plays for advantage and strikes a hard bargain with them.⁵⁹

Third, it is thought wrong to play for advantage against other players who are no match for you in games of advantage. This, perhaps, is the central objection to all forms of economic exploitation. In cases involving vastly disproportionate bargaining power, we think it inappropriate (unfair, exploitative) for the strong to press their advantage against a hopelessly outmatched opponent.⁶⁰ The paradigm case of this might be the monopoly supplier of some commodity that others need desperately, or the monopsony buyer of some commodity that others must sell in order to survive.⁶¹ This is the sense in which the United Fruit Company exploits the banana republics of Latin America, for example. Similar exploitation of vastly superior strategic advantages occurs in various other contexts as well, however. This is the sense in which landlords exploit landless peasants,⁶² capitalists exploit wage laborers,⁶³ and concentrated interests exploit diffuse ones in respect of public goods provision.⁶⁴ This argument will also take up any slack left by the previous one in accounting for the exploitation of drug addicts and cancer patients: they are quite certainly exploited by virtue of their

grossly unequal bargaining power, even if the relative paucity of their does not make them unable to bargain at all.

Fourth, it is thought wrong to play for advantage when your advantage derives from others' grave misfortunes. This is a distinct wrong from the second and third. Exploitation of this form is involved when, for example, "a television news producer photographs at length and close-up the hysterical grief of a woman whose children have been killed, down to the last moan, shriek or howl, for the effects on the television audience" and the profits to be derived from a larger audience share.⁶⁵ That judgment of exploitation (of unfair, inappropriate use) would remain even if there were several news crews bidding for the right to photograph the grieving woman. Similarly, operators of circus side-shows exploit the grossly deformed victim of an unusual disease, even if Elephant Man were one of a kind, much in demand, and enjoying a strong bargaining position and a handsome salary. This is the sense, too, in which undertakers (and, in nineteenth-century America anyway, life insurers⁶⁶) are sometimes said to engage in exploitative practices. The same principle underlies even more clearly the sentiment sometimes expressed that, in dealing with the victims of natural disasters, morality requires that needed materials be supplied either free of charge or at most at cost. Making any profit at all—even the ordinary rate of profit—out of the distress of disaster victims is thought to constitute exploitation.

3.8. Exploitation has been characterized as playing for advantage in situations in which it is inappropriate to do so. Section 3.7 offers a catalog of such situations. The listing makes no pretense of being exhaustive. But for present purposes it need not be. What is important is not the differences in the various ways it might be inappropriate to

play for advantage, but rather what they have in common. They are all, I shall argue, manifestations of one particular kind of wrong.

Exploitation of persons consists in wrongful behavior, but not just any wrongful behavior will merit that description. You do not (necessarily) exploit people whenever you lie to them, buy them, or break a contract with them, even if those acts redound to your advantage. Exploitation does not consist of wrongful behavior simpliciter. It consists instead of wrongful behavior of a particular sort, the violation of some particular moral norm or norms.

The moral norm in question is, I suggest, that of protecting the vulnerable. As I have shown elsewhere, we all have a strong moral responsibility to protect the interests of those who are particularly vulnerable to (i.e., whose interests are strongly affected by) our own actions and choices.⁶⁷ That explains what is wrong with "playing for advantage" in all the situations described in Section 3.7. In all those cases, exploited parties are particularly vulnerable to their exploiters in some way or another.

It is my thesis that the very same circumstances that would enable you to exploit someone else give rise (via this duty to protect the vulnerable) to a moral duty to do precisely the opposite. Violation of that duty is the essence of interpersonal exploitation. The two are analytically inseparable. Just as the notion of "adultery" is parasitic upon the notion of "a duty of marital fidelity" (it is defined as, and its wrongness traced wholly to, the violation of that duty), so too with the notion of "exploitation" and the duty of protecting the vulnerable. Violation of that particular duty is the defining feature of interpersonal exploitation; and the wrongness of violating that particular duty wholly accounts for the wrongness of interpersonal exploitation.

3.9. Protecting the vulnerable is, in its positive aspect, primarily an end-state notion. As with all responsibilities, people here are simply assigned responsibility for seeing to it that certain sorts of outcomes are produced; it is left broadly to their discretion how that goal is to be accomplished. All that matters, insofar as discharge of this responsibility is concerned, is that the interests of vulnerable others have somehow been protected.

Breaches of this moral norm come in two forms. The weaker is a mere failure to discharge one's responsibility. This, too, is primarily a matter of end-states. Someone will be said to have failed to protect vulnerable others whenever (and why ever) their interests have suffered. How that happened is irrelevant to the judgment that it has happened. The judgment of failure is predicated of end-states alone, although of course the process by which the failure occurred may well mitigate a person's blame for that failure.

No one would say that we have exploited people whenever we have merely failed to protect their interests, however, even if we had strong responsibilities to do so. Sleeping sentries are guilty of all sorts of moral delicts, but exploitation is not one of them. It is the second, stronger sort of breach of the norm of protecting vulnerable others upon which charges of exploitation are grounded.

Here the breach is in the form of a violation of the moral norm, rather than of a mere failure to discharge the responsibility it lays upon us. This is a fundamentally process-based notion. While no particular acts are positively mandated by one's responsibility to protect the vulnerable, certain patterns of behavior are specifically prohibited by it. One must not do any of the several things that would constitute abusing those who are particularly vulnerable to one's actions and choices;

and committing any of those prohibited acts would constitute abuse (and hence exploitation); even if the vulnerable person's interests happened not to suffer from the act. Playing for advantage against others who are vulnerable in any of the ways detailed in Section 3.7 would constitute just such abuse. That is the process we know as "exploitation."

IV. Exploiting Mere Things

4.1. It is necessarily wrong to exploit people; it is not necessarily wrong to exploit mere things. But while it is not necessarily wrong, it is not necessarily not-wrong, either. Furthermore, the wrongfulness sometimes seems traceable to the exploitativeness, rather than to some other morally-charged features of the situation. The analysis just offered of the wrongfulness of exploiting people sheds some important light on the (intermittent) wrongfulness of exploiting things other than people.

4.2. First, however, notice that that wrongfulness is not well handled in any of the standard ways of analyzing the exploitation of people. Some of the central concepts employed there--concepts of forcing, stealing, manipulating, and using--may perhaps be applied at least metaphorically to our treatment of mere things. But in those applications they lose their moral force. There is nothing (necessarily) wrong with forcing a lock in the way there is in forcing a person; and so on down the list. Moreover, the most basic concept in ordinary analyses of interpersonal exploitation--the concept of "unfairness"--finds no application at all in

discussions of our treatment of mere things. There is no sense in which you can be either fair or unfair to a rock. 68

That, however, constitutes yet another argument against those standard analyses of interpersonal exploitation. For, while we may not want to say that exploiting mere things is always wrong, neither do we want to say that it is never wrong. And while at some level the reasons for the judgments of wrongfulness must vary with the context, we would be most surprised indeed if at the deepest level the fundamental sense in which it was wrong to exploit mere things was not of a cloth with the fundamental sense in which it was wrong to exploit persons.

4.3. Arguments like mine in Part III above which are couched in terms of "appropriateness" escape such criticisms. "Appropriateness" is a concept that clearly can apply equally well to our treatment of persons and of things. And the wrongfulness of inappropriate treatment also seems to travel easily across both kinds of cases.

In Part III above, inappropriateness was analyzed in terms of games and, more generally, of our practices and their underlying purposes. This too can carry over into discussions of our treatment of mere things. At least one sense in which we exploit mere things is to use them inappropriately--to misuse them, where "misuse" is defined strictly in terms of our own purposes. That is at least part of what conservationists mean when they say, scoldingly, that excessively intensive cultivation or fishing or mining exploits our natural resources. That is to say, it constitutes an inappropriate use, in the sense that our own purposes would be better served in the long run if we were to adopt a more responsible mode of behavior. 69

4.4. That analysis of the wrongfulness of exploiting mere things ties it very much to human purposes. There is a second approach, paralleling my analysis in Section 3.8, that is less guilty of "human chauvinism." There, I suggested that exploitation consists essentially in the violation of our moral duty to protect the vulnerable, where "the vulnerable" were analyzed as those whose interests are strongly affected by our actions and choices.

Now, there is no reason to suppose that people alone have interests. Various arguments, some of which I find compelling, suggest that at least some other things (animals, certainly; perhaps ecosystems as well) can likewise have interests. 70 If they do, then they qualify for protection on this same principle. Violation of that duty to protect the interests of vulnerable constituents of the natural environment would constitute exploitation of a kind indistinguishable from the exploitation of persons. 71

Notes

- concert by attending it in the usual fashion even though one is using it as a means to some end, but one does exploit it by passing out fliers to the audience on their way out advertising one's clothing store down the street."
- 11. Nozick 1972, 112. On responsibility, see Mackie (1955) and Hart and Honoré (1959). For an application to deserts, see Goodin (1985a).
- 12. Cf. Kleinig 1982, 110. Feinberg (1983, 213-4) attributes an observation similar to my own to an unpublished paper by Bruce Landesman, offering his own qualified endorsement of the point.
- 13. This general formula is widely embraced, but typically only in passing by commentators keen to investigate some more particular aspect of the general phenomenon. See, e.g., Cohen (1982, 494). Elster (1982b, 364-5; 1983, 278), Feinberg (1983), and Walt (1984, 242).
- 14. In discussing the "redistribution of benefits and harms among the related parties" in an exploitative relationship, Feinberg (1983, 215) maintains that "the one essential feature ... is that the exploiters themselves be gainers. Exploitation in the usual pejorative sense is the wrongful turning to some advantage by one party (A) of some trait or circumstance of another party (B). There are a variety of ways in which B's interests might be affected by the process, but without gain for A, there is no exploitation."
- 15. Torney (1973, 207-8) stipulates, "Exploitation resembles a zero-sum game, viz., what the exploiter gains, the exploitee loses; or, minimally, for the exploiter to gain, the exploitee must lose." Something very much like this condition must lie near the surface of any Marxist analysis; on this point, at least, the analysis of Rosner (1982 a,b) is absolutely standard (see similarly Panichas 1981, 231).

- 1. See, e.g., Aranson (1981), Buchanan (1979), Cohen (1979), Crocker (1972), Elster (1983), Holmstrom (1977), Panichas (1981), Rosner (1982a,b,c,d), Steiner (1984), and Wood (1972).
- 2. Feinberg 1983, 202. See similarly Torney (1973) and Panichas (1981).
- 3. See, e.g., Feinberg (1983, 201) and Panichas (1981, 223).
- 4. "Advantage (sb.)" is thus defined in the Oxford English Dictionary.
- 5. Kemény 1983, 223.
- 6. Elster 1983, 278. Feinberg 1983, 201.
- 7. Most commentators, being committed to the proposition that successful acts of exploitation must necessarily benefit the exploiter, would call an attempt at exploitation a failure if it failed in either respect. This is not always correct, however. Surely miners who have successfully extracted iron ore from the ground have successfully exploited the seam, whether or not the ore is subsequently sold for a profit. In cases like those, it looks like the crucial standard of success for acts of exploitation is the first standard (successfully seizing control of and manipulating something), and that alone. Where it is people that are being exploited, however, it seems that both conditions must be met for a successful act of exploitation. However successfully you manipulate or control others, you will not be said to have exploited them successfully unless you also got some benefit from so doing.
- 8. "Exploiters are typically opportunists; they extract advantage from situations that are not of their own making" (Feinberg 1983, 208).
- 9. Hayter 1971.
- 10. Sensat (1984, 33), analyzing "exploitation" as "use of a thing contrary to its nature," offers a parallel example: "One does not exploit a

- 16. Feinberg 1983, 213. Here Feinberg was actually talking about both Maller and another "carrion bird," Schiller, whom I leave out of the tale without bothering to indicate with ellipses. This is a case where "A uses some trait or circumstance of B to make a gain for himself, but B is neither harmed nor benefited in the process"; as such it constitutes the core of Feinberg's (1983, 215-9) analysis of exploitation as "parasitic profit" or "unjust enrichment."
- 17. See similarly Panichas (1981, 233-4) and Roemer (1982 a,b); but cf. Elster (1982b, 365-9).
- 18. That on-balance assessments of wrongness (and perhaps even of unfairness) might diverge is emphasized by Feinberg (1983, 220 ff.). That the unfairness and our objections to it are not cancelled by countervailing considerations is dramatically illustrated by Torrey's (1973, 212) point that reciprocal exploitation of two people by one another does not cancel our objections to the practice, but rather doubles them.
- 19. Cohen 1979, 343; see further Cohen 1983. It is clear from context that this is also what Cohen (1978, 333) means when saying "exploitation entails oppression."
- 20. Feinberg 1983, 221-2. The definitions come from the Oxford English Dictionary once again.
- 21. For a rather different argument to this effect, see Steiner (1984, 227).
- 22. See generally Wilson (1978).
- 23. Elster (1983, 278-9) writes, "As I understand it, the phrase 'taking unfair advantage of someone' not only does not imply, but actually excludes the idea of physically forcing someone to work for one's own profit. ... [F]or this does not exclude that the person being taken advantage of is in some sense 'forced' or 'coerced,' but this sense cannot be the one that implies an infringement of his physical liberty."

- 24. Cohen 1979, 343. See similarly Feinberg's (1983, 223-4) talk of "asymmetry."
- 25. See Broad (1916, 390), Hart (1955, 185), Rawls (1958, 178) and, more generally, Goodin (1976, ch. 7).
- 26. Roemer (1982c, 269) see further 1982b) generalizes the classical Marxian definition as follows: "An exploited producer is one who cannot possibly command as much labor value, through the purchase of goods with his revenues, as the labor he contributed in production, and an exploiter is one who unambiguously commands more labor time through goods purchased no matter how he dispenses his revenues."
- 27. The shopkeeper selling the goods at a high price might exploit such a shopper's attributes (primarily among them his laziness), but that does not in the circumstances specified seem to amount to exploiting the whole person.
- 28. See Goodin (1982, 104-5) and the further references there. Cohen (1978, 332) approaches this point, but then retreats back to the reciprocity analysis, when he says, "My neighbour does not exploit me if in friendship I dig his garden for him, particularly if he stands ready to defend mine against marauders."
- 29. Wilson 1978. See also the discussions under the headings of "family," "friendship," and "gratitude" in Goodin (1985b, ch. 5) and the further references there.
- 30. See, e.g., Feinberg (1983, 202-3, 222): "A skilled exploiter plays on the other's character in a way a pianist 'plays on' the piano."
- 31. See Goodin (1980, ch. 1).
- 32. Cohen (1978, 330) emphasizes this pragmatic connection: "If the exploited were to see that they are exploited, they would resent their subjection and threaten social stability. And if the exploiters

were to see that they exploit, the composure they need to rule confidently would be disturbed. Illusion is therefore constitutive of class societies."

- 33. Coleman (1983, 112), for example, draws a distinction between "having an advantage, benefiting from an advantage one has, and exploiting an advantage one has." In his scheme, any benefits that fall one's way without one making any attempt to capitalize on one's advantage do not count as exploitative at all. In one of Coleman's examples, a boxer fighting an opponent who has one arm tied behind his back benefits from the opponent's handicap (and especially from the opponent's pulling his punches, for fear of what harm a two-fisted opponent might do if killed); but the two-fisted boxer would not be said to have exploited his handicapped opponent unless he actively pressed his advantage. Feinberg (1983, 204-5) similarly flirts with the idea of "passive exploitation," but decides in the end that there must always be an active component to the notion.
- 34. The act/omission distinction carries less moral weight than is commonly supposed; see Goodin (1982, ch.1) and Bennett (1983). But in any case, that would not explain why exploiting a person is so much worse than merely exploiting a situation. Both would be necessarily active if either were.
- 35. Wilson 1976, 300.
- 36. See, e.g., Bloom (1941), Figou (1932, 556-71), and von Weizsäcker (1973).
- 37. Elster 1983, 278. Feinberg 1983, 204, 221.
- 38. Torpey 1973, 221 fn. 1. I shall explicitly query the first half of that claim immediately below, and the latter half in Part IV: surely you can misuse or abuse tools or trees.

- 39. Blum (1973) demonstrates this. He also shows that you can "use" people without "hurting" them. For those commentators who insist that people can be exploited only if they are harmed, this would drive a wedge between the two notions. On my analysis, however, all that exploitation requires is that the exploiter gain; and that can be done without the exploited being necessarily harmed.
- 40. Here I mean "necessary" in the sense of Mackie's (1965) IMUS conditions. I do not mean to suggest that there is not another path to the same ends, but only that the "used" person constitutes a necessary part of that particular path that is being taken to them.
- 41. Feinberg (1983) discusses this at length; on the role of consent more generally, see Kleinig (1982).
- 42. Feinberg 1983, 217.
- 43. Suppose in a two-person society Unable lives off of Able's efforts. An end-state definition of exploitation would maintain that Unable exploits Able by virtue of that fact alone, making no distinction between cases in which Able is Unable's slave, his employee, or his willing helper. That, as Sensat (1984, 27) rightly says, is absurd.
- 44. End-state analyses of exploitation erroneously suppose that the advantage taken in the act of exploitation is some benefit itself, rather than merely some means to obtaining a benefit. Cf. Section 1.2 above.
- 45. People might "almost have been exploited," if a failed attempt at exploiting them had come close to succeeding. But they cannot "have been almost exploited."
- 46. On the "duty of fair play," see Broad (1916, 390), Hart (1955, 185), and Rawls (1958, 178). The "ethos" of the game, emphasized by Dworkin (1977, chs. 2 and 3) and D'Agostino (1981), is particularly

- important in grounding judgments of fairness. Rawls (1955, 180) writes, "usually, acting unfairly is not so much the breaking of any particular rule, even if the infraction is difficult to detect (cheating), but taking advantage of loopholes or ambiguities in rules, availing oneself of unexpected or special circumstances which make it impossible to enforce them, insisting that rules be enforced to one's advantage when they should be suspended, and more generally, acting contrary to the intention of a practice." Steiner (1984, 227) offers the compelling example of someone who rigs out at a charity banquet: "It seems unlikely that we should be inclined to judge this ... 'only fair...'; we should want to say, rather, that [that person] was not acting within the spirit of the occasion, that he was not truly a benefactor." Focusing on the ethos of games in this way seems to me a preferable way of fleshing out the notions of "nature" and "ends" that figure so centrally in Senzat's (1984) analysis of exploitation as the inappropriate use of a thing contrary to its nature.
47. As Cohen (1978, 332) says, there would be "no serious unfairness"--- if that were really the true Gemeinschaft it pretended to be. Serious unfairness (real exploitation) arose because gemeinschaftliche games were being played according to gesellschaftliche rules.
48. Scott (1975; 1976, ch. 6) and Rosner (1982 a,b) both come to essentially this point, although approaching it from very different angles.
49. Wilson (1978) similarly defines exploitation as the abuse of power.
50. Feinberg 1983, 215-9, 224.
51. Prosser 1971, 856-8.
52. Williams 1954.

53. These are in essence moral constraints on the operation of economic markets. As such, they find ready parallels in the peasant societies of eighteenth-century England (Thompson 1971) and contemporary Southeast Asia (Scott 1975; 1976). It is by now clear---from Hirsch's (1976) discussion of the role of the pre-capitalist "moral legacy" in capitalist societies, or from various discussions of the need for Lockean proviso in theories of property acquisition (Bogart 1985), or from the legal unenforceability of "unconscionable contracts" (Devlin 1965, ch.3; Korman 1980)---that markets presuppose some such constraints, sociologically, morally, and perhaps even logically. The latter is the strongest version of the claim: markets presuppose legally enforceable property rights, which would be undercut if everything (including judges and constables) were up for grabs in the market.
54. Wilson 1978. This usage---if not this explanation---is found in Blau (1964, 78): "The individual who is less deeply involved in a love relationship ... is in an advantageous position, since the other's greater concern with continuing the relationship makes him or her dependent and gives the less involved individual power. This power can be used to exploit the other: the woman who exploits a man's affection for economic gain and the boy who sexually exploits a girl who is in love with him are obvious examples."
55. Feinberg 1983, 207-8, 223. Wilson 1978, 302-3.
56. Feinberg (1983, 223) surely exaggerates when saying, "The most flagrant form of moral parasitism is that which takes advantage of the honorable forbearance of others and thus unfairly exploits their honesty and trustworthiness." Exaggeration apart, Feinberg's position is widely shared in modern moral philosophy by, e.g., Broad (1916, 390), Hart (1955, 185) and Rawls (1958, 178).

- 57. Benn 1967, 71.
- 58. Feinberg 1983, 308-11, 223-4.
- 59. Feinberg 1983, 208-9; Frankfurt 1984, 6-7. You may--or, as Nozick (1972) would have it, may not--be coercing the drowning millionaire into agreeing to pay you a large fortune to throw him the life preserver, but you are undoubtedly exploiting him by so doing. That exploitation does not necessarily entail coercion is established, in rather different ways, by Feinberg (1983) and in Section 2.4 above.
- 60. Feinberg 1983, 203; Coleman 1983; Kronman 1980. Sen (1970, 121-2) and Rawls (1971, 134-5 fn. 10) phrase their objections to Braithwaite's analysis of "fair division" in terms of the unfairness of one party's profiting from a "threat advantage." That slightly misdescribes the real source of their objections to Braithwaite's proposal, but that they should try to invoke our intuitions about the wrongfulness of using threat advantages in this way is nonetheless powerful testimony to the strength of such intuitions.
- 61. Steiner 1984. Miller 1983, 83.
- 62. Shapley and Shubik 1967.
- 63. There are of course various ways to analyze the exploitation involved in this case. Here I refer to the strategic advantage capitalists enjoy over workers that allows them to "divide and conquer" the workforce. Elster (1978a; 1978b, 88 ff.; 1982a, 474 ff.) shows this allows capitalists to treat each worker as if he were the marginal worker, and remunerate him accordingly. See similarly Arneson (1981), Miller (1983, 84-5) and Pigou (1932, 556-71).
- 64. Olson 1965, 29 ff.

- 55. Feinberg 1983, 223. see also 208.
- 66. Zelizer 1978.
- 67. Goodin 1985b. Wilson (1978) has done much to pioneer this line of analysis. Others note the connection, but only in passing. Torney (1973, 215), for example, writes that the exploitation relationship occurs "where the exploited's interests are either ignored or accorded less than fair consideration." Kleinig (1982, 110) similarly suggests that "exploitation (normatively considered) involves taking advantage of others' vulnerability...."
- 68. Even "being fair" to an argument is really more a matter of being fair to its proponents than it is of being fair to the argument itself.
- 69. Not every misuse of mere things is said to constitute "exploitation" of them, however. A home handyman who saws through a metal pipe using a blade made only for wood surely abuses his tool; but I doubt that we would say he exploits it, in the sense of exploitation that carries any moral charge. Something more than mere abuse is required, but what more I am not certain. I am, however, fairly confident that it is not the condition described in Section 4.4 below--surely we do wrongfully exploit mineral reserves when using them up at a furious rate, even though no one would say that minerals have any "interests" of their own.
- 70. The seminal contribution is Feinberg (1974); see further Goodin (1985b, ch.6) and the references there.
- 71. To say that the exploitation is indistinguishable in kind is not, of course, to say that it is indistinguishable in degree or in its moral objectionableness.

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BEYOND 'OPPRESSION'.

On exploitation in the sex-gender system

by

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Prepared for presentation in the
workshop "Exploitation" at the
ECPR conference in Barcelona
25 - 30 March 1985

Translated into English by
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(1)

"Discrimination", "oppression" and "exploitation" are the terms most used to designate the essence of women's rôle in a patriarchal society. I shall here maintain that of these three terms exploitation is the only one which leads us towards a more thorough explanation of the dynamics of male domination. The arguments here advanced apply in particular to the relationship between the sexes in the Western welfare states of today.

My thesis consists of three distinct elements:

1. It is not primarily a question of the exploitation of women's working capacity. Neither are the profits accrued by the exploitation of women a question of freedom from something, to "be released from menial tasks and unpleasant burdens" (J Farr Tormey, 1976:211). The issue seen at its most profound is primarily an appropriation of women's physical and mental powers, a draining of their energy as sexual individuals which at the same time undermines their powers of action in the wider context of the community. This is associated with another point of view for which I argue, namely that the life of people as sex-gendered individuals and the sex-gender system as a whole must be explained from within themselves. Only then can we understand these questions in their wider context embracing also other social dimensions and aspects of life.

2. The other party in the process of exploitation is the man,

as an individual and as a group. To the extent that certain social structures such as capital and state have vested interests in maintaining the sexual exploitation process, they are secondary partners. The power process in which exploitation has its roots is lived out primarily in terms of direct personal relationships, i.e. on the social-existential level. This does not contradict the hypothesis that sexual relationships, just as all other human relationships, are shaped in a historical process by the society in which they operate and in that sense can be said to be historically secondary.

3. That which unites the ~~accepted~~ Marxist notion of exploitation with the sexual-existential one postulated here is, in the first place, that ultimately both take as their point of reference natural talents and powers of a human and social mind: work capacity and powers of life and action. A further point of contact is that both of these life processes, that upheld by work and that upheld by the powers of sex-gender, assume a special position; only these are absolutely essential for man's existence. By "exploitation" I refer primarily to the appropriation of certain natural powers and abilities indispensable to man; appropriation refers to the decisive situation where a person or a group of people remove these powers from others without replacing them and without those who are exploited having control over the situation themselves, i.e. they have no real alternative to the exploitation relationship.

(II)

Exploitation is normally understood as a moral term, roughly "taking unfair advantage of another person."²⁾ A fairly widespread interpretation is probably, for example, that Marx used the word exploitation in his theory of surplus value because he disliked capitalism. There is, however, no reason in a scientific study for loading the term exploitation itself with moral i.e. normative elements, either in our reading of Marx or for our understanding of other areas. As Gouldner puts it:

it can be employed simply to refer to certain transactions involving an exchange of things of unequal value (1960:166).

The moral overtones and implications of the term exploitation are not thereby irrelevant. This arises from social relationships associated with exploitation being allied to the norm of reciprocity, to "pay like with like" to use an old Nordic/Islandic expression. This norm, which says that if you take or receive something from another person you should repay in the same coin or with something of the same value, is clearly one of the most widespread and oldest norms known to history. Hypothetically or as an empiric generalisation, we may treat the norm of reciprocity as universal. Gouldner compares its usage and cultural implications with the incest taboo (1960:171).³⁾ The alleged - and in innumerable studies the confirmed - universality naturally does not mean that the norm of reciprocity exists and applies unaffected by socio-cultural and historical circumstances.



The term exploitation acquired a continued and wider usage among the early sociologists (early 1900s). Thus the American sociologists L von Weise and Howard Becker (1932) write that they see capitalism's economic exploitation only as "one of the forms which are found among the phenomena of exploitation". They continue that: The destruction of capitalism will not signalize the end of exploitation, but will merely prevent the appearance of some of its forms and will open up new opportunities for others" (Gouldner, *ibid*, s 165, note 18).

Among the fields, apart from economics, in which these "grand old men" of sociology applied the term exploitation, was the sexual. It is here, in the field of sex-gender relationships, that it continues to be used to the full even when it has nearly disappeared otherwise from sociology (Gouldner, *ibid*, s166).⁵⁾ Why sexuality in particular occupied this special position is not explained by Gouldner, and I do not intend to explore the subject further in these pages. My reason for highlighting these fragments from the history of the term exploitation is to show, in the first place, that it has a good "pedigree" and, in the second, that there is at least no historical basis for the claim of the marxists to a monopoly of its use. The plausibility of their claim may lie rather in the fact that Marx's term has a strictly scientific meaning and takes its place in a closely delineated theoretical context. But this does not constitute an obstacle to a similarly strict use of it in another theoretical context;

specially if this other context has certain important points of contact with the marxist field of usage. In a way I am inclined to agree with Waller's comment on his own use of the term in The Family: A Dynamic Interpretation (1951): "The word exploitation is by no means a desirable one, but we have not been able to find another which will do as well" (Gouldner, *ibid.*, sl66). Waller's misgivings were due to the fact that the word has such strong ^{pejorative} connotations in everyday language, and is so contraversial in the sciences; but he was unable to select another word which captured better the reality that he wished to illustrate.

(IV)

Marx's usage of the term exploitation is in itself not in the strict sense normative or moral. It can, however, be said to have two other sorts of preconditions or implications of which one implies a norm, namely the reciprocity norm discussed above. In the bourgeois society it acquired a very special relevance. The "fair exchange" had from the very origins of the exchange principle meant "the equal exchange". Whether it was women exchanged for pigs, butter for woolcloth or fish for iron ore and brandy there was always the firm assumption that it should be all square. Early liberal social theory had equality as an axiom. All human individuals were regarded literally as equal, or at least more alike than unlike (see Jónasdóttir, 1983)

and the norm of equal value in exchange entered a new historical phase as currency became more widely accepted as the equivalent of other objects. The idea that in economic exchange transactions one should receive, indeed have the right to receive, as much in return as was given was thus nothing that Marx discovered. Sale and purchase of different items, both work and other things, had equal value as its guiding principle.

A further principle lay behind the bourgeois-liberal theory and system of norms, namely freedom. Equal individuals were by nature free and independent. And as such they entered into their necessary exchange contracts. Uncertainty as to the outcome of the power struggle that would ensue if the individuals, equal physically and intellectually, were to come into conflict gave, however, rise to the need for an entity superior to the individual - the state. The political-economic principle underlying capitalist social theory is that of free individuals who - through equal exchange and with their freedom and private property guaranteed by the state - buy that which they do not produce themselves and sell that which they have an excess of.

What Marx highlighted was, amongst other things, that the propertyless workers were neither free nor equal (compared with aristocracy, priesthood, establishment and farmers) other than in certain respects. They were free in the sense that they were not serfs, and they were equal (compared with the landed gentry) in the sense that they had their working capacity to sell. But they had no alternative if it should happen that they did not obtain a fair deal on the market. Marx adopts the premise that the necessity for a worker to sell his ^{labour power} in order to eat was fundamentally different in character from even the necessity for a small farmer to sell his butter even if the price was low. The worker had no choice, no alternative. The farmer can for a time live off other products and postpone the purchase of that which he would have used the butter money for.

When, therefore, Marx demonstrated that the capitalist economic exchange on the labour market was neither equal (i.e. labour power was rewarded according to its market price but not according to its productive value during the working day) or free, one may say that this theory implied a norm or rather perhaps a lack of norm, a contradiction of social principle. But this was, as I have said, not discovered by Marx and was not dependent upon his moral standpoint.

A quite different premise for Marx's theory is that he was working on the basis of a certain ontological or philosophical/anthropological view of the nature of man. This is that man, roughly speaking, is a social, active, self-developing, historically changing being. Among the many things that this view of mankind implies is the idea that man will not voluntarily submit himself to bondage, either literally or metaphorically. History also showed that the relatively independent small farmer did not leave his own land to sell himself as a worker until he had no other choice open to him. But history also showed, moreover, that man reconciled himself and adapted himself to conditions that, with the best will in the world, could not be called either free or equal. Behind Marx's exploitation, as an empiric theoretical category, lie firstly the obtaining social norms (reciprocity in exchanges, equality and freedom); and secondly a certain ontological/anthropological view of man and thirdly empiric observations from history of the actions of man which were in harmony with the hypothetical view of man.

A further precondition for the term exploitation must be brought forward specifically. This has formed a part of the discussion above without being explicitly highlighted. Observations of historical changes in forms of land control and **the control** over the means of maintaining livelihood in general - formed in a certain sense the most fundamental of Marx's studies. This is connected to an element in historical materialism which, for some reason, has always been and still is controversial, namely that different areas in society are

quite objectively ascribed different degrees of importance. Marx set out from the fact that people are physical, living creatures who die if they are not given food and protection of different kinds. He thereby laid down also that the material world and its historically changing circumstances assumed a different degree of importance in community life from, for instance, religious ideas or the political and judicial institutions that man over the course of time has set up and continuously altered. What characterized the social conditions with respect to the material world under capitalism, and what was at the same time new in comparison with the Middle Ages, was that large numbers of people were, so to speak, suspended in limbo. They had no immediate access to any secure means of subsistence, no land, no livestock, nothing. In order to survive ~~and provide for themselves~~ they were compelled to work for others, who in a new sense owned the means of subsistence. ~~and through this provided for themselves.~~ Socio-economic conditions had thus evolved, circumstances controlling man's livelihood, more closely resembling the relationship between slave owner and slave than that of **the feudal bond**. A whole class of people had been rendered completely powerless in the face of the fundamental need for daily bread and a roof over their heads.

This complete dependence upon other people who owned with the full consent of the law, provides the background necessary in order that the new (capitalist) and more subtle form of economic exploitation can take place and become institutionalised. Dag Østerberg sums up this multiple-level relationship in this way:

The crux of the class conflict lies in the fact that one class does not have control over its own working situation and the products which are created. The other class decides what shall be produced and how it shall be produced, what shall be invested, etc. This lack of power is a form of what Marx (following Hegel) called alienation. Starting from contemporary social economic theories, Marx demonstrated that the alienation finds its expression as exploitation on the labour market,

surplus value.

in the now famous theory of . This is often interpreted in the way that the worker is committed to an ostensibly fair contract with the owner of capital, which in actual fact means that the latter gains advantages through it. The workers get "short-changed" (they are exploited). From the sociological point of view the exploitation is not primarily of an economic, monetary kind, but more a question of self-determination, of power over one's own work and the proceeds from it. (Østerberg, 1974:107).

The question is, if we instead of talking about alienation to mean the powerlessness and dependence with respect to the means of production can talk about exploitation of a different kind from the specifically economic, monetary. The monetary form of exploitation implies the appropriation of the capacity for work during a longer time than that for which the worker is paid. But the removal of control over the **conditions** of subsistence, over the opportunity to decide how the work should be organized, how it should be expanded and how its products should be used, can be said to constitute a sort of exploitation and a crippling of man's organisatory and administrative ability, of man's power of action. The notion of exploitation in Marx can thus be said to comprise two levels: one more fundamental, the appropriation and paralysing of socio-economic power of action; and one less fundamental (i.e. economic in a more restricted sense), the appropriation of ^{labour power} in excess of the price paid. My main objective here is to argue that the sex-gender specific exploitation of women has to do with the removal from women of an unreasonably large proportion of their vital strength, i.e. those talents and energy which are of crucial importance not only for the reproduction of the workforce, but above all for the whole power of action.

(V)

The term exploitation was used assiduously by the women's liberation movement, especially during the first years. It was used in the main as a broadly condemnatory word, one of many (cp. discrimination, sexism, oppression etc.)

in the search for a word which would pinpoint with deadly accuracy "the intangible", what "they did with us".⁶⁾ But as research into sex discrimination has striven to explore the deeper meaning and implications behind the words, the term exploitation was almost completely lost in the process, while the word "oppression", which is its nearest equivalent, has gained ground.

The intellectual environment and the philosophical heritage which has perhaps lent the most inspiration to theoretical studies of the relationship between the sexes is the various ramifications of Marxism. Here were assumptions and concepts which seemed to be able to cover a part of that which could never really be put as a question within the framework of the closest available analysis of the sexual rôles. Assumptions about a dominant ideology which shaped the minds of people lent substance and material support to the analyses of socialisation. The hypothesis that certain groups must provide a workforce reserve if capitalism was to maintain its vigour gave also a much-needed perspective to women's free choice between home and work. Terms such as power and oppression emerged as being clearly appropriate for researchers whose work had already reached the limits of what the sex-rôle analysis of the complementary relation^{ship} and even the newer stratification alternative could embrace. Without entering upon the "unhappy marriage between feminism and Marxism,"⁷⁾ however, it can clearly be seen that Marxist research circles in most countries acted in practice both as a stimulating and a restricting influence upon the efforts of feminist research to pose the problems from its own point of view. Thus in the beginning it met with resistance to the assertion that women as generic beings were oppressed across the frontiers of class and race. This would imply that even upper class women were oppressed in some sense, and this ill accorded with prevailing thought patterns.

However, feminist researchers through theoretical and empiric studies have established the use of an expression which designates specifically sexual oppression. An important question in Marxist-orientated feminist theory is therefore how sexual oppression and the social sex-gender system in general are connected with the economic and material existence and the social processes based upon social classes. But the most burning question for feminist theory is and remains, in my view: What does the specifically sexual oppression consist of, understood as a distinctly social phenomenon and a historical process which is not only analytically separate from class relationships and the work process? This despite the fact that the sex-gender system is naturally part and parcel of the community as a whole. Here the Marxist orientated feminist theory meets something of a cross-current within Marxism, namely the question of to which areas of society, other than political economy, historical materialism in general and Marx's method in particular can be extended. Expressed slightly differently: what potential does Marxism have for application within new areas, new in the sense that they were not of interest as fields of knowledge at the time when Marxist thought was evolving? ⁸⁾

p.12

Jon Elster belongs to those Marxists who, partly in polemic against feminist research, have written about the term exploitation. He consistently (1980, 1981, 1982) uses two counter-examples to show what exploitation is not. One is the feudal extraction of surplus labour, which which should more accurately be termed "extortion", he says. The other counter-example is the exploitation of women, where Elster regards "oppression" as saying all that needs to be said on the matter. "Exploitation proper", according to Elster's view, exists only within capitalist economy. The self-perpetuating economic necessity is the only real exploitation relationship. I will return to this later.

p. 13
Elster also puts forward the very reasonable point of view that what is more important than a dispute over words is to arrive at a description of the mechanisms which give rise to and perpetuate injustice in family and community life (Elster 1981:410). This is, of course, perfectly correct, but only to a certain limit. Realistic descriptions and expositions which aim to go deeper than the superficial level require the "right words". As I see it, feminist theorists have in their quest for knowledge consistently avoided too great a dispute over words. This is the case, for example, in the use of the term oppression. But we cannot in the long run accept merely a "moral and loosely defined umbrella term" or the pragmatic approach that "the term is useful insofar as it leads our thinking forward towards strategies for liberation from oppression." (Gullestad, M, 1981:360). If we fail to recognise the point at which we should deal specifically with the implications of our terminology and ask ourselves if they cover what we are attempting to elucidate, we will soon be confronted at the very least by the fact^{that} we have no clear idea of what "release from oppression" is all about. I suggest that "oppression" is no longer sufficient as an explanatory category.

p. 14
Gullestad says, and as far as she goes quite rightly in my view:

By drawing the distinction between economic relationships (exploitation) and power relationships (oppression), we can also show how ideological and psychological oppression paves the way for economic exploitation (ibid, s 360).

Here oppression is in fact understood as a wider term than exploitation, and oppression has moreover an ideological and psychological character. Oppression is seen as a

continuous manipulation of the senses which prepares the ground so that people accept being exploited. But my objection is that exploitation ought not to be restricted to the economic and material level, either in the monetary form or in the more fundamental sense^{of} the political and economic power over the means of production. For even if we allow the term to assume certain wider implications - in this case ⁹⁾ a sexually based exploitation of vitality - we do not lose sight of the distinction from "oppression" as a more general term. What we gain is that we can include phenomena and processes in reality which the term "oppression" does not reach. And these phenomena are different in kind from those implicit in the class-based exploitation of the work process. There are, however, certain uniting characteristics. Firstly, it is a question in both cases of man's physical and living powers and talents; secondly we are dealing with the two natural prerequisites for the continuation of the species. A human being's sexual life and working life cannot in this respect be compared with anything else.

(VI)

The philosopher Judith Farr Tormey (1976) seems hitherto to be the only one to make a deeper analysis of the term exploitation as applied to the situation of women. In her essay "Exploitation, Oppression and Self-Sacrifice" she sees the demand for self-sacrifice, the social norm that requires of people to forgo their own rights and interests, as an important oppressive device. Since this norm is in particular directed towards women, says Farr Tormey, it contributes towards maintaining a systematic exploitation of women. She sees her own notion of exploitation as superior to the Marxist: "...my understanding of the concept has greater scope and explanatory power and examples of exploitation in the economic sphere can be subsumed under it" (Farr Tormey, 1976:214).

Farr Tormey draws, as I see it, certain helpful distinctions between the concepts of oppression and exploitation. However, in my view she has not been wholly successful in capturing the vital point, the actual dynamics in the generic exploitation process, and has not clearly explained who are the main partners in the relationship.

A fundamental difference between oppression and exploitation, says Farr Tormey, is that the exploited party can equally well be people or nature, whereas only people can be oppressed. Vice-versa, the exploiter must be a person or group of people, while oppression can come from non-human sources, for example nature. Among the more important differences between exploitation and oppression, she continues, is the fact that someone can oppress another person without gaining anything, whereas exploitation always of necessity implies a profit (ibid, p 217). She ascribes to oppression the implication of a special form of slavery based upon the assumption that the person believes that the conditions he or she lives under are those that he or she deserves to live under (ibid). Oppression thus differs from other forms of slavery inasmuch as the force or compulsion involved operates more at the mental than the physical level. Two necessary and, taken together, sufficient conditions must therefore be fulfilled before oppression can be said to exist:

1. Oppression is a relationship in which the parties must be people

2. Oppression requires influences on psychological states (ibid, p 216).

By psychological state Farr Tormey means both the so-called cognitive and non-cognitive states, that is to say both beliefs and moods. The metaphor to be "down" captures well the essence of what oppression is about, she continues,

both in the sense of mental state and of actual social positions. "In the socially significant sense of oppression one is "down" (put "down" and kept "down") as a result of unjust or unfair treatment generated by irrelevant social distinctions" (ibid). Regarding non-cognitive mental state^s or moods one can feel "down", feel oppressed, and in that sense one is oppressed. Such moods can, according to this argument, be produced by, for instance, the weather, by certain physical processes in the body just as much as by something that other people do or are involved in. What is decisive here is that one feels oppressed. As far as the cognitive mental state is concerned, on the other hand, i.e. the fundamental beliefs about oneself and one's environment, one does not need to feel oppressed in order to be oppressed. What is typical of "socially significant oppression" is that one is held "down" in a long-term process. The decisive factor in this process is that the person himself by his thoughts, feelings and actions takes part in a self-adaptation and therefore the maintenance of a low-grade social position, a serving rôle (ibid, p 215ff). Oppression, understood in this way, thus paves the way for exploitation. And the doctrine of self-sacrifice¹⁰⁾ Farr Tormey sees as the relevant moral principle, the means of oppression which most effectively prepares women for exploitation.

p. 17

Farr Tormey sets up three general criteria according to which a social relationship may be called exploitation, and a fourth which applies in cases where the exploited are people:

1. Exploitation is a three-party relationship requiring that at least one party is a person or group of people. More precisely, the exploited party must be a person or group of people. (She later uses for the sake of simplicity "a person" instead of the longer "a person or group of people".)

2. Exploitation necessarily implies that someone gains something or derives some profit (this, as we have seen, in contrast to oppression which can exist without anybody gaining anything from it).
3. Exploitation is like a **zero sum game**, i.e. what the exploiter gains the exploited loses; or as a minimum requirement: in order that the exploiter shall gain (something) the victim of exploitation shall lose (something). When natural resources are the object of exploitation the word most commonly used is depletion.) That exploitation is like a **zero sum** game does not however imply that the exploited may not also gain something, so to speak, on the side. She draws an example from poker: "I may thoroughly enjoy your company and the experience of playing poker with you even when I lose heavily" (ibid, p 211).
4. When the victim of exploitation is a person, exploitation requires the breaking of the principles of justice in the sense that either no concern is shown for the interests of the exploited or that the rights of the exploited are infringed. This need not imply that the interests or rights are not respected at all; what is important is that they are not allotted their fair degree of importance (ibid, p 207f).

The concrete exploitation situation around which Farr Tormey builds her analysis is the situation in most homes that the wife/mother takes on a "major share of menial tasks and unpleasant burdens", (ibid, p 211). The profit on the part of the exploiter consists of freedom from these tasks. I will return to this.

She lays down the distinction between on the one hand exploitation and on the other mutual compensation and fair exchange. This is a crucial division since it is

precisely the infringement of the qualitative reciprocity, absence of the equal exchange, that exploitation is all about. She maintains that compensation is compatible with exploitation. It is therefore possible to assert that a wife/housewife is exploited with respect to item X ("menial tasks and unpleasant burdens") even if she is compensated through possibly not having any economic responsibilities outside the home. It appears that Farr Tormey even accepts the assertion that, in that case, the wife exploits the husband with respect to item Y (gainful employment), and that he in his turn is compensated by not taking on his fair share in item X. The point is that it is a question of mutual compensation. Mutual exploitation can thus exist, but this does not correspond directly to fair and equal exchange because the mutual exploiters do not start from the same position (she here refers to Rawls who, in his Philosophy of Justice, uses the term "original position") (ibid, p 212). A pointer to the fact that compensation of the above-mentioned kind does not invalidate the exploitation, continues Farr Tormey, is given by a working man who claims that he is exploited by his wife working in the home, but who at the same time would probably not change places with her.

Let us now look back and sum up Farr Tormey, the elements i.e. in her analysis that I find relevant for my proposition here, and thereafter proceed to the points of criticism. Oppression is understood as a long-term (ideological) breaking down of a person's fundamental beliefs about themselves and their place in life. The crucial point is that the individuals concerned actively adopt this attitude and do not necessarily feel it as something oppressive. The moral principle of self-sacrifice, living for others, operates as a means of oppression which in a special way is directed against women.

Oppression with the doctrine of self-sacrifice as its most effective weapon thus prepares the way for exploitation. ¹¹⁾ The exploitation relationship itself implies that certain individuals, in the case in point housewives, take upon themselves an unreasonable share of menial and unpleasant tasks, so that other family members are released from them and have more time to pursue other activities. Oppression for Farr Tormey can thus be said to be a less far-reaching concept or only a conceptual precondition for exploitation, in contrast to the aim of being in a position to explain an exchange between two parties where one gains something that the other correspondingly loses. And this last point is, as I see it, of paramount importance. The discussion about sex discrimination and oppression of women often sounds as if no particular party wins anything by it.

(VII)

I regard the shortcomings or the insufficiencies in Farr Tormey's analysis as being of three kinds. In the first place she describes the genderic exploitation relationship basically as only negative, i.e. that the gain consists of freedom from something, that the exploiter avoids doing certain things:

/.../other members of the family /.../gain freedom from the tasks (menial tasks and unpleasant burdens)

and to the same extent the housewife loses this freedom (ibid, p 211). The profit and loss, I propose, has also in a sense a positive substance inasmuch as the exploiting partner literally derives energy and the losing partner is depleted of powers necessary, amongst other things, for independent action.

In the second place, it is not only a question of work.¹²⁾ The unevenly divided household chores¹³⁾ are certainly a very important factor, and a far-reaching change must take place there for the relationship between the sexes to change in any way at all. But the sexual exploitation process goes further than the fact that one party carries out more of certain chores than the other, and further than the fact that one has more real free time than the other. What conditions this is a more deep-seated power relationship, where women are required to dedicate themselves by investing their vital powers, making themselves completely available, without themselves being able to lay down the conditions other than within very narrow limits. If women desire access to the "sources of the generic life", if they wish to be able to grow and assert themselves as independent social beings, as generic individuals, it is as a rule on conditions of submission.

Farr Tormeys analysis must be further developed or clarified on a third point, and that is on the question of who is the exploiting party, granted that the exploited party is the housewife. He speaks both of "other members of the family" and of "the husband". As I see it the main conflict exists between the woman/wife and man/husband. How the woman/housewife makes use of or is made use of by, for example, the children in the family is subsidiary to the fundamental relationship between the adult man and woman. Of the family relationships this is the only one where the parties are potentially on equal terms.

p. 21
In the remainder of this paper I shall attempt to develop in greater detail the ideas presented in the introduction, which serve^d as a starting point for my criticism of Farr Tormey.

(VIII)

It should have emerged clearly from the preceding paragraphs that I both accept and reject Marxism. More precisely: I am attempting to conceptualize the specifically genderic problems in society, in particular the persistence of male domination in the age of equality, using the same mode of comprehension which enabled Marx to understand the problems of class and of capitalism's power of constant renewal. But this ambition requires at the same time a denial of Marxism as a universal mode of thought based solely upon economy and labour. The idea is that in historical materialism it is by no means obvious that we can treat "material" and "economic" as the same thing. All that is material is not economic ¹⁴⁾ even in the final analysis. We must also be aware that work neither is nor ever can be life's only and complete "prime want". What the sex-gender issues ultimately arise from are bio-social material circumstances. This physical dimension forms a distinct element in human nature as it is shaped historically and socially, and forms a fundamental part of human nature which is "interdependent with itself", i.e. a part of nature as a whole. Here it is more precisely the whole constitution of man as a physical being, the complementary sexual organs and the living ~~body-and-mind~~ themselves acting in a specific metamorphosis with its^elf. It is man's ~~body-and-mind~~ which supplies both the raw material and the agent for his transformation. But the link here between social and natural does not consist primarily of work ¹⁶⁾ but of another

capacity, another creative process which we can for the time being call care ¹⁷⁾ or possibly love. The economic productive **forces** grow above all through people creating "the extension of body and mind" while care and love between people can only be intensified by a more complete use of **body-and-mind** together.

In order to pursue my argument further I shall now clarify a distinction which appeared first in section (2) above, that between exploitation as a technical term and the normative aspects or preconditions of exploitation. This distinction is not only important for defending the term in a general sense of a scientific category (see note 2 above) but it also helps us to isolate a number of other theoretical distinctions which are important in the context. It helps us, for example, to comprehend historical differences in what exploitation is about and what it is that makes its existence possible. It is important to be able to clarify differences - even if they are often minute and difficult to draw (see inter al. Elster, 1980:4ff) - between exploitation which is built upon direct and more or less open force, as in the slave-owner economy of antiquity and in feudalism, and the exploitation which takes place in voluntary transactions, as is the case under capitalism.

If the distinction between technical and normative helps us to grasp how the technical aspect changes historically, it then helps us also to see the way in which the normative elements/preconditions are altered. It is thus reasonable to assert that the exploitation of **surplus** labour first becomes genuinely unjust under capitalism, since it is first in that society that people are declared free and equal. Everyone is, for instance, entitled to obtain maximum satisfaction of

his needs and to develop his talents. The same can be said to apply to the generic exploitation. Only when equality has become historically possible, politically and ideologically recognised and enshrined in statute, is its absence genuinely unjust. At the same time the appropriation of women's capacity for care is also, at least in some ways, less obvious than in earlier societies.

To return to economic production, the isolation of the technical element helps us to understand the so-called internal economic force, what Elster calls an economic "causal chain" (1980:3). We can distinguish the independent constraining force that economy can exert, although no threats take place between people beyond the withholding of offers (ibid). Unrestrained economic power arises from private ownership of the means of production. Unqualified or pure economic impotence is generated by the bitter physical necessity for people to support themselves - people who are both socially (politically and judicially) free and at the same time without control over the means of production. I postulate that the equivalent relationship of power-powerlessness exists in the generic life, and I will return to this.

The distinction between the technical and normative elements also helps us to see the actual substance of the exploitation relationship; that it is a question of a group of people alienating or laying claim to something from another group. This insight risks being completely lost by, for example, Giddens, when he defines exploitation as "domination / over nature and / or human beings / which is harnessed to sectional interests" (1981:60). Here the exploitation term is

used for exerted authoritarian power in the broadest sense. How matters stand on this point is also very unclear in most of the feminist writings where the term is used. On the other hand, when the argument seems to imply assumptions about something being taken - that the transfer of something is involved and not just oppression in a vague sense - it is only labour and time that are counted (cp. note 6). Or rather, other possible factors are reduced to labour.

If the body as a sexual means of production is dealt with, specific references are as a rule completely lacking on this point. ¹⁸ This reservation with regard to the rest of feminist research may seem misdirected on my part, that the exploitation of women's bodies and sexuality is exactly the context where "exploitation" is most often used. Yes, the term is used, but as soon as the question arises of working out a theoretical understanding of these issues, the term is either abandoned or given a content which fails to isolate the sex-gender specific oppression which originates from the "inner genderic force" in the free and sexually equal society of today.

If we fail to clarify the substance, i.e. (a) that something is transferred and (b) what is extracted in the exploitive transaction relationship, we most probably fail to make clear also that we are talking about an interactive relationship between certain groups of people. Social transactions where one party takes unfair advantage of the other can only take place between people, between active agents. It follows from this that structural exploitation is a meaningless term (cp. e.g. Elster, 1980:12 and note 12). Structural oppression is, however, valid. The historical and social conditions are structural, the agents take a structural form, but the system or structures cannot appropriate anything - only living

agents can do this. The same principle applies broadly speaking in the sex-gender sphere as in the economic sphere. The exploitation implicit in the relationship between ^{THE} capitalist and the worker corresponds to that between men and women. 19)

In the former case an unequal transaction takes place involving goods - the capitalist extracts labour over a longer period than that for which he pays wages and appropriates for himself control over the product of this extra labour. Men appropriate the caring and loving powers of women under conditions which leave women unable to build up equivalent emotional reserves which can freely be used and "invested" for women's self-defined interests.

p.25

Not all feminist researchers emphasize the personal relationships in the same way that I do, perhaps because most of them confine themselves to the more vague term oppression. Many say that patriarchy has a historical line of movement, that it moves from personal to structural oppression, and thus changes historically in the same way as other forms of oppression and the exercise of power. According to H. Holter there is a key factor linking Marxist and non-Marxist analyses, namely "the notion of a development after the breakthrough of industrialism and capitalism which goes from the personal to the impersonal oppression and exercise of power, with increasing stress upon the fact that power is exercised through structured channels such as the right of ownership of the means of production, through bureaucracy and the administrative network, through ideology and so-called kultural dominance" (1976:65).

She arrives in this way at a general movement tendency for the various forms of oppression which also includes the oppression of women:

From direct and visible to indirect and invisible oppression.

From personal to impersonal oppression (system-conditioned, structural).

From physical/material to psychological oppression.

From clearly legitimate to half-illegitimate oppression (ibid, p 67).

This tabulation of alleged tendencies should not, however, according to H. Holter, be understood in the way that the personal oppression is always physical or that the system-conditioned oppression is exclusively psychological etc.

This thesis must, as far as I can see, be qualified in various ways. In the first place, it is not obvious that all changes in the sex-gender relationship have an equivalent in the changes in the relationship structures based on and around class in society. This is not even obvious if we accept as a basic proposal that the sex-gender relationships are to a greater extent shaped by the class-based social conditions in society than vice versa. The most recent years' reports of **rape and abuse of women** suggest that physical violence against women has not only become more open but has also actually increased. Easton (1978) says that an increase in violence can therefore be seen as a desperate attempt on the part of men to assert their right to dominance over women, a right which has now become less clearly legitimate than before. If the increase in physical

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violence against women is a fact in the Western democracies, it has no equivalent in any other general tendency in industry or bureaucracy.

Dahlerup seeks to modify H. Holter's thesis and proposes that the structural oppression of women also operated parallel to the personal "let us say 200 years ago", but, she continues: "today the structural factors are most important" (1983:9). The first observation is perfectly correct, but the second appears to me to be by no means obvious. I cannot in these pages go more deeply into this. But I think that whether we see the "structural factors" or the personal as more important depends upon which definitions of the fundamental terms we set out from. By this I refer to a distinction drawn (analytically and therefore in empiric studies) between on the one hand women as a sex and on the other women as belonging to different classes and various social strata within working life, education, politics etc.

If we do not separate the sexual being and the sexual person from the female worker/professional, pupil, politician/voter etc; if we see women as women and do not at the conceptual level distinguish between the two determining factors for life - sex-gender and work, the two fundamental relationship structures into which both women and men enter, we run the risk of overlooking important aspects of the oppression of women as a sex.

Dahlerup writes:

Women's oppression is not just a consequence of men's control over women, even if that is a fact. Women are also deprived of control

and power, not by any individual man or group^s of men, but rather by the whole structural setting of society (ibid).

It does not follow from this, she continues, "that men have that control. They are nevertheless the superiors of women, relatively speaking, which originates from the "segregation of work between the sexes" (ibid). The question then becomes one of what the genderic work segregation is due to and how it is maintained. This is one of the key questions posed by feminist research. And the answer to that question must of necessity embrace several explanatory factors and be fairly complicated. The point is that the structural oppression - control and power - affects men and women both differently and in the same way. "Why differently?" - this is the great headache of feminism, in contrast to Marxism. The answer must have to do with the fact that the structurally different conditions for women and men are not only due to capital and other inanimate structures taking advantage of women as child bearers and cheap labour etc. The division of labour/work segregation between the sexes is due also to the fact that men and women as sex-gendered actors enter into oppression relationships which possess a relative independence. I mean that the maintenance of the genderic work segregation today must in substantial measure be explained through the genderic life itself, through the genderic beings and genderic people in their multiple social relationships. The need is for understanding and empiric study of whether and how men, as individuals and groups, actually prevent women from attempting to alter the structural situation involving lack of control and power holding both sexes down. The need is also for looking at how women themselves in a unique interplay with men contribute

to these obstacles. And in this match I suggest that women and men take part primarily as generic beings and generic persons and only secondarily as working people, politicians or anything else.

Dahlerup develops her argument:

The socialist feminist analysis is basically an analysis of the structural oppression of women/.../ The possible oppressive behaviour of individual men is not in focus. Just like the best Marxist analysis of capitalism tries to avoid the notion of capitalism as an evil old man with a black top hat (ibid, p 6).

The oppression of women does not derive from one single set of social relations, as the marxian concept of class exploitation defined exclusively by the relations of the classes to the means of production and the extra traction of surplus value. The oppression of women is much more complex. It is the effect of a system of interrelated structures and relations (p 11).

My point is on the contrary that the specific oppression of women originates from a corresponding "single set of social relations", precisely that which I put forward as a problem in this paper. On the other hand it is the case that neither class nor sex-gender oppression is maintained or renewed solely through the exploitation relationship itself. Both are maintained through various complex economic, political and ideological structures.

p. 28
I have used previously (p 25) the expression "the same principle" in a comparison between the generic and economic spheres. I do not, however, mean here, as Fredrick Engelstad²⁰, that the notion of exploitation is applicable (or, if we wish, transferable from Marxism) primarily because of the ^{formal} similarities in the sense of a model of sex-gender and class relationships, even if I agree for the most part with his tri-partite model.

And I also suggest that both generic and class transactions should be treated as side issues in a more general model. My main point is more a matter of content. The reason for exploitation being applicable to the sex-gender relationship is rather a substance similarity (not substance identity), which which also explains the "compelling" power by means of which the exploitation relationship is maintained. Individuals in a capitalistic society enter into economic exploitative relationships in order to maintain their independent existence both in the literal physical sense and as people with identity. One is not born to this in the same way as before. It is correct to say that under bourgeois capitalism the "family unit is one of the most important cornerstones for individuals' sense of identity and cognitive stability" (Engelstad, op.cit. p 356). But what is continually hidden from the sight of the theorists, and is lost here in Engelstad, is the specific natural needs and power of the sex-gender itself. The existence of the private individual, both in a narrow economic-material sense and in other rather wider contexts, is maintained in the (economic) work process. But the existence of the species, and at the same time a very fundamental part or stratum in the private individual's social existence, requires sexuality as an active force. This is manifested, seen at its narrowest, in erotic links between people and a "compelling" erotic need of access to one another's body-and-mind. I write body-and-mind in this way with hyphens because I adopt a non-dualistic approach to the "mind-body problem".²¹⁾ In the present context this means that the erotic drive is always of necessity mingled with the human need to give and receive care. The survival of the

human species is no monopoly of "pure nature", no freezone of nature overlapping directly with the animal kingdom. Sexuality is always practiced socially and thus in historically changing forms. But we are dealing at the same time probably with elements in human social life which reach farthest into nature. Apart from work, it is not primarily art ²²⁾ which expresses nature in man and his links with nature around him, but rather the creation of new human beings, the behaviour and the continuous mutual nourishment of both children and adults in direct, human care and love situations.

(IX)

In conclusion I shall attempt to make a preliminary typology of the sex-gender specific inequality or oppression. I have found it convenient to use as a starting point Elster's typology of injustice (1980), partly because he himself uses "exploitation of women" to delineate his types, but also because his view of what exploitation is about coincides in part with my own. It is of no decisive importance here, as we have seen, whether the actual term exploitation is regarded as covering injustice or whether this normative aspect is seen as a corollary.

Elster treats exploitation as a variant of distributive injustice. He starts from a general definition of exploitation: "taking unfair advantage of someone", where one party gains something which the other loses. Elster regards the Marxist exploitation theory as a variant on this general proposition about exploitation. He further confines Marx's exploitation concept to referring properly only to one type of economic injustice originating from economic circumstances, namely economic exploitation under capitalism. Elster thus

constructs a typology with two dichotomous points of entry. He distinguishes between economic and non-economic causes of injustice, and also between injustice in the distribution of economic and non-economic goods (1980:3). We can illustrate this by a four-field table:

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Causes of injustice

		economic	non-economic
Unfair distribu- tion of goods	eco- no- mic	E1	E2
	non- eco- no- mic	E3	E4

Elster defines his classifications more precisely in the following way:

A causal chain is economic if it is made up only of materially self-interested and voluntary transactions, where by the latter I mean a transaction involving no threats beyond the withholding of offers. The definition excludes altruism and spite (as not self-interested), action out of the desire for salvation (as not materially self-interested) and coercion (as non-voluntary). A paradigm case of economic causation is the generation of injustice by means of economic power, e.g. private property of the means of production or just wealth. /.../ A good is economic if it is scarce, alienable, not just a means to something else and either (1) is itself an object of consumption or (2) is used in the production of such objects. /.../ The paradigm case of an economic good is of course material commodities bought for private consumption, but the notion also includes leisure, public goods, privately consumed services, labour-power and even

persons (e.g. slaves who may be both objects of consumption and factors of production) (op. cit. p 3f).

"Exploitation proper" for Elster thus belongs only in square E1. In square E2 (non-economic causes of economic injustice) belongs the open, locally direct coercive extraction of labour under slavery and feudalism. Elster describes this political and ideological type of extraction as extortion, a term used also by Marx though without such systematic delineation. Extortion is also suitable, says Elster, in cases of gaining "extra sexual favours from women by threatening to withhold promotion" (op.cit. p 10). In square E3 (economic causes of non-economic injustice) Elster places for example the unequal distribution of such goods as knowledge and wants. To square E4 he sees no reason to give any content at all. (op. cit. p 7).

p. 3:

As Elster sees it, women are exploited only in the same way as men, i.e. in the capacity of workers (or in those connections defined by him in his typology). The purchasers of labour often employ women, he says, so that they may "pay them less than men for the same work, because women have fewer employment alternatives or are unionized to a smaller extent" (op. cit. p 10. My underlining.) But why does this occur? It is exactly this situation and other comparable systematic inequalities between the sexes that feminist theory seeks to explain. I suggest that it is here that the actual relationships between men and women must be highlighted much more clearly and defined much more closely than hitherto, even within feminist research. The generic elements in society must be seen as a distinct (relatively independent) structuring of that society. And the participants in this structure and their activities represent a likewise distinct historical process. This means in turn that

historical changes in the sex-gender relationships must in all probability be periodised according to a special classification which should only partly or indirectly be allied to an economically based periodisation. I cannot, however, develop this problem further here.

It may seem self-evident that the empty square 34 in Elster's typology is just waiting to be filled with the contents about which I have already written. But I do not think it fruitful to look upon it in this way. Elster's typology is in reality economically-materially limited, despite the non-economic variants. The political and ideological instruments of power, for example (the non-economic type of cause) that is taken as a possible cause of extortion, is nevertheless completely saturated with economy, if we may express it so. The authority and possible monopoly of the legitimate physical exercise of force which exact economic advantages here are, just the same, based on man's economic-material production. And the non-economic goods are also defined, if only negatively, in relation to economy.

p. 32

Biosocially material production needs a separate dimension, a separate typology. The two typologies can possibly overlap by one square. We can first draw up a separate table:

"Causes"/sources of sex-genderic inequality

	sexual	non-sexual
Unequal distribution of sex-genderic goods	sexual 51	non-sexual 52
	non-sexual 53	sexual 54

Here I suggest that we can define genderically based distinctions, both a sexual "causal chain" ²³⁾, relatively separate from a non-sexual power relationship, and sexual as distinct from non-sexual goods. I mean in broad terms that all the requirements which Elster lays down (see quotation above) with regard to the economic causal chain and economic goods apply here as well. But the argument here applies to the sex-gender relationships and is ^{not} based upon the need which ultimately arises in the hungry individual for food or the homeless individual for a roof over his head.

The paradigm case (to use Elster's expression) of the sexual "cause" (see note 23) is thus the inequality - injustice if you will - that originates in men's specific, legitimate rights both to give full expression to his sexuality and need of care, and to demand of women that they provide the means of satisfying them. These rights are in several countries not formal, but supported everywhere by ideology. Women, on the other hand, are in their turn dependent upon men through their sexuality and their need of care, but their starting position is quite a different one. In the normal case the woman is "forced" in her relationship with a man to contribute more care and love than the man does. The woman expends her human sexual vital energy, necessary among other things for maintaining her sexual identity and self-confidence as an individual-social entity, without the replacement of anything of equivalent value.

What above all characterizes sexual goods - in contrast to economic - is that they cannot be either bought or extracted by direct force. The essence of sexual goods is that they are given voluntarily, or rather that they are made available for use - without conditions. Hence their extreme vulnerability. Thus far square Sl.

There is not space here for an elaborate explanation of the other squares. I shall merely give a brief and preliminary account of some types of advantage-taking and extortion relationships as well as the unfair distribution of goods, which in my view must be placed outside the specific, free sexual exploitation relationship, which is often represented as equality itself. ²⁴⁾

In square S2 belong such as "jus primae noctis", the feudal overlord's and probably in certain cases even the priest's right to deflower the bride. Catholic priests' advantage-taking of women's sexuality through the confessional falls also into this category, as does the sexual use made of housemaids by upper-class men and their sons. I would also place in the same category rape and even men's private use of women through pornography. Here we are dealing with direct, open force and cruelty - an extortion of sexual favours. If we move on to square S3, sexual "causes" of non-sexual inequality, we enter a realm of distribution of goods which is easier to observe than the sexual in a narrower sense, and which is often referred to (together with the economic) when we talk about the lack of equality between women and men. These, I suggest, are nevertheless secondary and derivatory in relation to the distribution of goods and its "causes" in square S1. Thus S3 includes capacity for action and power as generic beings in the **sphere outside the home**(work and politics); determination in life and demands on behalf of one's own interests as well as the division of work and use of time in the home sphere.

My square S4 may well coincide with the empty square in Elster's diagram. Here exploitation of sex-gender is mixed with economic persuasion. This embraces such things as the indulging in sex at work with the help of economic sanctions. Here we may also include prostitution, both the pimp-prostitute relationship and the client-prostitute relationship. Pornography as a profit-making

activity also belongs here. The two typologies could be combined in the following way:

Causes of (economically based) injustice

		economic	non-economic		
Unfair distribution of (economically associated) goods	economic	E 1	E 2		
	non-economic	E 3	E/S 4	S 3	non-sexual
			S 2	S 1	sexual
			non-sexual	sexual	

Unequal distribution of sex-genderic goods

"Causes"/sources of sex-genderic inequality

Here we can thus distinguish between on the one hand oppression (exploitation etc) of women (and men) as a class, and on the other oppression (exploitation etc.) of women as a sex-gender.



Notes

- 1) Other commonly used terms are "suppression", "stratification" and "hierarchy".
- 2) Alvin W. Gouldner (in "The Norm of Reciprocity: A Preliminary Statement" (1960)) cites a dictionary definition of exploitation: "an 'unfair or unjust utilization of another' (p 166)" Likewise Jon Elster's (in ~~Exploitation~~, Pax Leksikon, vol. 6, 1981) broad definition of exploitation "all economic injustice which rests upon economic power, especially ownership of the means of production" (p 408). For my present purposes the extent to which "exploitation" is or is not a normative concept is in no way a central issue. What is important is that the "technical" element that can be distinguished in the exploitation concept can guarantee amongst other things its scientific usefulness. See further below. (For an example of how Marx's exploitation concept is both technical and normative see Arneson, 1981.) For an example of a study which postulates that it is normative and investigates what and how, see Elster (1980).
- 3) The incest taboo is often seen (Freud, Levi Strauss) as the rule marking the origins of civilisation - the first law over the individual. With regard to the spread of the reciprocity norm Gouldner builds mainly on Malinowsky (1932) see note 32, p 169 and on Westermarck (1908) see note 40, p 171. He refers also to Piaget's studies of moral judgements in children (1932) see note 41, p 172.
- 4) It is normal to talk about three main sources to Marx: English political economics from the 18th and early 19th centuries, French Utopian socialism and German philosophy.
- 5) The disappearance of the term exploitation from American sociology soon after it had begun to be used was due, according to Gouldner, to the struggle of

sociology to assert itself as science free from value judgements, and the fact was that the term exploitation stood as a cornerstone in the socialist criticism of modern society. Another circumstance not touched upon by Gouldner is that this "disappearance" is quite logical in the light of the scientific ideal/paradigm which became current in USA in the whole field of social science from the forties onwards, namely the product of positivist philosophy, behaviourism. Here we see a dissociation from deep phenomena not directly observable, and exploitation is typical of such concepts.

- 6) "Exploitation is used with greater awareness in a very few studies. See Christine Delphy, (1970/1977, 1976) and Linda Lange (1976). See also the anthology, Dependence and Exploitation in Work and Marriage (1976).

In these studies exploitation is used exclusively of economic exchange and/or the labour aspect of production. Without wishing to minimize the significance of women's double workload, I would suggest that the term exploitation can be used more sex-gender (cont. below)

- 7) Heidi Hartman's essay is referred to here. See L. Sargent (ed), Women and Revolution. The unhappy Marriage of Marxism and Feminism. Pluto Press 1981. The Introduction in this book, "New Left Women and Men: The Honeymoon is over", deals among other things with the social aspects of the research environment.
- 8) For a discussion of this, see int. al. S-3 Liedman, "Marxism". I Johansson/Liedman, Positivism and Marxism. Norstedt's Publishing House, Stockholm 1981.
- 9) Farr Tormey (1976) applies the exploitation concept to nature as well (see further below). Giddens also does this (1981:59).

- 10) Farr Tormey understands self-sacrifice as a special form of self-denial. It requires that someone else gains by it, and that one gives up certain rights. She discusses two important aspects which in the present context there is no reason to expand upon. In the first place she isolates the forgoing of one's own things, which is associated with parenthood. In the second she highlights the importance of looking beyond the dichotomy: self-sacrifice/egoism.
- 11) Farr Tormey argues convincingly that neither exploitation nor oppression requires that the guilty party acts with the intention of exploiting or oppressing. The consequences of the action can anyway be so. (ibid, p 209).
- 12) I interpret her "menial tasks and unpleasant burdens as referring primarily to housework. She does not delineate this specifically, but the surrounding argument suggests that my reading is the correct one.
- 13) Farr Tormey's concrete examples refer only to the housewife. The analysis could, however, be extended to embrace working life where the division of work between the sexes displays the same traits as in the home.
14. I do not suggest either that the alternative to: material = economic, is ideology (see among others Barrett, 1980). Cynthia Cockburn has distinguished between the material and economic, but the alternative materiality which she advances refers only to a sort of musclepower-technical materiality. It deals with "questions of bodily physique and its extension in technology, of buildings and clothes, space and movement" (1981:43). Cockburn does not develop as an issue the materiality which I seek to formulate in this paper.

- 15) This short Marx phrase is from the 1844 Manuscripts, quoted here according to Giddens (op. cit. p 60). In a section on "The Problem of Exploitation" Giddens attempts to "widen Marx's standpoint" so that exploitation can be applied not only to human relationships but can also include the use made by man of nature. But typically enough, Giddens neglects the paramount human relationship: that between women and men.
- 16) This is of course more problematical than my short wording here implies. I intend to develop this in another context. My assertion here should be treated as philosophical and not empiric; the nature of work changes historically and cannot therefore in an antihistorical way be generalised empirically.
- 17) Starting from Karel Kosik's reading of Heidegger I wonder if "care" could not be applied to the human relationships and activities with which I am dealing here without on that account arriving at "a philosophy founded upon mystified praxis" (Kosik (1963) 1978:83). As in note 16, a problem is touched upon here which awaits investigation.
- 18) The definitions which have been made concentrate upon children as the product of the sexual relationship. Both Jansen-Jurreit (1976)1979 and Mary O'Brien assume that the patriarchy is built upon the principle that men lay claim to the progeny (and to women as the means of procreation). In the former the claim is assumed to be founded upon economic interest. In the latter it is more a question of existential interests, men must prove themselves as fathers and whole people through a social power system.

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- 19) Here it is of course important not to see these two relationships as equals, i.e. they have both similarities and differences. Here I shall point out only one decisive difference: I assume that the basic conceptual level of the sex-gender relationship is that of the couple and the social individual, while the reference of class is that of a group. In Marx's theory the couple, the worker and the capitalist (or labour/power as commodity and money) are only relevant as an abstraction, as an aid to the understanding of the class reality on the group level. In the sex-gender relationship, however, the level of the couple is the most fundamental reality level. But the sex-gender relationship has its own abstraction level, namely "man" or the atomistic individual level.
- 20) Engelstad (1978) suggests that the work process and the process in which men and women interact share the same structure, the same pattern of conduct. An exploitation model can be applied to both which includes three types of relationship: an object relationship (the participants exchange things of the same value, labour for money), a premise relationship (the participants acknowledge one another as non-equal, power and subordination) and a mystification relationship (attempts to allow the two other conflicting principles to appear reconciled) (p 351ff).
- 21) See Mario Bunge (1980) on "emergentist materialism" (p 2ff)
- 22) This assertion is aimed at Raymond Williams, who in his discussion of Timparano and materialism postulates just this (1978:10).

- 23) The problem is whether we can assert that the causal relationship with all its force of **necessity** is appropriate here, when we at the same time generalise the sex-gender position after the breakthrough of formal equality. The question is thus: which type of theory best captures the reality which is relevant here? Some maintain that the **unequal** power between women and men must be demonstrated in each individual case. This is scarcely reasonable in the light of the massive body of evidence that already exists of inequality and **abuse**. But the question remains: which sort of theory does the **pattern** of this evidence point towards? The likelihood is that we must think in terms of probabilities and stocastic **correlations** rather than from a basis of deductive causality.
- 24) Hanne Haavind (1980) has constructed a model for the sexual rôles in which modern femininity and masculinity are assumed to have the aim of maintaining an ostensibly equal but in reality unequal balance of power. When she writes about power and love in marriage (1982) she speaks, rather as Farr Tormey, about women's specific burden and does not employ the term exploitation.
- 6) (cont.) specifically, namely to highlight the occurrence of gains in the generic relationship which are strictly speaking not a question of labour.

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THE COMMODITY STATUS OF LABOUR AND

THEORIES OF EXPLOITATION

by

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Introduction

Leap and Logic Analyses of Society and their Confusion of the Form and
General Determinant of Value

Marx's concept of value can be seen as that of the twin ideas that there is always a tension between constraint and construction, individual will and collective order, the making of history and the conditions under which it is made, subjective will and objective determinants in any society, but that historically the way this tension is resolved develops and changes: there are different modes of production. These twin ideas are expressed in the distinction he draws between the general determinants of value which are ever present, and the form of value: the way these determinants operate in specific societies or modes of production. If this tension is not treated as a transhistorical one, but as a question of which of its sides is determinant, we tend to have definitions of exploitation, not in terms of the character of the relation between individuals or classes and society, but in terms of the presence or absence of these relations, seen as constraints: this is what Marx meant by confusion between the form and general determinants of value. This implies, as Elson has noted, that labour:

'is a fluidity, a potential, which in any society has to be socially 'fixed' or objectified in the production of particular goods by particular people in particular ways to perform particular tasks ... So the fundamental question about human labour in all societies is: how is it determined?

To speak of 'determination' here does not of course mean the denial of any choice on the part of individuals about their work. Rather it is to point to the fact that individuals can't just choose anything, are unable to re-invent the world from scratch ...'

(Elson, 1979, pp. 128-129)

This tension gives rise to a paradox in Marx's attempt to produce a scientific proof of exploitation. It seems that any scientific analysis

has to rely on the determinant side of the tension. Only insofar as people's actions are determined can they be fully analysed and explained. Yet the application of the results of science has to rely on the other side of the tension: the ability of people to use these results to change their actions.

The idea of class struggle appears to emphasise the voluntarist, subjectivist side of the paradox. It emphasises the idea that men can make history, and make it differently in the future from the way in which they made it in the past. In other words, it gives priority to the idea of fluidity and development of labour, over the idea of its determination and regulation. If we consider Marx's aphorism:

"Men make their own history, but they do not make it just as they please, they do not make it under circumstances by themselves"

it is as if the idea of class struggle emphasises the 'make' over the 'conditions'. The idea is expressed also in Marx's preamble to the Rules of the International:

"The emancipation of the working class must be conquered by the working classes themselves".

In contrast Marx's claim to be a 'scientific' as opposed to moral or utopian socialist appears to place emphasis on the determinist aspect of the idea of mode production: people here appear as the product of 'conditions' rather than the authors of their future. This future itself comes to appear not as the creation of class warriors, but as the unfolding of economic laws, of which people are merely the "träger". This view is best expressed in his introduction to Capital, where he states that:

"But individuals are dealt with here only in so far as they are the personifications of economic categories, the bearers (Träger) of particular class relations and interests. My standpoint from which

the development of the economic formation of society is viewed as a process of natural history, can less than any other make the individual responsible for relations whose creature he remains, socially speaking, however much he may subjectively raise himself above them".

The two conceptions of people used by Marx (person as class-warrior, and person as *träger*) seem incompatible. If people are victims of a "law-gic", how can they re-make that logic? If they become authors of their own history, their actions can no longer be reduced to logics. And if their behaviour cannot be reduced to some such logic (no matter whether the basis of that logic is their own volition or 'objective' external constraint) then how can we claim to scientifically understand, explain or predict their behaviour?

One, inadequate, way of attempting to deal with this tension and paradox is to produce what I wish to call 'leap and logic' analyses of historical change or modes of production. A 'leap and logic' approach recognises the existence of constraints on people's ability to change society by seeing the mode of production as defined by 'laws' or 'logic' which explains how people must act. It recognises their ability to challenge these constraints by posing the possibility of 'leaps' between these logics. It tends to produce a view of history as leaps between different modes of production which are themselves explained or understood in terms of the operation of a logic. The concept of 'leap' allows for the 'voluntarist' side, the recognition of change, whereas the concept of 'logic' allows for the 'determinist' side, the ability to explain regularities. The recognition that there exists the possibility of different 'logics' is a step forward. But it fails to provide us with an adequate concept of history if we simply face a choice between either admitting the possibility but defining as illegitimate a theory of how different logics develop from one another

or reducing this process to a prior (once again ahistorical) logic of the development of logics. This is just another way of stating the choice between voluntarism and determinism. There has been a tendency within social science simply to see Marx as a determinist theorist (usually a technological one). Resolution of the 'tension' we outlined above, is achieved by reduction of the subjectivist side to the determinist one. Consciousness and class action is seen as 'scientific' insofar as it 'fits' the material progress of the conditions allowing it to take effect. So, for example, Marx's socialism is seen to claim to be scientific because it sees socialism as a result of the progress of productive forces brought about by capitalism on the one hand and their contradiction with the property relations in which they are enmeshed on the other. His antipathy to Utopianism appears to be a rejection of the 'voluntarist' side of the paradox.

Such leap and logic analyses confuse the form and general determinants of value, because the 'leap' phase expresses one side of the tension I outlined earlier, while the 'logic' phase expresses the other. That is to say the determinist side of the tension is equated with one type of society, the voluntarist side with another, so that exploitation, for example, would come to be a pervasive, defining characteristic of one society, while conversely, only its complete absence could constitute the other. Two examples of this are classical political economy's contrast between artificial (feudal) and natural (capitalist) society, and ~~the way~~ Marx's contrasts between capitalist and socialist society. I leave open discussion of whether Marx did indeed define the difference in this way or whether this is how he has been misinterpreted. Insofar as Marx's theory of exploitation has been based on such a reading of Marx, it inverts rather than develops classical political economy.

I think it can be shown that the common origin of these two 'leap and logic' analyses, is the concept of the commodity status of labour. (here after CSL). It follows that any analysis of exploitation which

starts out from such a theory would be flawed.

2. A CSL Reading of Marx's Theories.

Within capitalism all the main elements of production, both labour and the instruments of production, raw materials and means of subsistence, take the form of commodities, they are owned, privately, by individuals who are thus sovereign over their disposition. Hence the comment is often made that labour (or more specifically labour-power, the capacity to labour as opposed to the act of production itself) is free in a double sense. It is free in the sense of not being owned permanently by a particular lord, or tied to a particular means of production (e.g. a piece of land). Thus in contrast to a serf in feudal society, the labourer in capitalism is the owner of his own labour power as a commodity, he has private property in his own person. This appears as the 'progressive' side of the freedom of labour. The other side is labour's freedom from the means of subsistence, which have also been turned into commodities which only a minority of people own. Thus, although the worker insofar as he owns only his labour power, (a commodity which he can continually re-sell) is free of any lord or any means of production in particular, the worker is dependent on the class of owners of the means of production in general, because he or she must sell their labour-power to them in order to be able to purchase their means of subsistence as a commodity on the market.

Capitalism remains a class society where exploitation takes place because although labour is 'free' and therefore must be bought by the ruling class (in contrast to feudal society where directly political or legal arrangements could be used to extract a surplus from the direct producers) as long as labour power is paid for at its cost of production (which will occur so long as we make the reasonable assumption that commodities exchange at their values) there is every possibility that the value of what it produces

will exceed this, but the right to appropriate this surplus remains with the capitalist who has set the whole process in motion, who owns each of its constituent parts, and who therefore also owns its end results. Class is based on the existence of this exploitation of surplus value equal to the difference between the value of labour power, and the value that labour creates.

This means that one difference between capitalism and other societies, because of the existence of wage labour as a commodity, is that the ruling class does not appropriate labour directly, nor does it appropriate a surplus product but rather appropriates surplus value. Its ability to appropriate anything at all therefore depends on ensuring that the labour power it has purchased yields as much labour as possible, and that, in turn, this labour results in the realisation of as much value as possible once the products it is worked up in have been sold. Thus if the labour set in motion is not "socially necessary", in the sense of producing commodities which can be sold at, or preferably above their value, then little or no transfer of surplus to the ruling classes appears to take place.

Marx therefore argues that the labour process in capitalist society is distinct in that although its immediate object remains the production of use-value, its overall aim and guiding principle remains valorisation: the accumulation of surplus value. This determines the nature of the relationship between labour and capital: the 'real subordination of labour' where the material form of the production process itself controls the labour which formally sets it in motion.

This produces the second dimension of exploitation for Marx. It is not just a quantitative matter of the surplus value produced, but a

qualitative matter of the nature of the social relations of production. Since the whole process of production is now dominated by valorisation, it is no longer under the control of the producers, nor addresses their needs. All society becomes an epiphenomena of the logic of capital accumulation and the 'inversion' at its heart: the domination of the producers by the means of production of living labour by dead and the real subordination of labour.

Production, as the production of things, use-values, is for the first time no longer the aim of production at all. Rather the production process is only a means to the greater end of the accumulation of capital. It also carries an explanation for political viability of this process through commodity fetishism: since this all takes place via free and equal exchange on the market it appears that no inequality or exploitation really takes place. This produces a paradox. At first sight the contrast between capitalist mode of production and earlier modes of production appears to be the absence of any direct transfer of surplus from the direct producers

"The spheres of circulation or commodity exchange, within whose boundaries the sale and purchase of labour-power goes on, is in fact a very Eden of the innate rights of man. It is the exclusive realm of Freedom, Equality, Property and Bentham. Freedom, because both buyer and seller of a commodity, let us say of labour-power, are determined only by their own free will. They contract as free persons, who are equal before the law. Their contract is the final result in which their joint will finds a common legal expression. 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 his own advantage. The only force bringing them together, and putting them into relations with each other, is

the selfishness, the gain and the private interest of each. Each pays heed to himself only, and no one worries about the others. And precisely for that reason, either in accordance with the pre-established harmony of things, or under the auspices of an omniscient providence, they all work together to their mutual advantage, for the common weal, and in the common interest.

When we leave this sphere of simple circulation or the exchange of commodities, which provides the 'free trader vulgaris' with his views, his concepts and the standard by which he judges the society of capital and wage-labour, a certain change takes place, or so it appears, in the physiognomy of our dramatis personae. He who was previously the money-owner now strides out in front as a capitalist; the possessor of labour-power follows as his worker. The one smirks self-importantly and is intent on business; the other is timid and holds back, like someone who has brought his own hide to market and now has nothing else to expect but - a tanning.

This analysis therefore suggests that beyond the appearance of the market and equality lies the essence of production and exploitation. For example, Dobb describes Marx as "explaining exchange in terms of production". A further point is that the existence of labour as a commodity not only establishes the existence of quantitative value relations, the process of exchange, but does so inter alia by rendering labour calculable and measurable. We have an economic system which not only places a premium on efficiency, but also the means to achieve it.

This last, decisive, point can be expressed another way: CSL analyses produce a labour theory of value. They argue that the value of commodities can be explained by the amount of labour embodied in them. I discuss, below, some of the problems involved in defining 'the amount of labour'.

CSL explains both the quantitative and qualitative dimensions of exploitation: it explains both the existence of values and how they are arrived at. It views Marx's project as adding a historical perspective to classical political economy's immutable laws (e.g. Sweezy argues that Smith portrays exchange as 'a universal and inevitable form of economic life'), therefore equating the presence of exploitation with the presence of CSL, and therefore of the operation of the law of value and general law of capitalist accumulation.

3. The Origins of CSL Analyses

Such an analysis of Marx's theory of value and exploitation ignores the fact that classical political economy itself seems to start out from a theory of the C.S.L., to follow a labour theory of value, and to think of itself as historical.

C.B. Macpherson has described the tradition of English political thought from Hobbes to Harrington and Locke as that of possessive individualism based precisely on the concept of the CSL. Macpherson summarises its propositions thus:

- "(i) What makes a man human is freedom from dependence on the wills of others.
- (ii) Freedom from dependence on others means freedom from any relations with others except those relations which the individual enters voluntarily with a view to his own interest.
- (iii) The individual is essentially the proprietor of his own person and capacities, for which he owes nothing to society.

Proposition (iii) may appear in a theory as an independent postulate, or as a deduction from (i) and (ii) plus a concept of property as an exclusive right. Thus: since the freedom, and therefore the humanity, of the individual depend on his freedom to enter into self-interested relations with other individuals, and since his ability to enter into such relations depends on his having exclusive control of (rights in) his own person and capacities, and since proprietorship is the generalized form of such exclusive control, the individual is essentially the proprietor of his own person and capacities.

- (iv) Although the individual cannot alienate the whole of his property in his own person, he may alienate his capacity to labour.
- (v) Human society consists of a series of market relations. This follows from the assumptions already stated. Since the individual is human only in so far as free, and free only in so far as a proprietor of himself, human society can only be a series of relations between sole proprietors, i.e. a series of market relations.

Or propositions (v) may appear in a theory not as a deduced proposition but as the primary or even the sole social assumption. This is possible because propositions (i) to (iv) are contained in it. The concept of market relations necessarily implies individual freedom as defined in (ii) and proprietorship as defined in (iii) and (iv); and the postulate that human society consists of market relations necessarily implies that an individual's humanity is a function of his freedom (proposition)"

(MacPherson, 1962, pp 263 - 264)

The essential point in the development of the argument is the individual and private nature of people's productive capacities. This is a necessary component of the idea that labour power is a commodity: what is social cannot form the basis for a theory of natural private right. Ownership of these capacities naturally (literally) confers ownership on the results of the exercise of these capacities on nature. This produces things which, because they are now privately appropriated and owned, take the form of commodities.

"Though the earth and all inferior creatures be common to all men, yet every man has a property in his own person: this nobody has any right to but himself. The labour of his body, and the work of his hands, we may say, are properly his. Whatsoever then he removes out of the state that nature hath provided, and left it in he hath mixed his labour with and joined to it something that is his own, and thereby makes it his property."

(Locke quoted Marx (1969) p.365)

This is a 'natural' law or right that gives rise to private property:

"every man has a Property in his own Person. This no body has any right to but himself this Labour being the unquestionable Property of the Labourer, no Man but he can have a right to what that is once joyned to."

(Locke, quoted MacPherson (1962) p.214)

Hobbes was quite explicit about his assumption, on the basis of his highly individualistic theory of the nature of 'men's powers', that

"a man's Labour, also, is a commodity exchangeable for benefit, as well as any other thing."

and

"The Value, or Worth of a man, is of all other things, his price."

(Hobbes, quoted MacPherson, 1962, pp. 62, 37).

The idea that labour confers ownership must also imply that labour, insofar as it produces use-value by 'mixing' with nature, determines the value of that use value if it is to be exchanged:

"it is labour indeed that put the difference of value on every thing."

(Hobbes, quoted Marx, 1972, p. 353.)

Thus appropriation of nature, by private labour, is the basis of ownership of property. And the exchange of such property produces value relations. The labour theory of value is an explanation of how the relations of production develop if labour takes the form of a commodity. It is both a description of the system, and itself a theory of natural rights or political and moral convention underlying it: the principle of individual sovereignty over private property (including property in oneself.) It is both an explanation of the relations of production and a demonstration of their inherent equality and fairness.

The theory of labour as a commodity gives rise to a labour theory of value because labour as the appropriation of nature becomes the source of all value, all commodities which might be exchanged. Both the produce of labour, and labour itself are exchangeable and as such possess value. The terms of this exchange, if relations of fairness and equality are to be maintained, must be the amounts of labour embodied in the commodities exchanged. Labour is the determinant of value, because it is its only source. This is what Marx meant, I think, by his comment that:

Political economy has indeed analyzed value and its magnitude, however incompletely, and has uncovered the content concealed within these forms."
(1976a, pp. 173-174).

In other words, classical political economists had come to see labour as the substance of value, and had gone as far as putting quantitative dimensions to this.

Marx comments that Locke's "philosophy served as the basis for all the ideas of the whole of subsequent English political economy." (1962, p.367). For later theorists like Ricardo, the proposition that the amount of embodied labour in a commodity determined its value was taken as the starting point of the whole analysis.

This is a vital development of the argument; CSL explains not only the existence of market relations and market forces, but also the terms of their operation: the labour theory of value appears to explain price and exchange value by reference to the amounts of labour involved. Through a theory of natural rights to individual sovereignty over ones person and property, we obtain a theory which maps the process of distribution of use value to its production by means of the concept of value. We can explain market forces in terms of production, and also prove the existence and amounts of exchanges of value, and therefore measure exploitation.

The labour theory of value appears in this light as a defence of the freedom and equality in capitalism, as opposed to the exercise of authority by lord or priest in feudal society. It starts out from the concept of individual sovereignty in production, and so long as relations between producers are market relations, then commodities, i.e. things in which persons have a private, sovereign property, will exchange at their value and there will be no exploitation; through exchange each producer receives other commodities of equal value to those he or she has produced. It is also a theory of the freedom of production within such a society from any social regulation or obligation: each individual is sovereign over how they choose to set their labour capacities in motion, unlike the slave or serf.

As MacPherson notes, "the idea of property in one's person and the corresponding rights to the product of its labour" is not at all inconsistent with the assumption of a natural right to alienate one's labour in return for a wage. On the contrary, the more emphatically labour is asserted to be a property, the more it is to be understood to be alienable. For property in the bourgeois

sense is not only a right to enjoy or use, it is a right to dispose of, to exchange, to alienate. (1962, pp. 214-215).

Marxist approaches which emphasise the commodity status of labour as Marx's main starting point base their critique of classical political economy on this idea. If labour power is a commodity it may be sold rather than exercised by the owner. The use values and value this alienated (sold) labour produces, becomes the property of the purchaser of the labour power. In fact this development of the argument was recognised from the beginning. For example, Hobbes distinguishes between 'instrumental' (purchased) and 'natural' powers, and Locke makes the argument explicitly:

"Thus the Grass my horse has bit, the Turfs my Servant has cut; and the Ore I have digg'd in any place where I have a right to them in common with others, becomes my property."

(Locke, quoted MacPherson).

Marx's work has been taken as posing the question of what happens when access to nature (in order to appropriate it via the exercise of one's own labour power) is closed off by virtue of private property in that nature itself becoming universal. This likely result is contained in the original proposition that labour 'mixed' with nature confers ownership upon it. Once all nature, or what we could just as well call means of production, have become social, have been taken into ownership, then a class of people must arise who, having nothing but property in their own persons, are forced to sell their labour power (and the result of its produce) to the owners of the means of production. Thus quite in accordance with the free and equal bourgeois justice of the original labour theory of value, we reach a situation in which the appropriation of nature (production) is carried out by those who do not own nature (as the means of production) but have access to it only by virtue of alienating their ability to work with their labour power. This alienated labour does not confer ownership of the result of that labour on those who perform it, but on the owners of the means of production set to work. Out of relations of equality

springs the appropriation of surplus labour by the owners of the means of production, once the process of primitive accumulation, the expropriation of the mass of the direct producers from nature (the means of production) has taken place.

If we think of this in terms of value relations we could say that the special character of labour is its ability to produce value (by producing use values from its interaction with nature). This special character can also be seen as its ability to produce more value in the act of production than it must consume in order to be in a position to produce that. There is a quantitative difference between the value of labour power and the value produced by the exercise of that labour power. Within the social relations of production established by the existence of labour as a commodity this extra or surplus value, is appropriated entirely by the owners of the means of production.

The commoditisation of labour or the labour theory of value therefore embody a central contradiction which also can be seen as an inversion. We start out from the sovereignty of the individual over his or her own productive capacities, and end up with the collective surrender of all control over these very capacities by the direct producers to the owners of the means of production. We start out from the proposition of labour as the basis of all value, and finish with the owners of the means of production as the appropriators of all surplus value beyond the basic reproduction of labour power.

Thus in contrast to the picture of individual sovereignty and freedom portrayed by the classical theorists, we arrive at a picture of universal collective submission to exploitation by the laws of motion of capital: an exploitation from which even the exploiters themselves are not free, for they must personify capital in order to survive. From the idea of production liberated from the aims of serving a ruling class we arrive at the total subordination of production to this end.

The problem with this is that neither version of CSL theory, classical or 'Marxist' appears to escape from a leap and logic account of the form and general determinants of value: rather we are left with an abstract opposition between the right of sovereign individuals and the fact of collective social production. It seems that both the versions of CSL theory are leap and logic ones: for Marx the 'leap' to freedom occurs in the transition to socialist society, for Smith in the leap from artificial feudal society. It seems that both approaches develop alternative sides of a contradiction inherent in the concept of CSL itself: That between the freedom implied by the independence of the owner of self as a commodity, and the necessity of dependence on market relations with other commodity owners to actually engage in social production: it confuses the form and general determinants of value.

4 Labour Theories of Value Based on CSL

Both the versions are technicist, in that the social character of production becomes a question of social relations of distribution surrounding a technical production process whose nature is not considered. The specific social character of capitalist mode of production gets reduced to the presence of quantitative value relations which commoditisation has established, which in the second version of the theory, are seen to control the direction of production itself, by controlling the distribution of people and resources as inputs to and outputs from the production process. Thus Rubin summarises the theory of the law of value in capitalist mode of production in the following way:

"The relation of labour to things refers to a given concrete form of labour and a given concrete thing. This is a technical relation which is not in itself, the subject of the theory of value. The subject matter of the theory of value is the inter-relations of various forms of labour in the process of their distribution, which is established through the relation of exchange among things."

"..... the moving force which transforms the entire system of value originates in the material technical process of production social production relations are causally dependent on the material conditions of production and on the distribution of the technical means of production."

(Rubin 1972, p. 67, p. 66, p. 29)

Let me emphasise again. The only specific historical feature of production in capitalist mode of production that the labour theory of value based on the concept of commodity status of labour is able to posit is the presence of quantitative values which establish these relations of distribution. Corresponding to these two sides of the development of the commodity status of labour idea Marxist theories have tried to show how these relations of distribution maximise the appropriation of surplus value, while orthodox theorists claim that efficiency, and rate of innovation are maximised. Since the existence

of prices is the only historically specific feature of capitalist mode of production identified by commodity status of labour theories, it is unsurprising that all social relations become a question of quantity and distribution of use-values which have in themselves no social character.

These readings of Marx's value theory see historical perspective being provided by the recognition of a second 'aspect' to the value problem. In addition to the immediate quantitative matter of the terms of exchange, there is the 'qualitative' question of the very existence of quantitative exchange of commodities in the first place:

"Marx's theory of value was something more than a theory of value as generally conceived: it has the function not only of explaining exchange value or prices in a quantitative sense but of exhibiting the historico-social basis in the labour process of exchange - or commodity - society with labour power itself become a commodity."

(Dobb 1971 p. 11 emphasis mine)

In the concepts we have employed in the opening section we could rephrase this as the laws at work in the logic of the mode of production on one hand (quantitative) and the conditions for a leap to a new logic on the other (qualitative). The following comment from Meek also makes clear that this reading of the labour theory of value also sees Marx's contribution as that of adding historical perspective to classical political economy:

"The qualitative aspect of the solution was directed to the questions: why do commodities possess price at all"

(Meek, 1967, p. 10)

The following quote from Sweezy makes it clear that these theorists see the 'qualitative' value problem as representing the nature of the social relations between producers: their commodity status:-

"Commodity production is not the universal and inevitable form of economic life. It is rather one possible form of economic life No longer can the economist afford to confine his attention to the quantitative relations arising from commodity production: he must also direct his attention to the character of the social relations which underlie the commodity form. We may express this by saying that the tasks of economics are not only quantitative, they are also qualitative. More concretely, in the case of exchange value there is, as Adam Smith saw, the quantitative relation between products; hidden behind this, as Marx was the first to see, there is a specific, historically conditioned, relationship between producers."

(Sweezy, 1968 p.25)

The weakness of such a historical perspective becomes clear when we ask how the 'quantitative' and 'qualitative' aspects of the theory are to be combined: how can we understand both the terms of operation of the social relations of production and the genesis of their existence. It seems there is only a choice between the technological determinism of the theory's first version (the proposition that the development of the forces of production in their technological aspect has fostered the development of commercialisation as well as determining the terms of exchange) and the converse proposition contained in the second: that social relations arise independently of the productive forces and in fact determine their development. We seem to face a choice between an unacceptable determinism which at least claims to offer explanations and a converse proposition that gives more influence to social relations in the development of production at the expense of being able to explain the existence of these social relations in the first place. We start out from the commodity rather than arrive at it!

5 Empirical and Theoretical Problems with the Concept of Commodity Status of and Labour Theory of Value

CSL analysis faces the problem that labour power cannot, logically, fully attain the status of a commodity because it is not physically alienable. It can only produce use value and therefore value if it is living and active, not simply totally subordinate to capital or a lifeless appendage of a machine.

Insofar as this is the case it is difficult for the buyer of labour power to know just what they are buying or to simply control or appropriate what they have bought: Marx himself defined labour power as

".... the aggregate of those mental and physical capabilities existing in the physical form, the living personality, of a human being, capabilities which he sets in motion whenever he produces a use-value of any kind."

(1976, p. 271)

and in the celebrated 'architects and bees' passage he makes human will a defining characteristic of all human use-value creating labour. For even though capital owns (and therefore has the right to 'control'), both means of production and the worker, in practice capital must surrender the means of production to the 'control' of the workers for their actual use in the production process.

It seems that to portray Marx as a CSL theorist we would have to accept that the difference in his approach to classical political economy is that he elaborates the opposite side of the contradictory concept of CSL. He emphasises that once the labour commodity is alienated (sold) so too is control over it. But this contrast between the possession and sale of labour power represents little more than a formulation of the tension in the concept of value from which we started out: individual will versus collective social order.

A second dimension to this problem concerns the relation between use value and value in labour power insofar as it is treated as a commodity. In order to propose a 'labour theory of value' argument we have to be able to explain prices and values in terms of labour in some way. This implies that these are two separate factors to be brought into a relationship. This could be done by arguing that the exercise of labour confers ownership upon the results of that process, to the 'value' thereby embodied in it. But this

faces two problems. We cannot simply measure the labour going into the production of a thing because it is concrete private individual labour and need not be 'average socially necessary labour'. Thus if I take two hours to make something and I need only have taken one, this cannot double its value. The labour we can empirically observe is by definition private labour : only once it has been exchanged has it 'proved' its social worth. But if we then bring exchange into the analysis, for example by arguing that this renders labour social 'post ^e factum' we are left with a tautology: the prices and values are determining the social labour content which on the contrary was supposed to determine them!

One, unacceptable, way out of this problem would be to argue that labour in capitalist society already is commensurable, independent of and prior to exchange, because it is already abstract socially necessary labour because it has become fully commoditised. But this is to confuse an aspect of labour with its real empirical nature. No labour could be totally abstract: it always exists in specific private concrete forums which must be commensurated: it must prove its worth in exchange.

".....who can define ability, restricted output, capacity ('fullest' or otherwise)? If the intensity of effort expected from the worker is left undefined, then, surely, everything else that is stated about wages, hours, and method of payment is equally indeterminate the formal contract between employer and employee is incomplete in a very fundamental sense."

(Baldamus, 1961, pp. 90-1)

This means that labour as a commodity cannot be the basis of calculation, or the simple source of value in capitalist society. It cannot directly form the basis ^{of} as a theory either of exploitation, or the fairness or benevolence ^{forces} of market prices. It also means that just what these prices represent is obscure: money cannot be a simple numeraire for either amounts of value or abstract labour.

This problem is a reflection of the point I made above about CSL requiring an individual's labour capacity to be completely private and asocial. If the individual 'owes' something to society for his or her capacity to labour, then they cannot, consistently claim the results of that labour as their private property. In turn we can see that this returns to the confusion between the form and general determinants of value. The concept of an individual independent of society, the 'Robinson Crusoe' figure of CSL analysis is quite ahistorical: it returns to only one side of the tension between constraint and construction from which I started out.

6 Money and the Theory of Value

".... and it is money and not labour-time which functions as the social standard of measurement, in Marx's Capital, as in capitalist society itself. The reason that labour-time is stressed as the measure of value, is to argue that money in itself does not make the products of labour commensurable. They are only commensurable insofar as they are objectifications of the abstract aspect of labour.

(Elson 1979, p. 138)

In CSL or labour theory of value approaches, there are only two elements to be brought into a relationship: labour and exchange; value. This is done by equating exchange value (including money price) with value. Then causal ^{explanations} directions can be proposed in either direction between these two elements. If they are seen to flow from price to labour, then we obtain a subjectivist theory of value, which poses the dominance of exchange, and the necessary absence of exploitation: Smith's 'hidden hand' directs ^r produces according to the sum total of their subjective desires. If they are seen to flow from labour to price, we produce a technologically determinist account of history which starts out from the concept of 'labour as such', and the value relations which arise on its basis. The passage from Rubin quoted above is a good example. If we thus ^{ex} allow these value relations to react back

on labour (for example by allowing price to determine what counts as socially necessary labour) we end up with a tautological relationship: labour and value determine each other.

But, following Elson, it could be argued that Marx's distinct approach was to pose a three-fold relationship, not simply a dual one between labour and value, but one between labour, value and exchange value. Neither of the two outer terms are directly reducible to value. Exchange value is the social form of appearance of value (produced through the process of commodity exchange) but is not itself value. Marx makes very clear in his analysis of commodity exchange that the equivalent commodity cannot of itself express quantity. Money is therefore not a numeraire for value. It cannot therefore be used *inter alia*, as an accounting mechanism for value relations, calculations of surplus value or measures of exploitation. It represents value but is not itself value. In turn abstract socially necessary labour time is represented by the magnitude of value: but again we cannot posit a direct causal relationship because the only labour whose duration we can measure in capitalist society is private concrete specific labour, which has yet to be exchanged and in so doing prove its social character.

These points emerge from Marx's theory of commodity exchange and the 'fetishism' associated with it which Marx started from in *Capital*, not and ^y special considerations on the 'form of labour'. He starts by viewing capitalism as

"an immense collection of commodities"

(1976, p. 125)

and proceeds to locate the form of value in capitalism, not in any social form of labour, but in the commodity form itself, and at other points he explicitly cites this as his difference with classical political economy. His argument was not that classical political economy did not recognise the

historically specific nature of commodity production, but that its inability to grasp what the commodity was and what form of value this entailed, rendered classical political economy incapable of understanding history adequately. Commodity fetishism is therefore not about recognising the existence of the commodity ^{or} of exchange but analysing what it is. Marx noted that classical political economy:

assumed "has never once asked the question why this content has ~~aroused~~ that particular form, that is to say why labour is expressed in value and why the measurement of labour by its duration is expressed in the magnitude of value of the product."

(1976, p. 174)

"Even its best representatives, Adam Smith and Ricardo treat the form of value as something of indifference, something external to the nature of the commodity itself We therefore find that economists who are entirely agreed that labour time is the measure of the magnitude of value have the strangest and most contradictory ideas about money, that is, about the universal equivalent in its finished form."

(1976, p. 174n)

He commences with it because it is the almost universal form which wealth takes in capitalist society, and because it is only as the producer of commodities that labour can be seen as, or count as, or really become, social at all. And only in exchange can labour reach its value otherwise we would fall prey to the illusion that

"all commodities can simultaneously be imprinted with the stamp of direct exchangeability, in the same way that it might be imagined that all catholics can be popes."

(Marx, 1976, p. 161)

this form gives rise to fetishism; NOT a problem of false appearances but the real material relations of commodity exchange and the form of value it generates:

"If I state that coats or boots stand in a relation to linen because the latter is the universal incarnation of abstract human labour the absurdity of the statement is self evident."

(1976, p. 169)

But this is an absurdity which is in reality not in the producers minds:

"Nevertheless, when the producers of coats and boots bring these commodities into a relation with linen, or with gold or silver (and this makes no difference here) as the universal equivalent, the relation between their own private labour and the collective labour of society appears to them in exactly this absurd form."

(1976, p. 169)

Because only the exchange of its produce renders their private, independent, labour social, it appears that it is the equivalent commodity which performs this service by virtue of its own special powers:

"Since the producers do not come into social contact until they exchange the products of their labour, the specific social characteristics of their private labours appears only within this exchange. In other words, the labour of the private individual 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."

(1976, p. 165)

The producers therefore have a correct understanding of the nature of value relations of the nature of the social form of the relations of production as one between products:

"ie. they do not appear as direct social relations between persons in their work, but rather as material relations between persons and social relations between things."

(1976, p. 166)

The magnitudes of value of commodities in exchange:

"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."

(1976, p. 167-8)

If on the one hand they did not intend to develop the relations of commodity production, but rather simply to exchange their products, the appearance of this process of exchange is such as to cover up its own genesis, and give the commodity its mystical character:

"What appears to happen is, not that a particular commodity becomes money, because of all other commodities expressing their value in it, but on the contrary, that all other commodities express their values in a particular commodity because it is money."

(Marx, 1976, p. 187)

"Value, therefore, does not have its description branded on its forehead, it rather transforms every product of labour into a social hieroglyphic."

(1976, p. 167)

Commodity fetishism could therefore be seen as a question of the visibility of externalities, which in a society dominated by commodity exchange are massive, because there is no general social regulation of production beyond the public results of the private intentions of commodity exchangers.

Baldamus's point, cited above, about the 'incompleteness' in the exchange between labour and capital, should be seen as a specific example of a more general point about any exchange of commodities, and a fundamental characteristic of the commodity form of value. It is that since the 'value' of a commodity (and the labour embodied in it) exists only in relation to the values of all other commodities (and the labour's embodied in them) and to the changing needs of the purchasers of commodities (which will affect how socially necessary such labours are) it can never be exactly known. All we have is the fact of exchange and the money price associated with that. We have no way, in a mode of production dominated by the commodity form of value, of linking money to value directly. We cannot therefore "prove or disprove" exploitation, just as capitalist^s cannot know 'ex ante' but only 'post ^e factum' whether the labour they employ will yield surplus value.

Another way of saying this, is that in the exchange of commodities, there is little direct connection between private intention (to sell or buy given a set of prices) and public result. Each transaction has externalities it would be useful to be able to measure. This does not mean (as in CSL analysis) that these externalities are total (so that all market processes become an inexorable function of the general law of capital accumulation) or that they are negligible (the benevolence of the 'hidden hand'). In the final section I ask whether such a state of affairs is an immutable fact of any complex mode of production, irrespective of property relations.

The commodity is not, therefore, a thing with a price which directly expresses its value or the amount of labour contained within it. This is the explanation of Marx's preoccupation, in the opening chapters of Capital, with the 'commodity-form' and the form of value relations this implied.

It is thus possible to produce a reading of Marx's analysis which does not depend on the CSL, but instead analyses capitalism in terms of the dominance of commodity exchange and the role of the money commodity. This produces a very different theory of exploitation. Its starting point is that of commodity exchange alone, and requires no connection between this process of exchange and the form of labour used to produce the commodities.

By divorcing the analysis of commodity exchange from a CSL analysis, we can escape the 'leap and logic' approach to the relations between individuals and society. We no longer have to counterpose the idea of absolute sovereignty and independence of the individual prior to entering relations of exchange or value relations, with their 'all round material dependence' and subjection to the law of value afterwards. We can now analyse not whether or not value is present (for its general determinants always will be) but examine the consequences of the form it takes. In capitalist society, owing to the dominance

of commodity exchange, this is that value is represented (but only indirectly) by exchange value. Thus the only way in which the amounts of various types of concrete labour are regulated is through exchange values of the commodities they give rise to. These exchange values cannot, in turn, distinguish between the relative contribution of the effort involved in labour, and the reward accorded to its social ability. We cannot tell from a commodity's price what may be windfall gains for lucky producers or unforeseeable penalties for unlucky ones. †the relationship between labour and capital will be of this character too.

This means that we cannot calculate exploitation in terms of the difference in the price (exchange value) of labour and that of its products, because neither directly reflects their 'value' as such. Neither theorists of exploitation, nor capitalists hoping to accumulate surplus value can calculate in advance what value relations they will create: it is dependent on exchange.

It also means that the second dimension of exploitation: the 'inversion' at the heart of capitalist society, will also be less complete. It may be that commodity producers do not mean to establish value relations in directly exchanging their products, so that these arise behind their backs, but insofar as these relations are the joint contribution of the whole world of commodities, they will to some degree at least reflect the mutual wishes of the exchangers: to have value at all something has to be, to some degree 'socially useful'. We cannot simply split value and use value apart and oppose the dominance of one over the other: in capitalism 'value' under socialism 'use value'. To argue this is not to retreat to a subjectivist problematic because the 'subjective wishes' of the exchangers will themselves arise in part from the value relations confronting them on the market, and because these subjective wishes do carry

externalities. Indeed this must be the central point of the analysis, and the vital theory of commodity fetishism. At the point of exchange, commodity owners can foretell neither the past history nor future ^a trajectory of commodities they exchange. Their act of exchange is their contribution to the social regulation of the whole of production but they cannot know, even in general terms what it is likely to be, what effects it will have.

We thus have an analysis in which exploitation in capitalism along both dimensions I outlined at the start are possible but not provable, at least in a usual scientific sense, but is at least related to the dominance of the production and exchange of commodities. What would have to be done is to examine the empirical and historical forms taken by commodity exchange to propose what would remain a political theory about the way exchange developed unintentionally favoured specific producers or owners (externalities) or was specifically designed to do so.

Within such an analysis room would remain for the 'class struggle' aspect of Marx's approach, but with the qualification that such classes as exist could not have arisen automatically (through the common situation of being a seller of labour power as a commodity for example) and would be prone to differentiation internally given that there would be other significant determinants than labour market position

7 The Transhistorical Nature of Commodities

Marx counterposed to society dominated by commodity exchange, one where value relations were directly visible and planned, where production was based on the freely associated labour of direct producers, rather than the exchange of commodities on a market. Abolition of the wages system would follow from the abolition of private ownership of the means of production which in turn would eliminate the presence of commodities.

The problem now becomes one of the form of value in such a society, given that the general determinants of value would still presumably be present: that is to say we cannot make assumptions about, for example, the absence of conflicts of interest between different producers, the abolition of a division of labour, or the abolition of scarcity. These various utopian and unscientific postulates simply amount to wishing away the 'constraints' side of the relationship between individuals and society: there would simply be no value relations at all, no decisions to take of any kind and no authority necessary to execute them and no exploitation.

Marx and ^WLeyn argued, quite coherently, that with the abolition of private property and commodities, value relations would take the form of the administration of things: planning. In contrast to the market, where value relations are the (only partially intended and conscious) consequence of exchange these would be directly the conscious object of the decisions of the freely associated producers. This raises two problems: the information by which these decisions are to be informed, and the criteria used to take them. Presumably the ideal answer to the first is 'all the relevant information' and the second 'democratic participation by all those involved or affected'. But the problem is that insofar as we are dealing with value relations ALL information about potential present and future ways of organising production are relevant and everyone will be affected. In a complex economy there are countless billions of potential decisions to be made. We cannot all know and equally influence the social direction and organisation of production. Perfect planning and perfect information alike are impossible: again they are a simple appeal to abolish the realm of necessity.

The reason for this lies in the relative ignorance about each other's position needs and actions in which individual producers or groups of producers must remain. As Nove points out, if I demand greater production of something (be it Rolls Royces or kidney machines) I cannot know at whose expense such production will be, what will be foregone, or conversely who else, aside from the consumers of Rolls Royces or kidney machines will benefit: suppliers of sheet steel, or microchips perhaps, workers in a particular region. The visibility of the consequences of planning will therefore always be limited: like commodity exchange, they will to some extent occur 'behind our backs'.

We could express this another way. Any unit of accounting used in planning (utils, labour time, money, guesses, wishes) will just like money price in commodity exchange, be only a representation of, and approximation to value. Moreover, between planners there will be processes of bargaining akin to price haggling on the market. (Anyone working in a university can cite examples from their departmental budget). Thus it can be argued that many of the processes Marx^s associated with the exchange of commodities and the existence of private property, can in fact be seen to be a function not of ownership as such, but of the relative social separation of decision making units in production, or indeed the producers themselves. This separation may vary in extent and nature: if the producers share lots of values and interests, know each other, trust each other, it may be diminished, but short of assuming perfect information and agreement, it can never disappear. In turn this separation surely underlies 'the reciprocal isolation and foreignness of the producers' which underlies the process Marx analyses as 'commodity fetishism'. The producers much as they may have free and direct association as their preferred aim, will always remain subject to constraints and determinants of their productive activities which they cannot perfectly understand the cause of. Insofar as they submit to these constraints they are not 'free'. They may recognise 'necessity'

voluntarily, but that does not of itself, imply their unconstrained consent. Who is to say whether their restraint really is necessary or not? A good example of this is that of debates on incomes policies pursued by 'socialist' governments. By what yardstick can we measure whether they are in the interests of wage earners or not? Finally, the science of political economy also seems to be a transhistorical requirement of any complex mode of production, insofar as it is able to produce techniques and models to provide partial but useful guides to the likely effects of particular causes of action.

8 Summary of Conclusions

I have argued that commodity status of labour arguments, and their counterpart, labour theory of value arguments, produce accounts of modes of production which by confusing the form and general determinants of value produce accounts of history which view one mode of production as dominated by objective constraint and exploitation, and another as freed from any constraint. They split the ever present historical tensions I outlined in section 1 into alternate historical epochs.

I have suggested that Marx may also be read as a theorist of commodity exchange instead. This rescues many of his insights, puts them on a more empirical basis, but does so at the cost of making many of the features of commodity exchange apparently immutable. They would be present in any society including socialist society. These include imperfect knowledge about and control over production. This would imply the survival of waste, unemployment of various kinds, unsatisfied needs, conflicts of interest and so on).

In particular no quantitative proof of the existence of exploitation is possible from this standpoint. This is simply because once we recognise there is no possible mechanism of quantitative commensuration between different types of concrete labour in its use value aspect, then the relative worth of two different types of labour becomes a matter for political debate.. Their exchange value, or indeed any other form of value we devise for them will be a function of various externalities. The contribution to society of a qualified surgeon and a hospital cleaner are both useful. The absence of either would make safe surgery impossible. But their wages express what? Their costs of production? Their access to alternative work opportunities? Compensation for the disagreeable aspects for their job (boredom, dirt, or responsibility for life and death), or penalties for its agreeable aspects (promotion prospects, security, or indeed responsibility again insofar as it is executed successfully).

On the other hand, insofar as some form of political economy remains necessary to help understand production, it is likely that various quantitative yardsticks will remain helpful, so long as we bear in mind their limitations. To the extent that some form of markets and commodity exchange remain an inevitable alternative and check to imperfect planning, then prices and wages remain a tool to be used in what will inevitably be a political debate about whether particular groups are exploited.

Similarly no qualitative proof of exploitation is possible either. We cannot equate it with the existence of markets, nor does it seem possible to produce rules of thumb about planning that could guarantee to minimise it. In particular planning implies central coordination and direction, democracy implies local autonomy and influence. Indeed it seems likely that in some circumstances markets improve on planning precisely because they obviate the need to attempt to calculate externalities that are themselves relatively

unimportant. Thus it seems to be the case that markets are much better at responding to consumer choice and fashion than planning. Insofar as markets reduce the amount of labour time devoted to organising production, they also increase people's free time. Only if we equate human nature with the capacity to produce, and then reduce the latter to production in the formal economy, does 'workers control of production' appear as unproblematically liberating. On the contrary there are other ways of expressing their nature that people may prefer to discussing production plans: hobbies, consuming things, all the various forms of production known as leisure.

These arguments also imply that it is not possible, within capitalist or non capitalist societies, to identify a process called 'exploitation' in production, and then relate this to secondary processes called 'oppression' beyond the sphere of commodities, for example in domestic labour, gender or race relations and so on. For example it would be impossible to claim a gender free character to the relations of production in the production and exchanges of commodities, and then examine the way gender as an external factor comes to affect the terms of operation of these relations. If we follow the analysis I have suggested the division between commoditised and non commoditised areas of social life is indistinct, and gender relations enter directly into both of them. For example rather than taking skill as an economic category and analysing the distribution of men and women to 'skilled' jobs, it would start out from examining skill as a gender saturated concept in the first place. Or it could start out by examining the relative attention paid to, and worth ascribed to domestic labour, compared to work in the commoditised economy.

Rejecting a CSL analysis also implies that we reject the portrayal of capitalist society as one characterised by individual freedom. It has no

necessary connection with labour freedom. Witness its dependence in its earlier stages on slave labour. Nor need the empirical terms of exchange in a labour market imply much freedom for wage labour. Finally the association of individual sovereignty with commodity status with absence of exploitation is an ideological delusion: it simply constitutes a return to one side of the tension between individual freedom and collective order. Just as there can be no 'labour as such' free from social determination, so can there not be sovereign individuals independent of their social constraint or social construction by society.

This paper is based on a Ph.D Thesis by the author:

The Sociology of Industrial Democracy: Money Labour and Class in the Capitalist Mode of Production (1982)

available from the University of Glasgow Library.

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The idea of exploitation occurring through market transactions is at first sight puzzling, because market exchanges are by definition voluntary, that is each party enters them in the hope of improving its material situation in some respect. They are to be distinguished from coercive interactions, where A forces B to part with some of his material resources by threatening to inflict damage of still greater magnitude on B. The exploitation involved in coercion is easy to see: there is a one-way transfer of value caused by A's power in relation to B - his capacity to inflict damage on the latter. But market exploitation is harder to pin down. When A exploits B through a market exchange, the transaction seems to hover uneasily between voluntariness and involuntariness. B would rather exchange with A than do nothing at all; at the same time there is some third hypothetical transaction that he would prefer to engage in still more, forming a benchmark against which we judge the actual exchange to be exploitative. If I run into someone out walking on a hot day, miles from the nearest source of liquid refreshment, and offer to sell him a bottle of beer for £5, he would rather engage in this transaction than not, but would prefer still more to buy the beer for £1, the price that I paid for it that morning in the shop. I am (it appears) exploiting him to the extent of £4, the difference between the terms of the actual exchange, and the terms of the hypothetical benchmark exchange. The problem, however, is to decide on the appropriate benchmark. Out of all the possible exchanges that B prefers to the actual exchange, which one should be singled out as privileged from the point of view of exploitation?

Two approaches to this question have been dominant in discussions of exploitation. The first, associated with Marx, focusses on the actual transfer of value between A and B. Assuming an objective criterion of value, the view maintains that exploitation occurs whenever the value transferred by B to A exceeds the value transferred from A to B; in other words, the appropriate benchmark is a transaction in which the flows of value in either

Exploitation in the Market

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Paper presented to the workshop on Exploitation

ECPR Joint sessions of workshops.

Barcelona, 25-30 March 1985.

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direction are exactly equal. In Marx's case, of course, the focus was on exchanges between labour and capital, and the measure of value used was embodied labour-time, but the approach itself can be widened beyond these particular limitations.

There is, however, a basic difficulty with such an approach. To begin with, focussing on the transfer of value alone abstracts from the motives of the agents concerned in an unacceptable way. Take, for example, the purchase of lottery tickets or insurance policies. Suppose that the purchaser turns out not to win a prize or to make any claim on the policy he has purchased. There is then a unilateral transfer of value from B to A, but it is hard to maintain that B, the purchaser, has been exploited. The reason is of course that the transfer has been made under circumstances of risk which B assesses in such a way that he is willing to go ahead with his purchase.

To this it may be objected that there is indeed a reciprocal transfer of value - namely (to take the lottery case) a $1/n$ chance of a prize of a certain amount, together with whatever psychic satisfaction B gains from participating in the gamble. But such a response immediately shifts the argument away from observable transfers of value measured by an objective criterion towards subjective questions. We are now talking not about the value of transfers to and from B, but about the value of such transfers as perceived by B. And this suggests that there may no longer be a strict correlation between the value that A attaches to the items involved and the value that B attaches. Consider once again the bottle of beer that I sell to the thirsty hiker for £5. We know from this transaction that the hiker values the beer at not less than £5, and that I value it at not more than £5. But we cannot derive any more information than that from the transaction alone. We need more information to decide whether the exchange is exploitative. If we see it as exploitative, it is because we assume that the value of the beer to me is the £1 that I originally paid for it. But of course it may be that I

too would pay up to £5 for a beer in present circumstances, in which case I am not exploiting the other party in exchanging at that figure, despite the £4 cash profit I have made.

Once, therefore, we allow the subjective value attributed to items to diverge from their objective value (according to some criterion), we can no longer take one-way flows of objective value as a sufficient condition for exploitation. It may be worth adding that this result does not depend on the assumption that each of us has a unique psychology. Even if our underlying preferences are all identical, we may place different subjective values on items because of circumstances, past consumption, etc. For instance all of us may be willing to pay an extra £1 for a bottle of beer for each mile that we walk on a hot day.

So quite apart from the familiar difficulties with the labour theory of value, an objective-value theory of Marx's type is unable to provide a general account of exploitation in the market. It might provide an approximation to such an account, if we knew we were dealing with a range of situations in which subjective valuations of objects closely corresponded to their objective values; but that is the best that could be said for it.

A second approach to exploitation attempts to identify it in terms of the background distribution of resources against which an exchange is made. Suppose that with the current distribution of resources D, A and B make an exchange E. Under an alternative distribution D¹ which is regarded as equitable, a different exchange E¹ would have occurred. Suppose that B holds less resources under D than under D¹, and that E is less favourable to B than E¹. Then B is exploited to the extent of the difference between E and E¹. Exploitation is assessed according to what would have happened under an alternative (and morally privileged) set of circumstances.

This approach has recently been interestingly fleshed out in two rather different ways by Hillel Steiner and John Roemer.⁽¹⁾ Steiner offers a

whether two parties are exchanging items of equal or unequal value. Suppose we tried to forego this information. Suppose that, in the absence of A's intervention, B would have made an exchange with C. After the intervention, he makes a less favourable exchange with some other party E. Is E exploiting B? Without an objective standard of value one can't tell whether the latter exchange is exploitative, or whether the exchange that would have occurred between B and C was simply a particularly favourable one from B's point of view. Suppose I own an item standardly valued at £5. For some reason (urgent need, a liking for that particular specimen, a desire to curry favour) Jones will buy it from me for £10. If Harris steps in to prevent this transaction, and I later sell the item for £5 to someone else, I haven't been exploited (though my rights have been violated). But to reach this conclusion we required the standard valuation. Hence Steiner's analysis faces the general difficulties that I raised earlier in relation to value-transfer theories of exploitation.

Finally, and most significantly for the general argument of this paper, Steiner's account of exploitation is excessively narrow in focus. Let us for the moment continue with the assumption that we can establish objective values. Consider the general situation in which B would have made an equal exchange with C, but following an intervention by A, he instead makes an unequal exchange with E. Steiner regards the latter exchange as exploitative only when A's intervention takes the form of a rights-violation. But suppose instead that A induces C to withdraw from the proposed exchange in some other way: for instance he offers him a bribe, or threatens to boycott his goods in the future. Why, from B's point of view, should it matter which kind of intervention has occurred? The relevant considerations are a) he is now receiving less than the full value of the goods he is exchanging; b) he would have received the full value but for A's intervention. From C's point of view, of course, it matters a good deal which form the intervention takes:

'liberal' theory of exploitation which explains exploitation in terms of prior violations of rights. The core idea is that an unequal exchange of value between A and B counts as exploitative if it can be attributed to a prior violation of the rights of some third party C, either by A or by a fourth party D. The case offered is one in which C would be willing to make an equal exchange with B, but is forcibly prevented from doing so either by A or by D. This leaves B no alternative but to make a less favourable exchange with A. The exploitation itself does not involve a rights violation (no rights of B's are violated), but it results from one. (As indicated the exploiter A may or may not himself be responsible for the rights-violation). On this version, then, the question whether an exchange is exploitative depends on a history, on whether among its historical antecedents there is a violation of rights that worsens the bargaining position of one party.

There are several difficulties with this view. The first is that Steiner fails to offer an adequate defence of his thesis that exploitation always involves at least three parties (the exploiter, the exploited, and the victim of the rights-violation) and cannot simply be a bilateral relation between A and B. He argues that if A forces B to make an unequal exchange, this is simply theft as opposed to exploitation. Suppose, however, that in the situation envisaged by Steiner, where C is the only party willing to make an equal exchange with B, A prevents this exchange by coercing B rather than C. For instance, he threatens B with some penalty if he tries to deal with C. B then 'voluntarily' makes the unequal exchange with A. The unforced nature of the latter transaction adequately distinguishes the case from one of theft, where A forcibly acquires some of B's holdings.⁽²⁾ Why is this case any less one of exploitation than the case in which A directs his coercive threat towards C?

A second problem is that Steiner's analysis presupposes an objective standard of value.⁽³⁾ To identify exploitation, we must be able to establish

bribes are generally welcome, threats unwelcome. But C isn't the victim of exploitation: B is. It seems natural to identify exploitation in terms relevant to the victim and his exploiter.

In general, therefore, the rights analysis seems not powerful enough to get a proper grip on the idea of exploitation. Rights-violations are neither a necessary nor a sufficient condition for exploitation to occur. They are not sufficient because rights violations can occur, and yet all participants in the market may be left with sufficient partners to make non-exploitative exchanges. They are not necessary because it appears (though this appearance has not yet been fully substantiated) that other types of intervention in the market may create circumstances of exploitation.

Roemer's approach to exploitation is rather different. He first of all fixes a comparative benchmark: a distribution of resources that is equitable by some criterion. He then looks at groups of people under existing conditions to see whether they are faring worse or better than they would under the benchmark distribution. Various benchmarks are possible, but the appropriate comparison point for identifying capitalist exploitation, Roemer argues, is a state of affairs in which alienable goods are equally distributed. The conditions under which a group S is capitalistically exploited by its complement S¹ are set out as follows.

- *1) If S were to withdraw from the society, endowed with its per capita share of society's alienable property (that is, produced and non-produced goods), and with its own labour and skills, then S would be better off (in terms of income and leisure) than it is at the present allocation;
- 2) If S¹ were to withdraw under the same conditions, then S¹ would be worse off (in terms of income and leisure) than it is at present;
- 3) If S were to withdraw from society with its own endowments (not its per capita share), then S¹ would be worse off than at present.⁽⁴⁾

Condition 1) requires that the exploited group should be better off under the equitable distribution; condition 2) requires that the exploiting group should be worse off; condition 3) requires that the exploiting group's advantages should depend on the exploited group, so that if the latter were simply to disappear from the scene, leaving capital intact, the exploiters would be worse off.

What are the difficulties with an approach of this kind? I shall focus on two, leaving aside the many fascinating questions which Roemer's book (and accompanying articles) raise. The first has to do with complementarities in production. It is clearly often the case that two or more producers, by pooling their assets, can generate a collective product that is greater than the sum of their individual products were they to produce separately. In these circumstances, no producer may be able to gain by withdrawing from 'society' with his share of assets, and on Roemer's definition no-one can be regarded as exploited in situations of this type. Roemer initially develops his model by reference to a technology where there are no increasing returns to scale - he thinks of producers using infinitely divisible seed corn as capital. Once increasing returns to scale are introduced, he recognizes that there may no longer be anyone who is individually exploited by the criteria set out above - no-one can benefit by withdrawing with his 1/n share of society's assets. To deal with this problem, he introduces the broader idea of 'vulnerability'. An individual is said to be vulnerable if he belongs to a minimal exploited coalition. A minimal exploited coalition is in turn defined as a group satisfying the criteria of exploitation which contains no redundant members: if any member were to be deleted, the group minus that member would no longer meet the criteria. In other words, even where the technology of production is such that 'lumps' of capital are needed to produce efficiently, it will be possible to find potential groups of producers of such a size that they would do better if they withdrew from existing arrangements with their

per capita shares of collective assets. Members of these groups are quasi-exploited or 'vulnerable'. (Members of complementary groups are quasi-exploiters or in Roemer's term 'ouplable'.)

This generalization of the exploitation criterion appears likely to work successfully for large economies where, although complementarities of production will undoubtedly exist, they will not be so all-encompassing that no vulnerable groups emerge. It will, in other words, be possible to find groups of moderate size who would benefit from withdrawing with their share of alienable assets. On the other hand it may be more difficult to apply Roemer's criterion to individual exchanges. That is, if we see exploitation as occurring not only globally (say between employers as a class and workers as a class) but also locally (say between one factory and a second factory which supplies components to the first), applying the vulnerability notion may become more problematic. For how would we construct the relevant counterfactual here? Suppose it is the case that the employees at Factory 2 could not benefit by withdrawing with their per capita share of assets (because they would form too small an economy for efficiency). Might they nevertheless form part of an exploited coalition? The difficulty is to see how the prospects of a withdrawing coalition should be assessed. Presumably the employees in question would not be undertaking precisely the same sort of production in the hypothetical economy as they are now engaged in. The hypothetical economy contains a segment of the human skills and preferences present in the actual economy. If we imagine it reaching an equilibrium, the type of work performed and rewards received by each person may be quite different from the current distribution (to aid imagination think of what happened when convicts were shipped out to form new colonies.) It may be that when the reshuffling has finished most members of the withdrawing coalition are better off, a few are worse off. This would defeat Roemer's criterion. For exploitation to be identified under that criterion, all members of S must

be better off if they withdraw with their per capita share of assets. (5)

The second problem with Roemer's analysis is of a rather different sort. Roemer identifies (capitalist) exploitation by comparing how people are faring currently with how they would fare under a equal distribution of alienable assets. The application of this criterion at any point in time will depend on how people have accumulated assets up to that point. Some accumulations may not seem to raise questions about exploitation. Think of two neighbouring market gardeners each of whom begins with the same initial endowment of land. One improves the land, erects greenhouses and watering systems etc.; the other works less hard and/or less skillfully and his plot remains more or less in its original condition. They exchange surplus products to their mutual advantage. Applying Roemer's criterion, the first gardener exploits the second. For a) Gardener 2 would be better off if allowed to withdraw with his per capita share of assets - viz half the improved plot and half the unimproved plot; b) Gardener 1 would be worse off under these circumstances; c) Gardener 1 would also be worse off if Gardener 2 withdrew with just his own plot, because the exchange of products would then not occur (that is, one assumes the products were exchanged because Gardener 1 preferred to grow more tomatoes (say) and receive cabbages from 2 than to grow cabbages himself - perhaps there are economies of scale; now he must grow his own cabbages). But it seems very implausible to regard this relationship as exploitative. Gardener 1's advantages stem from his own labour and skill, deployed over time.

Roemer (rightly in my view) resists argument of this kind when offered in defence of capitalism against charges of exploitation. But the point about these arguments is that they are empirically implausible, in general. The advantages enjoyed by capitalists are not simply the stored-up advantages of labour and skill. So we may accept that capitalism can't be defended in this way and still find Roemer's criterion of exploitation too broad. One could

sum this up by saying that, whereas Steiner's analysis is too narrowly historical in focus (all exploitation stems from previous rights-violations), Roemer's is too indifferent to history. All that matters is whether some coalition could now be made better off by redistribution of assets. Roemer's criterion probably delivers the right verdict on the big issues - eg. whether workers as a group are exploited by capitalists - but it is too blunt an instrument to handle adequately specific cases of exploitation. A general theory of exploitation in the market needs to handle these specific cases too.

How might one begin constructing such a theory? As we have seen, a theory of exploitation needs a benchmark against which to assess actual transactions. I suggest that, for the present analysis, the appropriate benchmark is a fully competitive market, defined as follows. For any commodity, there are many buyers and many sellers, and moreover each buyer and each seller knows of the existence of these alternative contractual partners. There are no scarce natural resources; in other words any raw material can be obtained in unlimited quantities (though typically at the cost of different amounts of labour for each material). Exchanges are unhampered. Under these circumstances a set of equilibrium prices for all commodities will emerge, each price reflecting a) the quantity and type of labour needed to produce a given commodity; b) the tastes of the population, including its tastes and distastes for various types of labour; c) the availability and distribution of the skills and talents required in production. Such a fully competitive market is, of course, an idealisation: no actual market does or could embody such perfect competition. It serves merely as a benchmark which, as I hope to show, appropriately captures the various circumstances under which we regard actual exchanges as exploitative.

The first point to notice is that no exchanges which occur at equilibrium prices are exploitative. This is perhaps not quite as trivial as it seems. Consider a case in which a shortage of some good causes its

exchange price to rise above the equilibrium price (this is equivalent to the 'many sellers' condition no longer being satisfied). Say that coal, which normally sells at £80 per ton, rises to £100 per ton during the shortage. B persuades A - say by feeding him false information - to sell him coal at £80 per ton. Under these circumstances B is not exploiting A. He is merely depriving A of the chance to profit from holding a commodity that is in short supply. (6) B's behaviour may well be unethical, and there may be some sense in which A is being unfairly treated; however A is not being exploited in being persuaded to exchange at the equilibrium price. (Note further that B may well go on to exploit some third party C if he resells the coal at £100 per ton).

Exchange at non-equilibrium prices is therefore a necessary condition for exploitation; it is not, however, sufficient. There are at least three circumstances in which exchanging above or below the equilibrium price is non-exploitative. The first is genuine ignorance on both sides. If neither A nor B knows what an item is worth, but they succeed in agreeing a price, the one who turns out to gain from the deal (when the equilibrium price is revealed) is not an exploiter. Exploitation requires an asymmetry between the parties: A must in some sense be better placed than B in order to exploit him. Now in cases of two-way ignorance, questions of fairness may perhaps arise at a later point. Consider the classic case of the old lady who sells to an antique dealer a picture that turns out to be worth thousands of pounds. The dealer, we are supposing, bought in genuine ignorance of the picture's worth. Many would nevertheless feel that the old lady is hard done by unless the dealer turns over some part of the windfall gain. I share this feeling, but would still insist that the dealer has not exploited her whatever he does.

A second circumstance in which exchange away from equilibrium prices is non-exploitative is one where both parties value the good at the price for which it is sold. Suppose that in a shortage I buy coal at £100 per ton

(because I need coal to keep my boiler alight, and it is worth paying the higher price). I don't exploit my neighbour if I sell him some at the same price, so long, that is, as I continue to value the coal at £100 per ton. (If I know that next week I shall be able to purchase new coal at £80 per ton, and I decide to make a killing on my existing stock, I do exploit my neighbour.) The test is whether the selling party would be willing to buy at the non-equilibrium price, in cases where this stands above the equilibrium price. (In the opposite case, a price below the equilibrium price, the test is whether the buyer would also be prepared to sell at that price.)

The third circumstance is simply one in which the person who loses out (in comparison to the equilibrium price) is willing to lose out. That is, the losing party either prefers exchanging at £Y to exchanging at £X, or is at least indifferent between these possibilities. Why might this be? The exchange might conceal a gift: A may decide to help B by buying his goods at over-the-odds prices. Or the differential between £X and £Y might be very small in relation to A's resources, so A may simply not care about paying the higher price. (Thus it is hard to accept that very rich people are exploited by tradesmen who slightly increase the price of their services in this knowledge). Or A might have some extraneous reason for wanting to be seen to pay the higher price. It may be important to A to impress C with his wealth. Making a show of indifference between paying £X and £Y for the item in question might be an effective way of doing so. Thus a rich young man might take a girl out to a restaurant which he knows charges outrageous prices for its wine. (7)

Under what conditions, then, do exchanges at non-equilibrium prices involve exploitation? Broadly speaking the conditions fall into two categories: asymmetries in information, and asymmetries in bargaining power. Take asymmetries in information first. I can exploit someone by selling an item to him for more than the equilibrium price if I know that the equilibrium

price is £X and he mistakenly believes it to be £Y ($Y > X$); conversely I can exploit by buying at below the equilibrium price. Are all such cases instances of exploitation? The clearest case is one in which A causes B to have the mistaken belief; eg. A produces fraudulent information which indicates that the item is selling down the road at £Y. What if B's belief arises without A's intervention? I think our verdict here will depend on whether A and B are equally or unequally placed as far as gathering information in this area is concerned. At one extreme, we have the antique dealer who spots a (probable) Renoir in the old lady's loft. He doesn't mislead the old lady (this would be the clearest case) but he allows her to act on her belief that the picture is a piece of Victorian rubbish; and buys it for £25. This looks like exploitation, because the dealer is trained to spot Renoirs whereas the old lady wouldn't be able to do so without bringing in expert advice (and she might not know where to go, or even have the idea that valuable paintings can turn up in this way). At the other extreme there is the case where I buy an overpriced good because I can't be bothered to shop around; in this case it is relatively easy for me to obtain the information, so if I choose not to do so it seems to indicate that I care rather little whether I buy the item for £100 or £120, say. (The case would be different if I have to buy an item urgently, so don't have time to discover its equilibrium price; here the possibility for exploitation exists.) In other words, for asymmetrical information to lead to exploitation, it has to be rooted in the circumstances of the two parties. A has to be better placed than B either because he has skills and capacities which allow him to obtain information that B can't obtain, or because he has somehow been provided with information that is not available to the other (eg. I can exploit you by taking a bet on some event whose outcome I already know.) If the asymmetry is easily rectifiable by B, the case begins to look more like the third circumstance

above, where B is simply indifferent between exchanging at £Y and exchanging at £X, and so isn't exploited when he pays over the odds.

The other major category of exploitation is exploitation stemming from objective features of the market, in circumstances in which both parties have full knowledge of equilibrium prices. Exploitation occurs, that is to say, because the market is not fully competitive in the sense defined above. There are a number of ways in which this may come about. The simplest is perhaps a short-term disequilibrium: there are too few producers of a particular good to meet demand, and there is the unavoidable time-lag before new workers can enter that line of production. Another possibility is the existence of economies of scale, such that the market reaches equilibrium with only a small number of producers (or in the extreme case a single producer) for certain goods. Here the firms involved may agree to fix their prices at a level which gives them an above-average level of profit. Potential entrants can't compete effectively with established firms because of the economies of scale. A similar result may occur through political intervention: the government decides, say, to license only a small number of firms to manufacture items of a certain kind. Finally, shortages of raw materials may allow owners of those materials to charge prices for them in excess of the prices that reflect the labour of extraction.

In all of these cases, the consumers of a certain good are being asked to pay a price for that good which is higher than the price they would pay in a fully competitive market. In the cases presented, there are fewer suppliers of the good than would exist under full competition - either because of rigidities in production, or because of oligopolistic price-fixing, or because of political intervention, or because of natural shortages. The suggestion is that consumers are exploited to the extent of the difference between the current price and the price that would obtain under full competition. (There

may, of course, also be cases of the reverse sort, where a shortage of buyers pushes prices down below the competitive benchmark.)

But can this suggestion be substantiated? Where the price level results from a deliberate decision - in cases of collusion between oligopolists or government intervention - it seems natural to regard subsequent exchanges as exploitative. The exploiting agents enjoy a certain kind of power which they use to make the exploited worse off. Where there is no such deliberate intervention, however, it is harder to make the charge of exploitation stick. It appears that each participant in the market is merely doing the most rational thing under circumstances of restricted competition.

The case of short-term imbalances between supply and demand is particularly instructive here. Suppose that television sets sell for £300 a piece in a fully competitive market. There is a sudden contraction in supply - say a major manufacturer goes out of business. The remaining producers find that they can dispose of their output at £400 per set pending an increase in production which takes, say, a year to accomplish. Are they in the meantime exploiting their customers?

It is useful here to distinguish two polar cases. In the first, demand is highly inelastic in relation to price. Let us say, in the case described, that most people regard a television as a necessary part of their lives, and they are willing to pay to have one up to a fairly high limit. So virtually as many televisions will be sold at £400 as would be sold at £300. Under these circumstances the price rise looks exploitative. The remaining manufacturers have taken advantage of the shortfall in supply to benefit at the customers' expense. It would have been feasible to hold the price at £300; but the absence of alternatives allows the producers to clear an extra £100 of profit per set.

At the opposite pole are cases where demand is highly elastic.

Suppose that, in the new circumstances, demand would far outstrip supply if

television sets were sold at £300. Raising the price to £400 restores a temporary equilibrium. It seems here as though the price rise has merely performed a necessary rationing function. Given that only a limited number of sets are available, raising the price allocates them to those people who reveal a greater demand for them.

The paradox in the latter case is that the price rise looks 'right' from the point of view of the consumers but 'wrong' from the point of view of the producers. If a public authority decided to nationalize the television industry as a response to the shortfall, it would still need to allocate the available sets somehow. Although other rationing devices might be proposed, (eg. first come, first served), price rationing might well seem the most appropriate. In that sense the people who buy sets at £400 have nothing to complain about. What seems inequitable is that the extra £100 should accrue as a windfall gain to the manufacturers. So perhaps the correct way of viewing the situation is to say that the manufacturers are exploiting the general public rather than the particular individuals who buy their television sets. Their sin resides not in charging £400 for a set but in failing to share the windfall (to which they have no special entitlement) with the community at large.

It is interesting to note that the same contrast between cases where demand is inelastic and cases where demand is elastic can be drawn with respect to monopolies of natural resources. Consider the example of a village which has just a single source of water, a privately-owned spring; the owner (who is a pure rentier) charges villagers £X per gallon for water. If the spring flows so abundantly that the villagers could take as much water as they liked, the charge performs no necessary rationing function, and the owner is clearly and straightforwardly exploiting the villagers. Suppose, on the other hand, that the spring would be exhausted without the charge; then the owner is not so obviously exploiting the villagers taken singly (probably the same

charges would be levied if the well were collectively owned). If he is exploiting anybody, it is the villagers as a collective body.

I am not, however, convinced that the concept of exploitation can get a firm grip in cases of the second kind. There is certainly unfairness involved, in the sense that the beneficiaries of the departure from full competition reap undeserved advantages; it may be felt that they ought to repay some or all of their gain to the community.⁽⁸⁾ Exploitation, however, is a stronger idea than unfairness. It implies that the exploiter is benefitting at the expense of the exploited in a fairly direct manner, and also that he could do something about it if he chose. In the demand-inelastic case, it was open to the exploiters to lower their charges to the competitive level (in the spring-owner's case, to zero). This is not possible in cases of the second sort, where the additional charge serves as a rationing device. Even here, however, it makes a difference if the beneficiaries had somehow engineered the departure from full competition. If, say, the manufacturers of television sets had deliberately driven their erstwhile competitor out of the market to create a shortfall, this will certainly be seen as a case of exploitation.

The conclusions of this analysis may now be summed up briefly:

- 1) Market exploitation cannot be reduced to unfairness in initial endowments. Although unequal property holdings may be an important source of exploitation, exploitation can also arise in the course of market transactions between persons who started originally from a position of equality.

2) Market exploitation also cannot be reduced to injustice in final distribution. Some unfair distributions arise without exploitation having occurred. Exploitation depends on how the injustice has arisen.

3) To identify exploitation, one must use a fully competitive market as a benchmark. It is a necessary condition of A's exploiting B that, in the exchange between them, A does better and B does worse than each would under full competition.

4) To turn a necessary into a sufficient condition, one must pay attention to the mechanisms which push the exchange away from the competitive benchmark. In general, A must gain because he is better placed than B prior to the exchange.

5) A can, however, be 'better placed' in a number of different ways. He can a) have more information than B, b) have more bargaining power than B by virtue of the state of the market, c) have more natural resources than B. (This list is not necessarily exhaustive.)

Because of 5), the search for a general, single-factor theory of exploitation seems doomed to failure. It might be possible to produce such a theory for exploitation of a particular type (the exploitation of one general category of people by another, say). But it appears not to be the case that there is a single type of exploitation that is 'obviously' central in this or any other society. So such a theory would have no strong claim to be the theory of exploitation.

By the same token, there is no straightforward solution to the problem of exploitation, if that means an institutional change which would have the

result that exploitation no longer occurred. Particular institutional changes would have the effect of combatting particular forms of exploitation. Some changes are more particular than others. Changing rights of ownership in the means of production might eliminate the exploitation of workers by employers; introducing codes of conduct for antique dealers might eliminate the exploitation of gullible old ladies. Between these extremes there are many middle-range forms of exploitation that call for specific remedies. Their occurrence depends on the contingent development of a particular market, and cannot be predicted in advance. If one assigns to government the role of preventing and/or responding to exploitation, then its task must be to monitor the market continually. There is no foolproof set of background rules for the market which would guarantee that exploitation could never occur so long as they were observed. (9)

On the other hand, recognizing the diverse sources of exploitation should not induce in us an attitude of hopeless acquiescence. Even if we cannot entirely prevent exploitation from occurring, we can decide to attack its most sinister forms. From a practical point of view, the most important distinction is almost certainly between exploitation that is *systemic* and *cumulative* and exploitation that arises more or less at random. Advantages gained by exploitation of the latter kind tend to cancel out over time. In a market context, there is a considerable difference between making a killing on a product that is temporarily in short supply, and enjoying an entrenched position of monopoly or oligopoly (from which one cannot be dislodged for technological reasons, say). Again, there is a difference between benefitting from a piece of information acquired by chance, and occupying a social position which regularly offers privileged access to information of a certain kind. Government ought chiefly to be concerned with systematic exploitation; unfortunately this is often not the case, for random exploitation tends to be more visible and striking, whereas systematic exploitation by its very nature

tends to be regarded as the normal state of affairs. It is easier to spot, say, ticket touts than colluding oligopolists masquerading as full competitors. Thus there is ample scope for reform. Recognising how many and varied are the forms of exploitation need not mean throwing up one's hands and doing nothing.

Notes

1. H. Steiner, 'A Liberal Theory of Exploitation', *Ethics*, 94 (January, 1984), 225-41. J. Roemer, A General Theory of Exploitation and Class (Cambridge and London, Harvard University Press, 1982); 'New Directions in the Marxist Theory of Exploitation and Class', *Politics and Society*, 11 (1982), 253-87; 'Property Relations vs. Surplus Value in Marxian Exploitation', *Philosophy and Public Affairs*, 11 (1981-82), 281-313.
2. Steiner himself (though I believe rather implausibly) might not count a threat, however severe, as an interference with someone's rights. That is, he might confine rights-violations to cases in which someone's property rights are physically infringed. Even so, the distinction I am making can still be drawn. To prevent B trading with C, A need not assume full rights of ownership in B's property; he need only physically prevent B from making that particular exchange. B is still left with a choice whether to exchange with A in his straitened circumstances. Thus when the exploitative exchange occurs, A acquires more rights over B's property than he took by force in preventing the exchange with C.
3. This is noted by Steven Walt in 'Comment on Steiner's Liberal Theory of Exploitation', *Ethics*, 94 (January, 1984), 242-7.
4. Roemer, 'Property Relations vs. Surplus Value', p.285.
5. Roemer himself takes the criterion to be whether S as a whole does better under existing or under benchmark arrangements; and in one place in his book he explores how coalitions will form on varying assumptions about the function they will attempt to maximize (see pp.226-33). However it makes little sense to speak of a person as exploited merely because he forms an indispensable part of a coalition

- which would do better under alternative arrangements if the person himself won't also do better under these arrangements.
6. What if A had himself bought the coal at £100 per ton? He was then (probably) exploited by some agent(s) in the chain of exchanges leading up to this sale. The exchange with B underlines this earlier exploitation; it doesn't add to it.
7. This case must be distinguished from one in which A, faced with a demand for £1 for some item, must appear not to mind paying over the odds (for some extrinsic reason). An example would be a young man who pretends to be wealthy and mistakenly chooses a restaurant where the prices are excessively high. He is being exploited. He can't afford to walk out (with his impressionable girl), but he'd prefer not to be there at all.
8. We are likely to feel this more strongly in the case of the spring-owner than in the case of the television manufacturers. The reason is straightforward. The spring-owner's advantages are built-in and permanent (failing the discovery of a second spring). Market disequilibria, on the other hand, tend to be short-term and fluctuating. Over a sufficiently long run, each person might expect his gains and losses from this source roughly to balance out. I return to this contrast briefly in my conclusion.
9. Someone might, of course, propose abolishing the market entirely. But far from ending exploitation, this would merely create new and perhaps more intractable forms of it.

Andrew Reeve

Thomas Hodgskin and John Bray's free exchange and equal exchange

This paper examines the theories of 'exploitation' put forward by Thomas Hodgskin and John Bray, two of a group of writers conventionally labelled as 'Ricardian Socialists'. It is generally agreed that any account of the historical development of ideas of exploitation must accord this group a prominent place, and three reasons might be advanced for this. First, the idea of exploitation in the labour market has been informed by two distinct but interrelated conceptions: that labour is the source of all value, and that the labourer is entitled to the full product of his labour. The Ricardian Socialists, taken as a group, certainly employed both of these conceptions in their analysis of the contemporary situation of the working class, or 'producers'. Secondly, debate about exploitation has been concerned with the extent to which it is a phenomenon which may be traced to particular legal or political structures, on the one hand, or to the characteristics of particular economic systems, on the other. Again, this debate is one which was carried on within the group of Ricardian Socialists. Thirdly, an analysis of the development of theories of exploitation which recognises the importance of both the labour theory of property entitlement and the labour theory of value necessarily attends to the transmission of Lockean conceptions of the entitlement of the labourer and ideas about the origin or measurement of value within classical political economy. The Ricardian Socialists are given a prominent place in this development because, again as a group, they drew on the ideas of Locke and Adam Smith, and more contentiously, of Ricardo, while informing the analysis of exploitation offered by

Marx.

Although it is thus generally recognised that the Ricardian Socialists are important in the development of theories of exploitation, the practice of treating them as a group adequately characterised by the label has unfortunate consequences. First, and most fundamentally, there is disagreement about the membership of the Ricardian Socialists. J.E. King, for example, points out that the standard treatment of the Ricardian Socialists, published by Esther Lowenthal in 1911, confined attention to Bray, Gray, Thompson and Hodgskin. He himself takes a broader view, including Ravenstone, Edmonds, an anonymous writer, and Owen himself.² These he embraces because they were 'hostile to capitalism, sympathetic to the working class, and sufficiently prominent in the debates of the 1820s or 1830s to have been noticed by Marx.'³ This criterion, of having attracted Marx's attention in virtue, presumably, of their hostilities and sympathies, is however abandoned when King includes 'an earlier writer of 1805, Charles Hall,...although he seems to have escaped Marx's attention'.⁴ Obviously any classification which is helpful to a specific enterprise is in itself unobjectionable, but problems do emerge when an inaccurate homogeneity of view is then imposed on the authors brought within the classification. Brian Burkitt, in his *Radical Political Economy* writes as follows:

If all radicals influenced by the ideas of Ricardo are defined as 'Ricardian Socialists', Marx would be included, but the term is used more narrowly to describe those economists who in the 1820s and 1830s developed a theory of capitalist exploitation from the proposition that labour is the only source of wealth. The most prominent were Ravenstone, Thompson, Gray, Hodgskin and Bray.⁵

Although he concedes that the ideas of these authors differed in detail, Burkitt attributes to the Ricardian Socialists thus identified a theory of exploitation based on propositions which at least one of them specifically disavowed.⁶

The second and third consequences of treating these writers as a group of Ricardian Socialists have been disputes about the sense in which, or the extent to which, they may be regarded as either Ricardian or Socialist. Insofar as these disputes have illuminated the differences between the authors concerned, they have no doubt been worthwhile; on the other hand, there is a certain aridity in discussing the appropriateness of a label which has somehow 'stuck' for reasons which remain vague. In the present essay, I pursue a remark offered by W. Stark in *The Ideal Foundations of Political Thought*. Stark was sensitive to the differences between the Ricardian Socialists, and in particular he contrasted the approaches of Thomas Hodgskin and William Thompson. Until 1825 or so, he suggested, both liberals and socialists had a common conception of the society in which liberty and equality could be realised, even though they differed about the route to be followed to that common goal. Later, however, liberalism and socialism were seen to conflict, and at this point political economy was 'at the crossroads'.⁷ Hodgskin looked right, while Thompson looked left.⁸ In this paper I contrast Hodgskin's approach to the analysis of 'exploitation' with that not of Thompson but of Bray. Since Thompson was directly critical of Hodgskin, the assumption of homogeneity is distinctly implausible when applied to these two writers in any case. But it is instructive to explore the differences between Hodgskin and Bray because they gave such different emphases to the elements of 'exploitation'

mentioned earlier. Hodgskin took his stand on the labour entitlement theory, while Bray depended much more on a labour theory of value; Hodgskin blamed a defective legal and political system for the occurrence of exploitation, while Bray again and again insisted that no merely legal or political change would ever put an end to it. Finally, Hodgskin drew on Locke and Smith, while Bray set about to condemn contemporary political economists out of their own writings. The differences between them might be summarised by suggesting that for Hodgskin the ambition was to establish a system of free exchange, while for Bray the ambition was to instantiate equal exchange. I shall therefore contrast both their diagnoses of contemporary ills and their proposed solutions to them. Although perhaps neither may be regarded as a top-flight theoretician, any discussion of the development of liberal or socialist notions of exploitation should be informed by an accurate characterisation of their ideas.

The account of Hodgskin's ideas given here is taken from three works: *Popular Political Economy* (1827), *Labour Defended Against the Claims of Capital* (1825), and *The Natural and Artificial Right of Property Contrasted* (1832).⁹ Although it might be argued that it is not legitimate to treat three books published over seven years as if they were one work, I believe that any chronological account of Hodgskin's thinking would not alter the analysis given here, except by emphasising that he became more 'liberal' as he grew older.

In *The Natural and Artificial Right of Property Contrasted* Hodgskin begins by distinguishing himself from Bentham and Mill by invoking Locke. Whereas the utilitarians claim that property arises only with law, Hodgskin accepts Locke's argument that it is pre-political. He also distinguishes himself from the Owenites (amongst others) by denying that the right of property is of itself necessarily socially

harmful. On the contrary, a natural right of property should always be recognised. He defines this natural right as follows: the right of individuals, to have and to own, for their separate use and enjoyment, the produce of their own industry, with power freely to dispose of the whole of that in the manner most agreeable to themselves.¹⁴

Although Hodgskin certainly accepts that evils have flowed from the non-recognition of this right in contemporary society, his main project is to delineate a society in which it could be recognised. He contrasts, unfavourably, the general acceptance of this account of legitimate property in theory, with the practical denial of it when the contemporary property system is defended:

It is not a little extraordinary that every writer of authority, since the days of Mr. Locke, has theoretically adopted this view of the origin to the right of property, and has, at the same time, in defending the present right of property in practice, continually denied it.¹⁵

Since the connection between the labour theory of property entitlement and the labour theory of value remains obscure in Locke's account of the origins of legitimate property,¹⁶ as well as disputed in the Ricardian Socialists theory of exploitation, it is worth exploring the relationship between Hodgskin's account of this natural right of property, and Locke's, a little further.

Hodgskin gives three separate sorts of 'evidence' for the natural right of property, disclosing some of the many different senses of 'natural' with which his writings are replete. The arguments which he puts forward use 'natural' to describe (i) what would be the case without the intervention of a legislator; (ii) what is universal in

human practice; (iii) what is instinctive; and (iv) an association of ideas, the absence of which is said to be a sign of insanity. So he argues that in the absence of a legislator, the desire which motivates labour, the God-given capacity to labour, and the produce of labour would all naturally exist. He illustrates this point by referring to a person baiting and watching a fishing line, who naturally has a right to the fish he catches.¹⁷

Hodgskin's first argument, then, appeals to the fact that an isolated individual would have both reason and capacity to produce, and would enjoy the fruits of his labour as a matter of course. His second argument rests on the idea of individuality. The application of ideas of ownership to the produce of labour is a natural extension of our ideas of individuality: to not make this extension would be to lack the idea of personal identity, and to lack, moreover, sanity. A third argument holds that the expectation of enjoying the advantages conferred by production is necessary to explain how anything was ever made:

Men never would have made anything - not even laws - unless a persuasion had naturally arisen, that they should be enabled to enjoy the advantages of what they made. In fact, this condition is a component part of the idea of individual freedom.

Finally, the naturalness of the right of property is asserted in virtue of its recognition by children, and the supposed fact that community of goods nowhere exists.

Since it is usually simply alleged that Hodgskin is following Locke's account of property, five points may be made about the two authors. We shall later, in addition, see that Hodgskin had doubts about the Lockean justification for property in land. First, Locke's natural

right of property is certainly pre-political, just as Hodgskin's is, but Hodgskin is much more explicit than Locke about the *universal* character of this right than the earlier author. It is not simply the right which would be or should be recognised in the absence of government: it is the right which should be recognised everywhere and at all times. Secondly, Locke was sometimes concerned with appropriation into the family; his natural right of inheritance, after all, presupposed it.¹⁴ But Hodgkin explicitly denies community of property even in the family. Thirdly, Locke notoriously elides the distinction between appropriating something and making something, and Hodgskin makes the same slide. Catching a fish, as we have seen, is used to illustrate the exercise of the natural right justified by association of individuality with 'the things the hands make'. Fourthly, whereas Locke is, to say the least, ambiguous about the status of the labourer's claim to the produce of his labour when contracts of service and division of labour occur, Hodgskin's project is to explain how the natural right of property could be maintained in a society taking advantage of division of labour.¹⁵ Finally, Hodgskin's natural right stresses exclusivity more specifically than Locke does. Hodgskin's right is a right to 'have and to own', including a power to dispose of the property as the proprietor might wish. It has been argued recently that the pre-political right of property in Locke's account extends only to use-rights, not disposal, but Hodgskin's model is more proprietorial from the start.

This sort of conception of the individual's entitlement to own the product of his labour clearly faces problems when the division of labour takes certain forms. Hodgskin's attitude to the division of labour is wholly positive. It is, significantly, natural - not because it is stimulated by a desire to truck and to barter, but because it

occurs as a matter of course within the family and because it reflects differences in individuals' tastes. Barter develops as a result of division of labour, the extent of the market limits the extent to which division of labour may be pushed, and a defective social system imposes this limit before it would occur naturally. This is because the possible extent of the market depends upon labourers both producing goods and consuming the products of other labourers. But appropriation, by capitalists, from the labourers' receipts reduces the labourers' income, and thus discourages the extension of the labourers' families. By contrast, an increase in the family of a capitalist does not increase the number of labourers, although it increases the number of consumers. Failure to reward the labourer with his whole product, therefore, unnecessarily diminishes the extent of division of labour.

The separation of tasks is, for Hodgskin, beneficent. Although it does not itself stimulate the growth of knowledge, it increases productive powers. The allegedly woeful consequences of division of labour are in fact, Hodgskin thinks, the result of poverty and wretchedness which have other, assignable, causes. The mutual dependence to which division of labour leads is especially valued. Even in the case of the pinmaker, Hodgskin writes, the apparent dependency of the labourer is wrongly attributed to division of labour:

The dependence complained of and mourned over, therefore, is the dependence of poverty and slavery and not the mutual dependence occasioned by division of labour.¹⁷

This theme of mutual dependence recurs in Hodgskin's approach to the characteristics of a non-exploitative society. Trade, which occurs

because of natural division of labour, improves social relations. In a passage which echoes Adam Smith's account of the origins of commercial society, Hodgskin proclaims that the extension of trade, the invention of new arts, and the importation of new luxuries, slowly brought a new class of men into existence, introduced into the community other tastes, supplied passions with less mischievous gratifications, beat down individual power, and spread through the land those principles of order and service, which are the basis of all mutual exchange.⁷⁸ Men who depend upon one another are less inclined to mutual hatred.

This notion of mutual dependence is central to Hodgskin's rejection of the wages-fund theory, and to his expectations for the settlement of the labourer's reward in a society which recognised the natural right of property. Before we come to those aspects of his theory, however, it is worth noting his claim that there is a puzzle in the labourer's inability to benefit from the division of labour. Although it is his skill which increases, his time which is saved, and his invention of machines which is facilitated, in fact the labourer gains nothing from the arrangement.⁷⁹ Although he points to the wrongful appropriation of the labourer's product as a cause, he is vague about the details:

Why individuals actually reap no benefit from division of labour, why their tasks seem rather to augment than lessen, with all those improvements which add to their skill and productive power, in such degree even as to have given rise to an opinion, that division of labour inflicts on them a serious injury, cannot, in this part of the book, be explained.⁸⁰

It is not even clear if Hodgskin thinks he does explain it in another part of his work, so although the capitalists' intervention between

labourers is certainly the cause of the trouble, the process by which it occurs remains obscure.

Two aspects of Hodgskin's analysis of division of labour are worth more particular attention. These are first, his determination to maintain an individual notion of labour expenditure and entitlement while embracing the need for co-operation, and secondly his use of the evidence of division of labour as an argument against the wages-fund theory. The first is important because there is clearly room for dispute, within a labour entitlement theory, as to the extent to which an individual labourer is entitled to reward for exercising skill which may be taken to have a social origin. Two theorists might agree that the labourer has an entitlement in virtue of his labour expended, yet disagree about whether his skill is part of his labour. In fact, as we shall see, this appears to be another source of disagreement between Hodgskin and Bray.⁸¹ The second is important because it may be taken to expand on Hodgskin's explanation of the labourer's inability to benefit from the division of labour.

Since the productive powers of labour are increased by division of labour, and the division of labour is limited by the market, an extensive market for exchanging the products of labour is highly desirable. Hodgskin usually treats the increase in productive power as an increase in the skill of the worker. There is no notion of the de-skilling which Morris was to abhor.⁸² We have noticed Hodgskin's complaint that division of labour increases the labourer's skill, but that he is not rewarded accordingly under capitalism. For Hodgskin, skill is a matter of dexterity combined with productive power, not of arcane or specialised knowledge. He apparently distinguishes between the skill of the individual worker, which is entitled to reward, since easy labour is transmitted skill learned in youth, and

knowledge, which is a social inheritance and increases provisionally. This distinction between the skill of an individual labourer which the division of labour enhances, and the knowledge which develops independently in society, seems to mark the division between what may be individuated and what is a collective inheritance, and it is this distinction which was implicitly rejected by Bray.

The second aspect of Hodgskin's view of division of labour is his use of the phenomenon in rebuttal of the wages-fund theory. His ideas about this have been described as his major contribution to economic thought. The wages-fund theory, of course, held that wages were determined by the capital available to advance the subsistence of labourers before the product on which they were engaged came to market. In the hands of the utilitarians, the argument proposed a coincidence of interest between capitalists and workers- in the existence of security of capital. For the utilitarians, however, a problem emerged (at least in their critics' eyes) when they combined this commitment to 'security' with advocacy of an extensive franchise. Hodgskin focused on the relation between the division of labour and so-called advances. He used it to deny the truth of the wages-fund theory:

The master principle of all modern production is division of labour, or mutual co-operation, and under the influence of this principle, men on the other side of the globe, fully relying on having their wants supplied by those who live here, devote themselves to one species of industry. ²³

The assurance anyone has of obtaining subsistence enables him to take on long-term operations. Under the wages-fund theory, this assurance comes from a stock of goods already provided, which are advanced to

the worker; under Hodgskin's theory, it arises from co-operation. The main point of this argument, of course, is to undermine the claim that circulating capital has any social utility. It is also, I think, the other 'part of the book' which explains why the labourers do not benefit from division of labour. It is the capitalists' command of the money which would enable the labourers to obtain the products of co-operating labour which is responsible. As we shall see, Bray also condemned what he saw as tricks played with money against the producers. ²⁴

Hodgskin similarly tries to undermine the claim that fixed capital is productive. His argument here, and his approach to landownership, are the two elements which remain to be explored before we can examine his proposals for a non-exploitative society, and subsequently compare them with Bray's. The usefulness of fixed capital, according to Hodgskin, arises from the use to which it is put by present labour, rather than from labour previously bestowed upon it. Fixed capital, certainly, is always and everywhere the product of labour, but it still needs to be used by living labour:

All fixed capital, not only in the first instance, as is generally admitted, but in every stage of society, at every period in the history of man, is the creation of labour and skill certainly, but of nothing more than labour and skill. ²⁷

Productive capital requires to be made and used by productive labourers, and the more complicated the instrument the more skilful the labour required. The knowledge and ingenuity which is necessary for the manufacture of fixed capital is seldom adequately rewarded, and inventors grow rich on their inventions only if they become capitalists. Since in the usual case the capitalist neither invents,

makes, nor uses capital, he has no claim to a return which is simply a deduction from the produce of labour. The characteristic of capital to which Hodgskin objects is this property relation - ownership of a means of production, though not called by that name - without a title through having made it or being engaged in using it. There is no objection to the ownership of 'capital' by those who have made it or by those who use it, if they acquired it from its makers. This approach requires a specification of legitimate transfer, which, as we shall see, itself depends on free agreement amongst the parties. It also fails to specify whether, and in what way, the legitimacy of ownership depends on the continuity of use.

So Hodgskin wants to eliminate the capitalist, defined as a person who owns but neither makes nor uses the instruments of production. On the analogy that profit and rent are both deductions from the whole produce of labour, we may expect him to oppose similar property in land. Hodgskin draws this analogy, and we may certainly infer that his preferred society would exclude landowners who did not themselves use the land:

The property of the present landowner is derived from, or represents, capital. The landowner, as such, derives his right to that share of the produce of the labour he receives, under the name of rent, from being the descendant of those who forcibly appropriated, not merely the land, but the labourer.²⁵

Here the illegitimacy of appropriation serves to explain the divorce of ownership from use, and Hodgskin treats rent as a compensation extracted from the direct producers for their emancipation. This historical explanation of rent has suggested to some writers that Hodgskin's two categories of legitimate 'capital' ownership are also historical: originally men made and used their own instruments of

production, later some made them and others used them, but in modern society capitalists own them without doing either.²⁶ Like Locke, Hodgskin holds that the spontaneous fruits of nature would be of no use without the labour of appropriation, but, unlike Locke, he acknowledges that the land itself cannot be regarded as the product of man. The distinction between produced and natural means of production was not drawn. Rather, Hodgskin moved on to consider the implications of a Lockean use right over land. The area a man needed to supply his subsistence would depend upon the skill and knowledge of the people. He points out that the two standards apparently adopted by Locke - that appropriation is legitimate if bounded by the expenditure of labour, and that appropriation is legitimate when it is necessary for subsistence - will return different answers as society progresses. Hence, even on Locke's view of the matter, each individual would be 'gradually limited to an ever-narrowing, ever-decreasing space'. But, of course, the capitalist is able to hire labour, and this natural standard is violated. This capitalist landownership would be discountenanced by the principle we have already encountered, that no-one is to own the means of production who neither makes nor uses them. But since no-one makes the land, as Hodgskin recognised, ownership must somehow be tied to use, but the way in which this was to be done remains mysterious. Again, a comparison may usefully be drawn with Bray. Meanwhile, three aspects of this uncertainty about the status of land in an non-exploiting society may be mentioned briefly. First, while he asserts that the productivity of agriculture has increased through time, Hodgskin is unwilling to accept differential fertility as an aspect of the explanation of rent. He holds that only experiments which have never been carried out could determine what differential fertility actually exists.²⁷ Since it is so obviously implausible to

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suggest that all land is equally fertile, perhaps Hodgskin is merely making a practical point, that we have no way of taking differential fertility into account. The mutualists, however, pointed out that recognising and abstracting differential rent for social purposes was the only way to succeed in Hodgskin's own aim, of ensuring that the labourer received his whole product. Unless he were deprived of returns due to differential fertility, he would receive more than his whole product. Secondly, in view of his treatment of Locke's notion of legitimate holdings of property in land, it is unclear whether Hodgskin wants to restrict landownership to the 'ever-decreasing parcel' or whether he actually favours individual use-rights without alienability. Thirdly, Hodgskin does not say whether just holdings in land would necessarily be individual ones, although he has been described as advocating peasant proprietorship. In short, it is hard to discern what structure of landholding and land use Hodgskin wished for.

The general characteristics of the desirable society, then, exclude the capitalist and the capitalist landlord in the sense discussed above. Hodgskin is anxious to maintain the benefits of division of labour, and to guarantee to each labourer a (natural) right in the produce of his labour. Clearly the problem is to determine the reward due to any individual when division of labour is extensive. Some accounts of Hodgskin's theory, since they bracket him with other Ricardian Socialists, either imply or assert that the solution for Hodgskin was found by reference to the labour theory of value. I suggest that this is misleading, and obscures the contrast which I wish to illustrate. Hodgskin seems to put his faith, for the solution of the difficulties, in free exchange, in a sense to be explored

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below; but he does not have the notion of an equal exchange where that equality may be measured by a standard external to agreement as Bray does.

Hodgskin recognises the following consequence of division of labour: whenever the spinner purchases the cotton or wool, the price which he can obtain for his thread, over and above what he paid for the raw material, is the reward of his labour. But it is quite plain that the sum the weaver will be disposed to give for the thread will depend on his view of its utility. Whenever the division of labour is introduced, therefore, the judgement of other men intervenes, and there is no longer anything we can call the natural reward of labour. Hodgskin does not appeal to any consideration of labour expenditure to determine the just exchange value of the thread with which the weaver is to be supplied by the spinner. Although he argues that exchange value is uniquely conferred by labour, this consideration yielded no yardstick by which an appropriate distribution of reward could be assessed. Hodgskin's recourse to agreement to settle the issue depends upon his confidence that the 'higgling of the market' could settle the just rewards of labourers if there were no capitalists and no landlords. But the market in which this 'higgling' is to occur is a natural market, and Hodgskin seems, in common with many more modern theorists, to define a lot of problems away in invoking it. In a natural market, not only are there no capitalists and capitalist landlords, but also two other interferences with a just result are removed or lessened. Social prejudice, which wrongly supposes that some labour is honourable, some disgraceful; and the labourer's lack of freedom. Hodgskin clearly supposes that under these conditions, greater quality of reward would result: There is much less reason than is sometimes imagined for different

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species of labour being differently rewarded. Hence, as we saw earlier, differences in the level of skill of different workers are of little interest to Hodgskin for they are merely part of the general problem of just returns, to be settled by agreement.

The freedom of the labourer, which is a necessary condition of the justice of agreements, is related to Hodgskin's conception of productive labour. Nature's standard, according to Hodgskin, is that the individual should be able to subsist himself and his family. All labour which yields such a subsistence is productive. Since an individual's intention in labouring is to procure subsistence, Hodgskin holds that all labour in which an individual voluntarily engages will have that result.³² This notion of voluntariness is not pointing a contrast between voluntary labour and labour coerced by market forces. Rather it contrasts the operation of a natural market with the results of governmental or legislative interference. As a matter of fact, Hodgskin asserts, today's labourers are the descendants of those enslaved by conquest. They are hedged in by all sorts of legislative interference.

Hodgskin's theory of 'exploitation', then, rests on the wrongful denial to the labourer of the full product of his labour. This principle is conceived juridically: each is entitled to the full product of his labour, but under capitalism landlords, capitalists and the state all deprive him of part of his product without a valid claim. All this is made possible by the historical accidents of conquest, which has separated those who use the land from those who work upon it, and the interposition of the capitalist between those who make the instruments of production and those who use them.

Consideration of Hodgskin's theory, then, would require excluding him from the following characterisation of the theory of exploitation offered by the Ricardian Socialists:

The Ricardian Socialists reached their conclusion concerning the inevitability of capitalist exploitation from three fundamental propositions:

- (i) labour is the source of all wealth
- (ii) the values of all commodities can be represented in terms of the labour hours embodied in them
- (iii) labour itself is a commodity under capitalism.³⁴

In *Popular Political Economy* Hodgskin specifically disavowed this third proposition, criticising those who 'most erroneously' include labour 'under the term commodities'.³⁵

It is doubtful whether the second proposition carries much weight in Hodgskin's theory, either. One reason for this doubt is that, as we have seen, when the issue of settling inter-worker exchanges is raised, Hodgskin appeals to agreement to settle the issue. Similarly, the just rewards of workers with different levels of skill are not settled by reduction to a common measure, but by concord. Finally, Hodgskin's appeal for more equal rewards for different types of labourer rests on the notion of equal indispensability to the complete social framework of interdependent production.

There are other reasons for supposing that Hodgskin's theory is not adequately captured by the description above. Two of the sources of exploitation which Hodgskin identifies need not be associated with wage-labour at all. These are the ownership of capital by those who neither make nor use it, and the capitalist's advantage in division of labour. Someone who hired land, for example, would on this account

to the extent that he paid for the use of capital - perhaps by borrowing money or hiring machinery. If the account given earlier of the capitalist's ability to benefit from division of labour by having the money to interpose himself between co-operating workers is correct, then the inequality of resources, rather than their character, is to blame.

Hodgskin clearly has no quarrel with a natural market. He envisages a society in which commodities will be produced for exchange at rates settled by agreement. The circumstances surrounding this agreement are thought sufficient to eliminate exploitation; free exchange in a natural market will be enough. This is to be a monetised, commercial economy, for Hodgskin endorses Locke's view that money is pre-political and in that sense natural. The natural harmony of a natural market will make legal regulation dispensable. In the event, Hodgskin's proposals for political action go no further than support for securing working-class representation, although the legislature is ultimately useless, and support for combinations which deprive the capitalists and landlords of some part of their gains. This account is individualist and private-property oriented, and as we shall see is very different from that put forward by Bray.

J.F. Bray's book, *Labour's Wrongs and Labour's Remedy* (1839) adopts a quite different starting point to Hodgskin's. Whereas the latter argued from a natural right to the product of labour, conceived as a natural right to appropriate, Bray argued from equal rights which precluded, for him, some forms of appropriation. Although he does not use the language of natural rights, Bray's notion of equal rights extends to present and future generations, and because of the universality of his conception the equal rights are necessarily

circumscribed. His argument for equal rights (and duties) is simple.³⁶

All men are alike (in their 'substance', 'creation' and 'preservation') and since they have the same nature they have the same absolute wants. The materials necessary for the preservation of man exist everywhere, but are naturally valueless without labour. Hence all should labour. Because of this natural identity of wants, the rights of men are equal, and 'as human existence (is) dependent on the same contingencies, it follows, that the great field of human exertion, the raw material of all wealth - the earth - is the common property of all its inhabitants.' This community extends beyond the generation which happens presently to hold the resources, because: We have inherited the greater part of our present accumulation from preceding generations, and merely hold them as it were on trust, for the benefit of ourselves and our successors; for the men of the future have as good a title to them as we.

Since the right to appropriate the earth cannot be both universal and equal, it is no true right. Bray's argument has the same structure as Steiner's case for a natural right to the means of production.³⁷

Whereas Hodgskin, as we have seen, never makes up his mind about the implications of the limitations he detects in Locke's argument, Bray is quite clear that individual property in the earth is illegitimate. Not the least of the parallels between his thinking, and Rousseau's, is his denunciation of the historical accident by which land came to be in exclusive possession. Inequality of possessions was originally induced, and is now partly maintained, by such exclusive possession.

An important aspect of Bray's concern with inequality was his conviction that no-one was in a position to control it. Whereas, as we shall see, he anticipated a benign inequality of personal possession in future society, Bray maintained that inequalities which

arose out of capitalism were not only harmful, but also beyond the reach of individual action. Such inequality 'arises from causes which no individual can properly command or control, whatever may be the superiority or inferiority of his mental and corporeal powers'. As I suggested earlier, Bray is concerned to condemn the 'political economists' out of their own mouths, and he is particularly anxious to demonstrate that even of their view of the matter, there is no hope for the working class:

The founders of this science have gone to first principles- they have reasoned from indisputable facts- and they have proved, clearly and convincingly, that, under the present system, there is no hope for the working man- that he is indeed the bondman of the man of money- and that he is kept so by circumstances which neither his enemy nor himself can immediately control. ³⁹

Furthermore, the whole object of the subversion of society which Bray proposed was to establish just this command over life which was presently denied to all the participants in the social system. It is the one great end of the social change under consideration, to enable men thus to control the circumstances which surround and influence them. ⁴⁰

This insistence that no-one was master of crucial social forces may be contrasted with Hodgskin's diagnosis of the use of politico-legal power. For Hodgskin, the capitalist and the landowner enforced extractions from the whole product of labour by virtue of a defective legal system which gave them the right to do so. But they at least had a choice in the matter, and the sufferings of the producers were their responsibility; but for Bray, the 'enemy' was also powerless in the face of the economic forces capitalism had unleashed. This detachment of responsibility from exploitation is striking.

The centrepiece of Bray's analysis of the wrongs of labour is, of course, unequal exchange. His condemnation of the present system of exchanges works on two levels. The political economists set out to show that exchange provides all the members of society with a succession of advantages. Bray's reply is that many so-called exchanges are not exchanges at all; and secondly, those exchanges which may be mutually beneficial are not equally beneficial. ⁴¹ On the first point, he argues that the system of exchange between capitalist and labourer cannot be a true exchange, because the capitalist does not exchange his labour- he has not done any. But nor does he exchange his capital, because that augments rather than declines as a result of the transaction. Consequently, Bray argues, no-one who does not assist in production can possibly participate in a just exchange, for in an exchange labour is swapped for the product of labour, and he who does no labour has nothing he may legitimately transfer. The second level of the argument is that the political economists' notion of exchange provides only for mutual benefit, whereas 'strict justice requires not only that all exchanges should be mutually but they should likewise be equally beneficial.' ⁴²

Bray contrasts an equal exchange, a transfer, with a sacrifice; one man's gain is not a loss to someone else when equal exchange obtains. ⁴³ If there were such equality, there would be no place for either rent or interest. The guarantee of the equality of exchange is, of course, given by the objective standard of the labour content of the articles exchanged. Whereas Hodgskin appeals to agreement to settle the shares of producers when division of labour prevents a physical product being assigned to a particular individual, and when skills vary in the community, Bray is prepared to rely wholly on labour time. Hodgskin maintains that individual skill is deserving of reward, but

Bray suggests that the individual character of skill is a contingent matter of social organisation. Under the present system, it would certainly be unjust to reward everyone equally; but if society took charge of education, then:

under a rational system of communism and co-operation, where society at large would take upon itself the education and employment of all its members—bear every expense connected with the accumulation of scientific attainments and common trades—and derive, in gross, the peculiar advantages dependant upon the merely momentary unproductiveness of scientific pursuits—equal remuneration for equal labour would be as just towards the inventor of the steam engine, as towards the maker of the engine, or the man who sets it in motion.⁴⁵

The comparison between the two authors with respect to the proper determination of just returns for labour expenditure is worth pursuing, because it reveals how similar are the considerations which they adduce, despite the divergence in their conclusions. First, Bray's example of the contributions made to the productive power of a steam engine list the same requirements of its usefulness as Hodgskin mentions in the context of legitimate property-invention, making and using. Secondly, Hodgskin's dislike of the social prejudice which supposes that some work is more honourable than others is almost literally reproduced in Bray's assertion that:

Labour is neither more nor less than labour; and one kind of employment is not more honourable or dishonourable than another, although all descriptions of labour may not appear of equal value to society at large.⁴⁶

Thirdly, while Hodgskin thought that agreed rewards would be more equal in a natural economy, his main reason for this assertion was

the interdependence of producers in an economy characterised by division of labour. He was held back from the advocacy of equal rewards by the problem of differential skill, since his labour entitlement theory included skill as part of individual desert. Bray, by contrast, abstracted from the problem of differential skill by attributing its development to socially-fostered education, thus legitimising equal returns which in present society would be unjust. Finally, Hodgskin's confidence that agreement would produce just rewards, even if unequal ones, presumably rested on a decision that equal rewards (given the problem of skill and the lack of an identifiable product) would be more unjust than consensual rewards. Bray does not claim that equal rewards are necessarily just; only that they are less unjust than those handed out by the capitalist system:

It has never been affirmed that there is a perfect equality of powers in men, or that equal remuneration for equal labour involves perfect justice; but it has been shown that such equality is infinitely more just than the mode of rewarding labour under the present system.⁴⁷

Hodgskin's account of the violation of the juridical principle that each is entitled to property in the full product of his labour rests on the capitalist's capacity to abstract that product by his intervention in the division of labour and the landowner's capacity to extract rent as the price of emancipation. The notion that rent and interest represented transfers of the product of one man's labour 'into another man's pocket' because of inequality of possessions was specifically put forward by Locke, and the Lockean context of Hodgskin's discussion may help to explain why his notion of exploitation is not very firmly tied to wage-labour. Again, a contrast may be drawn with Bray's analysis. Although inequality of

possessions, as we have seen, is identified as the root of the problem, Bray does not want to be rid of inequality as such; he expects that to exist in any state of society. Rather, it is the producer's non-possession of the means of life which makes him dependent upon the capitalist, and enables the capitalist to foist an unequal exchange upon him. At present, he says, the labourer gives the capitalist a year's labour for half a year's value, and it is specifically this transaction which Bray describes as either no exchange or an unequal exchange.⁴¹

As a result of the differences we have identified, Bray's proposals for a non-exploitative society are quite different from Hodgskin's. Bray has an ideal of a society in which there is community of possessions, and a proposal for the use of joint stock companies of associated producers as a transition between capitalism and that ideal society. Land and other productive resources are to be the property of the community, made available to co-operatives of producers in particular trades who will exchange their products for others of equal value. This equality of value will be tested by the labour-time involved as the 'cost of production'. This will enable co-operatives to receive the produce of other workers, and Bray is as keen as Hodgskin to take advantage of the increased productive power offered by division of labour. Bray suggests equality of reward; each worker is to receive weekly wages from regulative local or national boards of trade, and presumably will use them to purchase the products which the co-operative has available. It is differences in these consumption decisions which lead Bray to anticipate inequality, albeit of a harmless kind, in future society.

At least two aspects of these arrangements are unclear. First, the

terms, conditions and procedures involved in the distribution of the right to use productive resources to the co-operatives is nowhere specified. Secondly, whilst it is clear that the producers receive wages or labour-chits from the boards of trade, the relationship between the equal wages which they receive, and the product of their labour, is obscure. Under the proposed system, Bray says, 'every person would ultimately receive the whole fruits of his labour.'⁴² The connection between the fruits directly enjoyed through wages- and those indirectly enjoyed- presumably through social provision for welfare and increased productive forces- is not elaborated. Clearly, Bray cannot be anticipating that the wages themselves represent the worker's whole product.

In contrasting these two Ricardian Socialists, I have emphasised the differences in their fundamental suppositions, in their diagnoses of the disadvantages of the producers under capitalism, and in their institutional proposals for overcoming exploitation in future society. These differences can be summarised by reference to Hodgskin's attempt to delineate a society in which free exchange would necessarily be just, and Bray's project of instantiating a society in which exchanges would be equal and therefore, although not perfectly just, as just as possible. Because of the backward-looking critiques of the inadequacies in their theories, these differences have until recently been submerged in the assessment of what they had in common - their anti-capitalist perspective, their sympathy for the working class, their attempt to explain the poverty which seemed to accompany unremitting toil. They both held that labour was the source of all wealth, and that capitalism deprived the worker of the full product of his labour. Nevertheless, Hodgskin's conception of that full product was, so to speak, physical: the important claim was to a property in what was produced, and the return to labour this represented could be settled by the higgling of the market. Hodgskin found it extremely difficult to cope with the situation in which no physical product was assignable to any particular individual as a result. Conversely, Bray's conception of the full product was directly related to its value. So while both argued that the labourer should receive the full product of his labour, Hodgskin regarded this entitlement as something which was to be individuated by market mechanisms, while Bray anticipated social control of production and a social decision about the level of equal rewards directly received. It is not too fanciful to regard the contrast between Bray and Hodgskin as the economic equivalent of the political ambiguities in

Rousseau. For Hodgskin, the dependence of each on all is manifest in a natural market, but individual proprietors are entitled to own productive resources which they have made or which they use. Greater equality may then be anticipated, and corrupting dependence avoided. For Bray, by contrast, individuality is to be repressed, labour is to be universal and of equal benefit, each individual is to be exposed to similar beneficent influences, and each is to be 'shewn and made to feel that his true interest is to be found only in the interest of every other member of the community.'⁵⁴

Notes

1. Foxwell's introduction to Anton Menger's *The Right to the Whole Produce of Labour - the origin and development of the theory of the labourer's claim to the whole product of industry* (London, Macmillan, 1899) asserts that "the present work...conclusively proves that all the fundamental ideas of modern revolutionary socialism, and especially of the Marxian socialism, can be definitely traced to English sources." (p. xxvi). The Webbs apparently talked of Hodgskin's illustrious disciple, Karl Marx" in their *History of Trade Unionism* although E. Halevy, who quoted it in *Thomas Hodgskin* (London, Benn, 1956) p. vii gives no reference. For Foxwell, the "chief names" of the English school were Godwin, Hall, Thompson, Gray, Hodgskin and Bray (p. xxvii). The relationship between the Ricardian Socialists and Ricardo is discussed in E.K. Hunt, 'Value Theory in the Writings of the Classical Economists, Thomas Hodgskin and Karl Marx', *History of Political Economy* (1977) pp. 322-345. See also his 'The Relation of the Ricardian Socialists to Ricardo and Marx', *Science and Society* (1980) pp. 177-198 and Samuel Hollander, 'The Post-Ricardian Dissensus: A Case-Study in Economics and Ideology', *Oxford Economic Papers* (1980) pp. 370-410.
2. J.E. King, 'Utopian or scientific? a Reconsideration of the Ricardian Socialists' *History of Political Economy* (1983) pp. 345-73 at p. 345. E. Lowenthal: *The Ricardian Socialists* (1911) reprinted Clifton, N.J., Kelley, 1973).
3. King, 'Utopian or Scientific?', p. 345
4. *ibid.*
5. Brian Burkitt: *Radical Political Economy - an introduction to alternative economics* (London, Wheatsheaf, 1984) p. 19
6. at p. 20; cf. p. 18 below
7. W. Stark: *The Ideal Foundations of Economic Thought - three essays on the philosophy of Economics* (London, Kegan Paul et. al., 1943). He contrasts the 'libertarian alternative' of Hodgskin with the 'egalitarian alternative' of Thompson. Stark's work seems to have gone unnoticed in the discussion about the Ricardians noticed in notes 1 and 2.
8. *ibid.*, p. 40
9. Hodgskin wrote five books: the other two are *An Essay on Naval Discipline* (1813) and *Travels in Germany* (1820). The most accessible editions of the other works are reprints, as follows. 1. *Popular Political Economy* (with a lecture on free trade) (N.Y., Kelley, 1966); *Labour Defended* against the Claims of Capital (London, HammarSmith Bookshop, 1964); *The Natural and Artificial Right of Property* (Constrasted (Clifton, N.J., Kelley, 1973)
10. *Natural and Artificial* .p. 24
11. *ibid.* p. 26n
12. According to J.A. Schumpeter's *A History of Economic Analysis* (Oxford, OUP, 1964) there is no analytic connection; but cf. Lawrence C. Becker: *Property Rights-philosophic foundations* (London,

Routledge and Kegan Paul, 1977) pp. 32-6
 13. These arguments, and the quotation below, are from *Natural and Artificial* .pp. 26-41

14. *Two Treatises of Government* ed. Peter Laslett (Cambridge, CUP, 1963) I 88, I 89; cf. II 72, II 116
15. J.F. Day, 'Locke on Property', *Philosophical Quarterly* (1966) pp. 207-19 explores this elision.
16. James Tully: *A Discourse on Property* (Cambridge, CUP, 1980) and Jeremy Waldron, 'The Turfs my Servant has cut', *Locke Newsletter* (1982) pp. 9-20.
17. *Popular Political Economy*, p. 138.
18. *Natural and Artificial* .p. 118.
19. *Popular Political Economy* .p. 108
20. *ibid.*
21. *ibid.*, pp. 22-3
22. Most famously, in 'Useful Work versus Useless Toil' reprinted in *The Political Writings of William Morris* ed. A.L. Morton (London, Lawrence and Wishart, 1973) pp. 86-108 at p. 105.
23. *Popular Political Economy* p. 48, p. 58 and cf. p. 95. It must be admitted that it is not clear how sharply Hodgskin drew this distinction, because he holds that skill is transmitted from parent to child.
24. Macaulay was, of course, the most famous of these critics. See *Utilitarian Logic and Politics* ed. Jack Lively and John Rees (Oxford, Clarendon Press, 1978) especially 'Introduction', pp. 42-6. Part of the utilitarian answer to this criticism was the wages-fund theory which Hodgskin attacked.
25. *Natural and Artificial* .p. 13B
26. Bray's treatment in *Labour's Wrongs and Labour's Remedies* (Leeds, 1839). The most accessible edition is republished by the London School of Economics and Political Science (London, 1931). The present reference is to pp. 137-54, especially p. 153 where money is identified as the "chain of communication" connecting the producers and the capitalists' exactions.
27. *Labour Defended* p. 56
28. *Natural and Artificial* .p. 97
29. For Hodgskin's discussion of the Lockean limitations, see *Natural and Artificial* .pp. 62-76 and for discussion of fertility, *Labour Defended* pp. 30-32, p. 16, p. 19, and *Natural and Artificial* .p. 97.
30. *Labour Defended* p. 84
31. *Popular Political Economy* p. 48
32. *ibid.* pp. 49-51
33. *Natural and Artificial* .p. 97
34. Burkitt, *Radical Political Economy* p. 20
35. *Popular Political Economy* p. 186n
36. The full reference for Bray's book is given at n. 26, above. The equal rights argument is at pp. 28-31. The argument about trusteeship is at p. 46; cf. p. 43. Although Hodgskin is usually associated with Spencer, because of his *laissez-faire* or anarchist leanings, Bray's ideas about land are close to those put forward by Spencer in the

- first edition of *Social Statics*. Compare Hillel Steiner, 'Land, Liberty and the Early Spencer', *History of Political Thought* (1982) pp. 515-533 and Scott Gordon, 'The London Economist and the High-tide of Laissez faire', *Journal of Political Economy* (1955) pp. 461-488, esp. 469-76
37. Hillel Steiner, 'The Natural Right to the Means of Production', *Philosophical Quarterly* (1977) pp.41-9
38. *Labour's Wrongs*, p.32
39. *ibid.* p. 24
40. *ibid.* p. 41
41. *ibid.* p. 207
42. *ibid.* pp. 46-52
43. *ibid.* p. 48
44. *ibid.* p. 109
45. *ibid.* p. 46
46. *ibid.* p. 44
47. *ibid.* p. 201
48. 'Considerations of the lowering of interest and raising the value of money', *Collected Works* (10 Vols., 1812) Vol. V pp.4-130 at p. 36.
49. *Labour's Wrongs* p.48
50. *ibid.* pp. 193-8
51. *ibid.* p. 160, but cf. p. 202

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#1-20

MARXIAN EXPLOITATION AS COERCIVE INJUSTICE

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* Paper for Workshop on "Exploitation", E.C.P.R.
Barcelona, 1985.

1. FREEDOM

"Capital" says Marx " ... obtains surplus labour without an equivalent, and in essence it always remains forced labour - no matter how much it may seem to result from free contractual agreement". (1)

So:

- (i) Capital obtains surplus labour from workers without giving an equivalent in return.
- (ii) Surplus labour is always forced labour.
- (iii) The contract [for the sale of labour-power] seems to be free [but is in reality always forced upon workers].

We may say that each of these propositions expresses a different facet of exploitation: the first is concerned with a lack of equivalence between what capitalists get out of wage deals and what workers receive; the second with the process of forcibly extracting surplus labour from workers; and the third with the compulsion to which workers are in fact subjected when entering apparently voluntary wage contracts. How are these propositions related to one another? Which, if any, is fundamental?

Prima facie, the Marxian concept of exploitation embodies a fairly obvious causal claim or hypothesis to the effect that capitalists are able to extract unpaid surplus labour from workers - i.e. (i) - because they are in a position to force them into contracts for the sale of labour-power - i.e. (iii). On this reading (ii) merely elaborates this connection as means to ends: once forced into wage

contracts, workers are compelled to carry them out, with the extractive consequences specified in (i). The problem with this is, however, identified by Marx himself in (iii) - the wage contract seems to be free. Whereas in ancient and feudal societies the coercion of producers (slaves, serfs) by non-producers (slave-owners, landlords) is visibly established in legal institutions and political practices, in capitalism the owner of the means of production obtains surplus labour by a seemingly voluntary contractual agreement with his employees. Moreover, the extraction of surplus labour without an equivalent is, for Marx, a thoroughly pervasive, indeed structural, feature of any capitalist system. So, if wage contract compulsion, i.e. (iii), is to figure as the causal explanation of (i), it must be of equal generality. That is to say, it must be the case that compulsion into wage contracts is as systematic as the extraction of surplus value itself. And yet, as Marx says, it doesn't at all seem like that. Hence the prior problem: if (iii) is to function as explanans and (i) as explanandum independent and appropriately weighty grounds for (iii) must first be produced.

Where might they be found? Typically, four main arguments are offered by Marxists in support of (iii). The first is connected with the way in which Marx claims to uncover various kinds of power wielded by capitalists over workers. (2) According to this view, workers are systematically forced into exploitative wage contracts because:

- (A) Employers enjoy a decisive bargaining advantage over workers
in virtue of their resources for coercion.

On the face of it this undoubtedly carries a certain intuitive

plausibility, but we need to distinguish, and to get the right way around, two quite distinct questions, viz. (1) How can we tell that workers are always forced into wage contracts? and (2) How is it that capitalists are always able to compel them into extractive agreements?

If it is assumed that capitalists do indeed enjoy a decisive bargaining advantage in the wage process then, obviously, (A) will represent at least an explanation-sketch of how they are able to exploit workers, i.e. (2). But, clearly, (2) can arise as a problem in need of explanation only on the prior assumption of (1). That is to say, the point of an explanation of how capitalists might coerce workers into wage contracts assumes that they are indeed coerced. But it is surely beyond question that although Marx believed that employers actually do apply whatever power they can muster to coerce workers into wage contracts when they have to do so (strike-breaking, lock-outs, etc.) he did not think that they would use coercion unless they were compelled to do so; nor did he think that they would in fact need to be permanently engaged in coercing a perpetually recalcitrant workforce. Thus, (A) appears to furnish evidence for (1), and support for (iii), only on the basis of a fairly crude equivocation between the ability to coerce and actual coercion.

It might well be thought, however, that though true, this is trivial. Don't the sporadic episodes of actual coercion which occur in capitalist systems merely represent for Marx the aggravated expression of another form of power to which all workers are unremittingly subjected, simply in virtue of their class position? According to this view, the essence of the unfreedom of wage workers lies in the

fact that if they are to live at all tolerably they must sell their labour-power to capitalists, simply because they don't possess anything else that is vendible. Thus, it might be argued, effective support for (iii) really comes from:

(B) Workers are forced into wage contracts because they are denied any other eligible alternative for choice by their class position.

Certainly this addresses itself to the relevant question, i.e. (1), and it carries the necessary generality - it applies to all contracts for the sale of labour-power in virtue of the system of property relations in a capitalist society. But it is surely inadequate, in that it fails to explain what needs explaining, viz. why it is that workers are unfree in capitalism. After all, whatever kind of economic system workers find themselves in, they are inevitably faced with some form of structure of production or other. And, whatever it might look like, it must necessarily foreclose some options whilst opening others. Indeed, this must be true even of the ideal Marxian alternative to capitalism, namely communism. For, as far as the availability of work options is concerned (and this is all that is strictly at issue in respect of (iii)), the position of workers is fundamentally the same in both: whereas in capitalism they are (so Marx claims) compelled to sell their labour-power, in communism they would be prevented from so doing. In neither system are workers free in respect of whether to sell their labour-power or not. (3) So, how can Marx distinguish between the unfreedom of workers in capitalism and their freedom in communism, as he clearly wishes to do? If it cannot possibly be in terms of the range of crucial work options

available in each, then the only other possibility is that it must be a matter of the particular alternatives facing workers. And the difference between capitalism and communism here is manifest. For what distinguishes capitalism from communism as far as work options are concerned is that in the former workers have no choice but to sell their labour-power to buyers who, given the economic logic of the system, can have no interest in purchasing it except at expropriative rates. To put it slightly differently, what is distinctive about the position of wage workers, and what must distinguish the structural restrictions upon their freedom from those applying in communism, is that the only option they have is a conjoint one - to work and be expropriated.

If this is indeed correct, and the grounds for (iii) lie in the essentially expropriative nature of the contract, then it needs to be shown precisely how the connexion is made. Hence the need for a reappraisal of our original interpretation of the concept of exploitation, according to which (iii) figures as the causal explanation of (i), since (i) is precisely what is being invoked here to account for (iii). But, before turning to this issue the two remaining popular accounts of (iii) must briefly be considered.

The first of these hinges upon the idea of false-consciousness. Workers, it is argued, are forced into wage contracts because they are led by bourgeois ideology into believing that they are selling their labour to employers who give (on average at least) full value for it in the form of a wage; but in reality they sell their labour-power,

from which employers extract a surplus and hence their profits.

Hence:

- (C) Workers are always forced into wage contracts because they are systematically deluded about the true nature of the wage bargain.

Admittedly, workers may be said to be unfree in the sense that (given the theory) they are prevented by the influence of bourgeois ideology from understanding their real position in terms of which they make their choices. We may say that they are unfree in the sense that they act on the basis of defective autonomy of choice. However, this cannot be the fundamental unfreedom for Marx. For, even if they succeed in penetrating the veil and in seeing their position as it really is, they remain fundamentally unfree just as long as they remain in submission to capital. That is to say, the objective unfreedom of both compliant and militant workers is ultimately to be referred to the same source - to their common predicament in being the source of unpaid surplus value for capitalists. Hence, the grounds for (C) are to be found in the more basic claim (B).

The last argument that we need to consider is concerned with the dynamics of capitalist development and its effects on the "immiseration" of the working class. Marx argues that the increasing organic composition of capital entails the depression of the rate of profit and that capitalists strive to resist this outcome in two main ways - by increasing the rate of exploitation of labour and by using the reservoir of unemployed workers created by the displacement of labour to push average wages down. Hence:

(D) Workers are systematically forced into wage contracts because they are subjected to the immiserating forces which result from the capitalists' attempts to maintain profits.

Now the assumption lying behind this claim is admittedly an intuitively fairly plausible one. It is that, ceteris paribus, no worker would ever willingly enter any agreement, or series of agreements, less favourable to him than earlier ones, and particularly no agreement condemning him to misery or starvation. However, the issue is of course complicated by Marx's distinction between "absolute" and "relative" immiseration. Absolute immiseration (D1) occurs when wages undergo an unremitting secular decline. Here, at least, we do find a strong prima facie case for the existence pervasive class coercion which avoids appeal to distributive considerations. After all, there can be scarcely any assumption more reasonable than that agents will never willingly engage for starvation wages. Unfortunately, (D1) has been shown by events to be false. On the other hand, relative immiseration (D2) occurs when wages fall only in relation to profits - a situation entirely consistent with a rising standard of living for workers. Hence, (D2) could furnish support for (iii) only if it is also assumed that workers must be unwilling to engage in increasingly unequal wage deals. That is to say, it must be completed by appeal to the same consideration as in both (B) and (C), namely the distributive factor specified in element (i) of the Marxian portmanteau concept of exploitation.

It is perhaps appropriate at this point to sum the argument up so

far. I began by suggesting that perhaps the most natural way of construing the Marxian notion of exploitation is to see it as involving a causal claim to the effect that the capitalists' extraction of unpaid surplus labour - i.e. (i) - is explained in terms of workers being forced into wage contracts - i.e. (iii). The need for support for (iii) itself was then noted, as Marx himself insists that it is far from self-evident that workers are always forced to sell their labour-power. The pursuit of this necessary support has led us, however, back to (i) itself. That is to say, the grounds for the claim that workers are systematically forced into wage deals appears now to rest on the prior claim that economic analysis reveals that wage contracts necessarily have extractive consequences for workers. In a sense, of course, revealing the connection between unfreedom and inequality in Marxian theory is by no means new. Allen Buchanan is merely one amongst many Marxian commentators who has made the point that "... the wage exchange is not free because of the profound inequalities in the respective positions of the worker and the capitalist". (4) But usually the inequalities at issue are assumed to be inequalities of power or class position. But, if the above argument is correct, claims of this kind ultimately reduce to claims about another kind of inequality - inequality in the distribution of surplus labour.

To this conclusion a number of objections might be raised. In the first place, it might be argued, I have misidentified the true locus of compulsion in exploitation. It is the compulsion intrinsic to the work process, i.e. to (ii), which explains both (i) and (iii).

It explains how the capitalist extracts his unpaid surplus from labour and why wage contracts themselves are unfree. For, once in wage deals, workers are regimented by the owner or his overseers, and are compelled by law to perform their contractual obligations in supplying both necessary and surplus labour. But this surely will not do. There is of course an obvious sense in which workers are compelled to carry out their contracts - once made they have the force of law and their options are thereby limited. But this is trivial in that it applies to all contracts for the sale of commodities, not simply to wage contracts. As for the regimentation of labour, this is not a necessary but a contingent feature of capitalist production as recent experiments in self-organization of production have show. In other words, the compulsion within the work process itself is simply not sufficiently pervasive and systematic to account wholly either for (i) or (iii).

The second objection is well-put by Roemer, "The purpose of the Marxian value theory was to make the point that exchanges under capitalism are not coercive but competitive; that idea takes the form of insisting that all commodities exchange "at their values" (coercive exchange would, on the contrary, involve one side being forced to exchange its service for less than its value). (5) Obviously, if the wage deal is not coercive but competitive then there is no problem to solve. But this is clearly only partly true. Marx's position is surely that from a superficial point of view the wage deal is equal and competitive - the worker receives (on average) the full value of his labour-power in a subsistence wage. But deeper analysis reveals

that the wage system is unequal precisely because it enables the capitalist to extract unpaid surplus value. And qua unequal it is coercive. (6) The problem still stands.

How, then, might (iii) be inferred from (i) - systematic contractual compulsion from systematic expropriation of surplus value?

After all, there is nothing logically absurd in the idea that producers might work voluntarily for others without any thought of a return. (7) Roemer has one account. According to his game-theoretic account of exploitation the capitalist variety of exploitation is defined independently of the labour theory of value and in terms of an inequality between owners and workers due to differential ownership of alienable productive assets. But, whatever the virtues of such an account, it clearly is not Marx's. In the Marxian theory of exploitation the connection between (iii) and (i) must be made via Marx's own account of the nature and the source of exchange-value. (8)

How? I offer the following as a sketch of a possible line of argument.

We may begin by reverting to the discussion of (D2). It was suggested there that relative immiseration might be held to furnish grounds for (iii), but only on the assumption that workers are essentially unwilling to engage in increasingly unequal wage deals with employers. Now this assumption is, of course, by no means obviously true. After all, in neo-classical terms, wage bargains of this kind may be held to represent the entirely unforced preferences of self-interested Pareto-optimizers. Hence the assumption must be

advanced in the form of a more or less formal stipulation. And, in fact, it involves nothing more than a fairly minor modification of a standard postulate of classical economics.

According to the classical labour theory of value, in a system of voluntary transactions equal labour times tend to determine equal prices. The implications of this may, however, be drawn out in two rather different directions. On the one hand, it may be construed as a contingent statement asserting a correlation between comparative prices and proportional labour times. Or it may equally well be read as an implicit definition of what is to count as a voluntary transaction. In this latter case, given the usual classical assumptions about agent-rationality and self-interest, agreements may be described as being free or voluntary, not simply insofar as they are free from external force or fraud, but also to the degree that they eventuate in equal exchanges of labour values. For, assuming that agents are rational, they must be capable of appreciating the benefits of voluntary social co-operation, and hence of grasping the need for transactional rules governing exchanges. And, assuming that they are self-interested, they must be understood as being essentially unwilling to give without receiving a full equivalent in return. Hence, insofar as any exchange diverges from equality and infringes the rule of reciprocity, to that degree the worse-off party may properly be taken to be an unwilling party to the contract. Of course, as long as the system of wage contracting is thought to involve a more or less equal exchange of values, the critical implications remain submerged. These are of course revealed by the

application of the Marxian theory of surplus value according to which the worker appears as someone invariably involved in a system of transactions in which he always produces a surplus and gets nothing in return.

So far the argument has been devoted to establishing a broad link between the unequivalence asserted in (1) and the unwillingness of rationally self-interested workers to enter extractive wage contracts with employers. This is, however, merely a logical preliminary to showing how they may be said to be invariably coerced into them - i.e. the claim in (iii). The most important point here is that although there may well be some intuitive plausibility in the idea that mutually self-interested agents might not be unwilling to tolerate a degree of inequality against themselves in exchange for overall mutual benefit there must obviously be some limit to the disparities they can be said to willingly countenance. And wherever this point occurs two further principles must apply. The first is that of coercion. For, where an agent has been identified as doing something unwillingly, his behaviour demands explanation, and compulsion is the obvious candidate. So, to impute unwillingness to the worker in respect of entering the wage bargain is, at the same time, to license a search for coercive factors to account for what he does. Secondly, agents defined as self-interested and rational, willing to engage in exchanges for mutual benefit, but unwilling to give without receiving an equivalent in return, are agents constitutively involved in a practice of reciprocity. And violations of reciprocity sufficiently grave to call for coercion-explanations are clearly, in one obvious

sense of the term, injustices.

Spelt out a little more formally, then, the connection between (i) and (iii) seems to be as follows:

- (i) Capital obtains surplus labour from workers without giving an equivalent in return.
- (ia) Violations of reciprocity are unjust.
- (ib) Agents never willingly suffer injustices against themselves.
- (ic) The extraction of surplus labour from workers without giving an equivalent in return is an (extra-contractual) injustice.
- (ii) Therefore, surplus labour is always forced labour, and
- (iii) The contract for the sale of labour-power, though it might appear to be free, is always forced.

On this interpretation Marx's concept of exploitation embodies what might be called a theory of "Coercive Injustice"; a theory which in effect grounds both (ii) and (iii). And it is on the basis that the wage relationship may be said systematically to violate reciprocity and hence to be unjust that the crucial claim (iii) may be made.

Before considering its difficulties it is worth noting that the theory pin-points a very characteristic (and highly controversial) feature of Marxian method. Liberals not uncommonly complain that Marxists elaborate accounts of class coercion and ideology in a fundamentally misguided attempt to explain behaviour which is in fact not coerced at all, or at least by no means in the systematic way they believe. But if capitalism is viewed from the perspective of Coercive Injustice the view that workers must invariably be forced in one way

or another into wage contracts, seems fairly natural. For, given the implication of involuntariness that a judgement of injustice carries in the theory, it is entirely reasonable for the Marxist to seek evidence of coercion, even in unlikely places. We might say that a novel theory of injustice calls forth an equally novel theory of coercion and a revised attitude to evidence for compulsion - less emphasis upon manifest force and more on indirect and elusive factors, particularly ideology. Of course, what may from one point of view look like a virtue in a powerful explanatory theory may from another appear to be logically very dubious. The liberal may well look askance at the way in which the argument is open to manipulation: (iii) is advanced as an explanation of (i), but equally (i) is invoked as grounds for (iii) - wage coercion "explains" how the unpaid surplus labour is extracted from workers, and the expropriation of workers "explains" why "despite the appearances" they must always be coerced. This highly expedient reversal of premises tends in practice of course to be obscured by the fact that both are treated simply as aspects of the same complex phenomenon - exploitation, understood as the forced extraction of surplus labour. Maybe this manoeuvre is defensible on the grounds that the relation is really a "dialectical" one involving a thorough interpenetration of factors comprising the "totality" of exploitation. But critics will probably regard such a move as nothing more than an attempt to insulate Marx's main critical category from any possible empirical refutation. And in any event, the methodological question which deserves especial attention lies elsewhere, in connection with the internal consistency of the Marxian theory of exploitation.

2. Justice

The theory of Coercive Injustice is as we have seen, a theory of imputed motivations. Thus the "true" predicament of workers is explained on the basis of an imputed knowledge of the extractive nature of the wage relationship, together with a stipulated sense of justice as reciprocity. And it is in terms of these formal considerations that workers are held to be "essentially" or "objectively" unwilling to contract into wage deals (irrespective of what they might happen to think or feel), a conclusion which then triggers an empirical (or quasi-empirical) investigation into the manifold ways in which this compulsion in fact applies. However, these are by no means the only beliefs which must be ascribed to class-conscious workers. In addition to grasping the basic truths of the Marxian analysis of the capitalist economic system they must also be assumed to understand the broad principles of Historical Materialism. Moreover, they must be assumed to be capable of thinking coherently and of drawing the necessary implications from this constellation of beliefs. As has been argued, according to the theory of Coercive Injustice workers may be inferred to be essentially unwilling to engage with capitalists on the basis of the injustice of that relationship. So, in addition to being in possession of the necessary elements of Marxian economics and Historical Materialism, they must be assumed to be capable of making coherent judgements of justice and injustice. In order to see the implications of this for the position developed above we need first to consider the elementary

logic of distributive justice.

It is an elementary feature of the idea of distributive justice that the constitutive point of any practice thereof must be to ensure some distribution of benefits and burdens according to some rule of equity. Hence the conceptual centrality of the notion of rectification. For, obviously, where an equitable distribution doesn't exist, or where it has been temporarily disturbed, the point must be to establish, or to re-establish, a just distribution by rectifying the current one. Thus, any judgement of the form "X (some distribution or pattern of distributions) is unjust" necessarily presupposes the possibility of rectification. "Possible" here need not of course mean that rectification can in fact be achieved - some injustice might be irremovable. Nor does it imply that, all things considered, it must be desirable to try to do so - the removal of some injustices might involve unjustifiable costs. Whether it entails that it must be believed that it could be achieved is perhaps more debatable. Certainly where judgements of justice are held to be intelligible only within the context of a feasible social practice or, more generally, where they are thought to be significant only as a preliminary to action, this will be the case. And, given the fundamentally "practical" bent of Marxian social theory, it is by no means unreasonable to impute this to the proletarian position. But in any event one basic condition must hold for any judgement of injustice, and this is that it must presuppose the availability of a coherent description of the alternative distribution deemed just. That is to say, it must be possible at the very minimum coherently to

specify an alternative distributive state of affairs which would count as rectification of the purported injustice. For, if we cannot even think the alternative state of affairs deemed just, rectification must be inconceivable, and the judgement of injustice strictly senseless.

One further preliminary point needs to be made before these fairly elementary considerations can be directed towards Marxian exploitation. It is perhaps natural to assume that rectification can come only in either of two varieties - the rectification of particular injustices, or the rectification of entire practices of justice. In the first kind of case rectification simply takes the form of the consistent application of the rule in question. Thus, if the rule is "Reward merit" then unrecognized merit must now be rewarded. In the second kind of case one rule of distribution is replaced in the name of justice by another, e.g. merit by need. Discussions of the Marxian treatment of justice sometimes assume that if capitalism is to be rectified at all it must be by the latter method - the present free-for-all being replaced in communism by distribution according to need. There are in fact good reasons for thinking that this cannot be Marx's own position. (9) But whether capitalism can be said to be unjust in this sense of the term is strictly irrelevant to the logic of the Marxian theory of exploitation - as is any sense other than that involved in the theory of Coercive Injustice. What is really at issue here is perhaps best explained by considering the implications of Marx's treatment of bourgeois justice.

First it is necessary to re-emphasise the crucial distinction

embodied in Marx's analysis of the wage relationship. According to Marx, the economic relationship between the two main classes in capitalism hinges upon a distinction between an equality in exchange, whereby the worker receives the full equivalent of the labour-power he sells to his employer, and an inequality arising from that exchange, represented by the employer's extraction of unpaid surplus value from expended labour. This distinction, between the wage contract itself and its consequences, is theoretically crucial in that it enables Marx to offer an explanation of how profits originate in a system of market transactions in which values are stipulated as exchanging equal for equal. And, in terms of strict contractual reciprocity (i.e. in bourgeois terms), Marx's analysis reveals that the wage deal is essentially just. Admittedly, injustices may well occur: not only might fraudulent contracts be made, but in the course of the ordinary operations of the market wages will sometimes fall below their "natural" subsistence level and sometimes rise above it. Nevertheless, there is at least a perfectly coherent and intelligible bourgeois conception of justice in that it is obvious both what rectification must consist in, viz. the re-establishment of strict contractual equality, and how it may be brought about - fraudulent inequalities are rectifiable by law and inequalities arising from changes in supply and demand by the self-rectifying mechanisms of the market. Indeed, this is all we need to be able to understand Marx's declared unwillingness to call capitalism unjust in its own terms - for bourgeois justice implies a form of rectification designed to leave the extra-contractual inequality represented by the extraction of unpaid surplus value entirely intact. (10) Bearing in mind the role that the

theory of Coercive Injustice plays in the Marxian theory of exploitation, what is obviously crucial for Marx is to be able to broaden the scope of the idea of reciprocity or transactional equivalence so that it encompasses the idea of extra-contractual injustice. And whether this is possible or not is ultimately a question of whether the appropriate beliefs and motivations can be coherently ascribed to proletarians entering the wage contract, defined by the stipulations of the theory of Coercive Injustice, aware of the elementary logic of the idea of distributive justice, and in possession of the broad principles of Historical Materialism.

The difficulties in the Marxian position here are revealed by considering a very popular version of argument (B). It is often thought that the crux of Marx's view is that workers are necessarily forced into wage contracts because capital originated in the forced expropriation of the means of production of independent workers (peasants and craftsmen) during the transition from feudalism to capitalism, and because workers have to pay capitalists a "tribute" (in the form of surplus labour) for access to means of production owned by the latter. (11) But, on the face of it, the claim that workers must be said to be compelled to sell their labour-power now because their means of independent production were stolen from them at some time in the past is unpersuasive, even on Marx's own terms. After all, Marx himself clearly believed that all epochs, including that of communism, must originate in forcible expropriation. What has to be shown, of course, is something quite different - that workers are currently unfree. And the claim that workers currently pay a

"tribute" in the form of surplus labour for access to means of production is, when detached from the strictly irrelevant genetic element, merely the "extraction of surplus labour entails coercion" argument whose logical credentials we are considering.

The idea that the two elements must be logically connected probably arises from the fact that the system of independent production seems obviously to represent a just rectification of capitalist injustice, and hence the kind of freedom systematically denied to workers in capitalism. After all, an arrangement in which each worker owns his own means of production and exchanges his products with other independent workers on the basis of full equivalence undoubtedly represents a straightforward form of rectification of capitalist extra-contractual inequality. The problem is, of course, that class-conscious workers who are aware that, according to the principles of Historical Materialism, the development of production is irreversibly in the direction of collective ownership, cannot believe that capitalism is unjust in respect of any rectification represented by what Marx derisively calls "primitive commodity production". These are the illusions of muddle-headed anarchists and petit-bourgeois individualists. And if they cannot believe that it is unjust in this sense then clearly it cannot be a sense that can enter as a logical factor in the theory of Coercive Injustice, which is designed to explain their systematic unfreedom in capitalism.

What, then, about socialism as the rectification of capitalist

wage injustice? In one sense workers are certainly given priority in socialism. Instead of merely being paid a bare subsistence wage Marx argues that they will be rewarded in proportion to their production - the greater a worker's output the greater his reward, even at the expense of less efficient workers with greater needs. But he also insists that these calculations can be made only after the necessary deductions for the "common funds" have been made - for investment and social welfare. (12) Socialist justice, reflecting as it does the inevitable imperfections of an early stage of post-revolutionary social development - the persistence of relative material scarcity and of residual egoism - clearly has little intrinsic worth for Marx. Its value lies entirely in its being necessary step to communism. But more importantly, neither can it possibly represent the rectification of the purported injustices of capitalism. For obviously a worker cannot conceivably receive the full equivalent of what he produces when his share is calculated on a basis which assumes a prior deduction for social costs. This is not, of course, to say that Marx might not have other reasons for impatience with socialists like Proudhon and Lassalle who demand a fair day's wage for the worker; it is simply that this is a perfectly sound Marxian reason for rejecting the charge that capitalism is unjust in comparison with socialism. Any clear-headed worker, having an elementary understanding of the notion of rectification implied by the charge "Capitalism is unjust", and grasping even in the broadest terms what must be involved in the distributive arrangements of socialism, cannot think himself unjustly done by in the wage contract. Hence, no point of purchase can be found here for the theory of Coercive Injustice, any more than with

the system of independent production.

Can Communism, the final stage in the evolution of society, embody arrangements representing the rectification of bourgeois extra-contractual injustice? The prime difficulty here arises from Marx's insistence upon theoretical accuracy. For, though he insists that surplus labour has been extracted in various ways through the ages, the crucial feature of capitalism, one which workers must grasp thoroughly, is the specific use-value workers have for capitalists. In their quest for profits employers strive to squeeze the largest surplus they can from labour. Because they are able to give less in exchange for the labour-power they purchase than they receive for the sale of the commodities produced by their workforce, a surplus of exchange-value is realized without which further rounds of capital accumulation would be impossible. Were workers to fail, however, to understand precisely what their use-value is for capitalists they would never grasp the true nature of the economic forces to which they are subjected, with the obvious consequences for their revolutionary prospects; nor would they be in a position to achieve communism. For what they must avoid at all costs is the perpetuation, or re-creation, of the exchange form of social relationship - a fundamentally inhuman kind of association, revealed most starkly in the basic feature of the capitalist system, in the market for exchange-value creating labour-power, i.e. in the wage relationship itself.

So, the expropriation of labour in capitalism must be identified by its victims as the extraction of surplus exchange-value, and it is

this which must be rectified in communism if the wage system is, by the elementary logic of the notion, to be described as unjust. The problem is manifest: the very same theoretical requirement which lays it down that expropriation must be construed in society-specific terms necessarily precludes the possibility of capitalist inequalities being rectified by way of an epochal transformation to communism. For, in the transition from the one system to the other, exchange-value inevitably gives way to use-value as commodity production is eliminated and replaced by production for consumption. Clearly, as the standards are strictly incommensurable, there is no possibility of a common measure of equivalence in terms of which rectification of capitalist injustices could even be thought.

The conclusion must be, then, that capitalism cannot be described as being unjust in that sense of the term required by the theory of Coercive Injustice, viz. a rectifiable absence of reciprocity or equivalence. It cannot be said to be unjust in this sense because it is not an unequivalence which can be thought coherently as being rectifiable by class conscious workers because (a) the system of independent production is not one workers can regard as being "on history's agenda"; (b) they must know that in socialism they will labour firstly for society and only thereafter for themselves; and (c) the conceptual transformation involved in the transition from capitalism to communism necessarily precludes the application of any common measure in terms of which rectification can be thought.

The implications of this for the larger Marxian social theory

are, of course, fairly severe. If the theory of Coercive Injustice cannot be invoked to explain (iii) - the systematic compulsion (despite the appearances) of workers into wage contracts - the relation between the three elements in the Marxian conception of exploitation remains entirely unexplicated. As the argument stands, Marx is committed to saying that capitalism is not unjust and, because it isn't unjust, not unfree either! Of course, capitalism may be said to be unjust and unfree in other respects or in other terms. But the theory of Coercive Injustice requires a specific sense of injustice, and this is, in principle, unavailable. Admittedly the theory is offered as a hypothesis - an attempt to furnish an account of compulsion appropriate to the Marxian notion of exploitation. (13) But is there any other way of explicating Marx's fundamental critical concept?

Notes and References

1. Capital (Progress Publishers, 1966), volume 3, p. 819.
2. The assumption that employers must have more power than workers in any contest over wages is not, of course, particularly Marxian, or even socialist. Even Adam Smith says this - though he puts the advantage down to the existence of Combination Acts against worker, and to employers possession a "stock" upon which they can live. Wealth of Nations (edited by E. Cannau) Fourth Edition (Methuen, 1925), volume 1, p. 68.
3. In capitalism workers do not sell their labour-power freely, i.e. voluntarily; in communism they don't not sell their labour-power freely. See G. Cohen "Capitalism, Freedom and the Proletariat" in A. Ryan, The Idea of Freedom (Oxford University Press, 1979), p. 9.
4. Marx and Justice (Methuen, 1982), p. 54.
5. J. E. Roemer, A General Theory of Exploitation and Class (Harvard University Press, 1982), p. 7.
6. A fact Roemer acknowledges - ibid.
7. See R. J. Arneson, "What's Wrong with Exploitation?", Ethics, 91, (1981), pp. 202-227.
8. Many commentators sympathetic to Marx increasingly play down the labour theory of value because of its deficiencies in point of strict economic theory - particularly its failure to explain prices. Nevertheless, the specific (exchange) form in which the surplus is extracted is vital for Marx's moral and political critique of capitalism and his vision of communism. Cp. Roemer op. cit., ch. 9, section 5.
9. "Distribution according to need" cannot be a rule of justice because it applies to a society which has transcended the circumstances of justice - scarcity and egoism. Cp. A. Buchanan, op. cit.
10. Whether or not this represents Marx's own reason for his contemptuous comments on his socialist rivals clamour for "justice for workers", or for his manifest irony when he says that capitalists expropriation of surplus labour is not unjust (Capital (Penguin, 1976), volume 1, p. 292 and p. 301), is beside the point. It must be a good reason for any clear-headed Marxist. What possible point could there be in endorsing a conception of justice which exposes the workers to a charge of injustice whenever the market happens to push his wages above subsistence? It might also be thought to be attractive insofar as it avoids the need to invoke the kind of embarrassingly powerful functional principles applied by Allen Wood (Karl Marx, (Routledge and Kegan Paul, 1982), chs. 9 and 10).

11. See e.g., G. C. Brenkert, Marx's Ethics of Freedom, (Routledge and Kegan Paul, 1983), ch. 5, section 2.
12. Critique of the Gotha Programme, in K. Marx and F. Engels, Selected Works in One Volume, (Lawrence and Wishart, 1966).
13. In effect, the theory represents an attempt to respond to the complaint made by R. J. Arneson that what is singularly lacking in the Marxian theory of exploitation is an account of force and coercion. See op. cit. , p. 225.

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THE NORMATIVE ECONOMICS OF MARXIAN EXPLOITATION

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Paper prepared for the E.C.P.R.-Workshop on Exploitation,
Barcelona, 25 - 31 March, 1985

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Section 1 Introduction

Standard Marxian exploitation is the institutional extraction of surplus labour from workers. "Exploitation" is given two senses in Capital, (1) an ethically neutral sense: the utilisation of human resources in an economic system dominated by the drive to accumulate (exploitation of labour power by capital) and (2) a personalized, non-neutral sense (the exploitation of the labourer by the capitalist, or more generally, of man by man) in which the extraction process, its institutional conditions and its distributive outcomes are the object of ethical concern.

To be sure, Marx himself actively discouraged any attempt to establish the ethical indefensibility of exploitation, for reasons which have been discussed intensively in the recent debate on 'Marx and Justice'. Independently of Marx's strictures, however, there is a natural motivation to address this problem nonetheless. For the everyday, intuitive, concept of exploitation presupposes that there is something wrong about economic interactions that can be brought under its heading. And it also contains the powerful suggestion that there is a strong case for replacing exploitative interactions by non-exploitative ones.

So let us ask the question: why should standard Marxian exploitation be abolished? One way of answering it is to try and show that whenever surplus labour is extracted, some pertinent norms are violated, norms which could be satisfied, at least to a far greater extent, under alternative economic arrangements. The present paper intends to pursue this line of inquiry. Its approach is different from other attempts, in two respects:

- (1) it takes a richer version of the standard definition as object of analysis; instead of asking what is wrong about surplus labour-extraction tout court, I concentrate on cases where workers are forced to perform surplus labour, net of their non-wage appropriations.
- (2) Instead of seeking to establish a necessary connection between standard exploitation and one or more ethical norms, taken in isolation, I shall ask whether exploitation is necessarily ruled out, or substantially reduced, in an economy that satisfies a complex socialist ethic (composed of five principles) in combination with minimal efficiency requirements.

In section 2, the forced surplus labour version of the standard definition is discussed informally and the reasons for adopting it are stated. It is formalized in section 4, in the context of an abstract model economy capable of wide

institutional variation (section 3). Then, in section 5, I describe -- but do not defend -- the five principles of the socialist ethic and derive the conditions under which they are consistent with efficiency (5.1). Whenever these conditions are met, the socialist ethic is considered to be binding. The state of the economy in which the five norms are fully realized may then serve as the 'reference state'. In 5.2 the conditions for (non-)exploitative reference states are sorted out. My interpretation of these results is discussed in 5.3 and can be summarized as follows:

- (a) the absence or presence of exploitation in the reference state crucially depends on the economy's stage of development;
- (b) the criterion of development --expressed in terms of productivity, resources and labour supply dispositions -- can be construed as a criterion of the degree to which workers may be equally afforded the real economic freedom to dispose of their labour capacities;
- (c) If the reference state is non-exploitative and there is exploitation in the actual state of the economy, then (some) workers are unnecessarily deprived of economic freedom, due to transgressions of the socialist ethic;
- (d) Exploitation is most recognizable as the unequal distribution of economic freedom, caused by inequality of 'unearned incomes'. But there also may exist a potentially important type of exploitation, consistent with income equality, which is caused by sub-optimal shares of wages and non-wage income.

Section 2 Standard Marxian Exploitation

I have come to agree with those who argue that issues of domination and servitude in the labour process do not properly belong to the general analysis of exploitation (though obviously they are of great ethical importance) because the concept of surplus labour extraction is logically independent of domination within work relations. I will therefore ^{regard} standard Marxian exploitation as a causal linkage between the distribution of rights to resources and the distribution of net output and that of free time. In doing so, it will be useful to proceed from the simplest possible theory of surplus value. I postulate a proportionality between socially necessary labour and money values, ignoring all the problems connected with the labour theory of value. I also heroically assume that all workers are equally

productive and are paid a uniform wage, which is less than the average product of labour. Then, in Marx's definition of capitalist exploitation, all workers are exploited at the same rate, the ratio of 'paid to unpaid labour' and capital owners appropriate surplus labour in the form of profit, in proportion to their capital holdings. Hence, worker-owners have a double exploitation-status; as workers they are exploited, as owners of wealth they exploit. Marx does not stress this side of his definition, undoubtedly because he was primarily interested in the link between the wage-profit distribution and the rate of accumulation, in which the personal distribution is only of secondary importance.

In a normative setting, however, it is not a matter of indifference how the surplus product is distributed between workers and non-workers -- one could hardly remain neutral between an equal distribution of profits, and one in which all profit flows to one rich family. This point remains, even if there are arguments to think that the dynamic tendencies of capitalism make the second of these extreme possibilities much more likely than the first. For in those cases, where the majority has the single status of exploited worker, the majority is also forced to perform surplus labour, a fact repeatedly stressed by Marx, for example in the ironic passage about the double freedom of the proletarian. I think that it is precisely because of this economic compulsion, which is functionally equivalent to the legal coercion in feudal systems, that Marx regards the proletarian and the serf as exploited producers.

These considerations lead me to adopt John Roemer's reformulation of standard exploitation in terms of agents' net surplus labour accounts. In these, the double exploitation-status of worker-owners is fused into a single one, defined as the difference between the socially necessary labour performed by the agent and the labour equivalent of his wage plus non-wage income. Agents with positive accounts are then exploited, those with negative accounts are exploiting, those with a zero account are 'exploitation-neutral'. Roemer puts this version to use for deriving correspondence theorems between wealth ownership, exploitation-status and class position. But it is also useful for our purposes, especially when the net accounts come to include taxes, subsidies and grants.

Of course, if economic compulsion is to count as a defining property of standard exploitation, Roemer's version has the drawback of not distinguishing between agents who are forced to perform surplus labour and agents who could change to the exploiting or neutral status by simply deciding to cut back their labour supply. I shall regard only the former as genuinely exploited, the latter as exploitation-

neutral. Exploited agents, then, are defined by a counterfactual criterion requiring that their net surplus labour account should be positive if they were to work the smallest amount consistent with their independent income, the wage rate and their subsistence needs. But this also requires the additional clause that the agent must in fact perform surplus labour, since being under economic compulsion to do so -- which is what the criterion tests for -- is not a guarantee of actual performance: short of the desire to die by starvation, the agent may be physically disabled, or unable to gain access to wage income.

This indicates yet another drawback of Roemer's version (as well as of the Marxian original): the incapacitated poor are placed in the same category of exploiting agents as the idle rich. Surely this is a counter-intuitive property, the more so since the former will most often satisfy the criterion of economic compulsion, as in the case of long-standing unemployed or aged couples living below the poverty line. I propose to amend this by again re-defining exploiting agents counterfactually, in order to eliminate differentials in working ability. Only someone with sufficient non-wage income to be a net surplus labour-appropriator at the maximum possible performance of work (at the ruling wage rate) will be regarded as an exploiter -- whether or not he actually performs, or is able to perform that amount.

Before examining the ethical case for the abolition of (my proposed version of) standard exploitation, two final remarks about the surplus labour account should be made. First, a determinate concept of exploitation requires a sharp distinction between disposable wage income (after taxes and premiums, and including fringe benefits) and disposable income from non-labour entitlements (including subsidies in kind, and again post-tax). Secondly, whenever taxation, or wage-setting practices enter the picture, the surplus labour account should not be affected by agents' approval or disapproval with the public projects to be financed by these compulsory means; it should also be unaffected by their views on the legitimacy of taxation and public spending. To rule otherwise, as seems reasonable in many cases where the interests of the working class are served via the democratic process, is to make the normative analysis of standard Marxian exploitation heavily dependent upon prior decisions about the proper theory of consent and obligation. And unless such decisions are clear-cut and uncontroversial to all (which is obviously not the case), I believe that this would be a self-defeating strategy.

Section 3 The model economy

For the normative analysis of exploitation, it is convenient to describe a model economy with a minimum of institutional detail, but which allows discussion of capacity utilisation, labour supply and personal income distribution. I assume a costlessly operating State, which enforces property rights (in a broad sense) and may be empowered to collect, or 'deduct' income for the sole purposes of net investment and redistribution of income. Public goods and international transfers are not taken into account.

3.1. Technology and resources

The technology of the economy is expressed by the following three aggregate ratios, embodying an assumption of fixed coefficients:

$$(A1) \quad v = \frac{K}{Y} \quad (\text{the capital-output ratio})$$

$$(A2) \quad q = \frac{Y}{L} \quad (\text{labour productivity})$$

The coefficient of capital intensity K/L , denoted by u is:

$$(T3) \quad u = \frac{K}{L} = qv \quad (\text{capital intensity}) \quad \text{from (1), (2)}$$

The stock of capital K and net output Y are measured in units of monetary value, each of which represents a fixed "labour content" $1/q$ regardless of how it is spent (the simplest labour theory of value). Labour L is measured in units expressing the average available time per person per year (say: 6000 hours). At the beginning of the year, the capital stock is fixed at \bar{K} units. Net output at full capacity-utilisation \bar{Y} then equals labour productivity, multiplied by the full-capacity demand for labour \bar{L} :

$$(T4) \quad \bar{Y} = \frac{\bar{K}}{v} = q\bar{L} \quad (\text{full capacity utilisation}) \quad \text{from (1), (2)}$$

The economy has n individual agents, m of which are disabled in regard to productive work (too young, old or handicapped). The remaining $n-m$ agents are the potential labour force, equipped with one unit of labour power

each. In the following text, disabled agents are indicated by the subscript h ($1, \dots, m$); potential workers by i ($m + 1, \dots, n$) and all agents by the subscript j ($1, \dots, n$). Denoting l_j as the amount of labour performed by an agent,

$$(A5) \quad l_h = 0 \quad (\text{disabled agents})$$

$$(A6) \quad 0 \leq l_i \leq 1 \quad (\text{potential workers})$$

Productivity of workers is uniform:

$$(A7) \quad Y = q \sum l_i \quad (\text{uniform productivity})$$

To ensure that stock can be fully utilized, the capacity demand for labour may not exceed $n-m$ units. This limits the size of the capital stock:

$$(R8) \quad \bar{K} = u \bar{L} \leq (n-m)u \quad (\text{upper limit of capital stock})$$

3.2. Disposable income, saving and consumption

As mentioned earlier, our discussion of standard exploitation in terms of net surplus labour requires a precise concept of disposable income, and its division into labour and non-labour income. I first assume that labour is rewarded at a uniform net wage rate w ($0 < w < q$) per unit of labour-time, either in employment or self-employment. Secondly, depending on the rules of the economy, agents may be legally entitled to a net non-labour income N_j ($N_j \geq 0$). This may consist of (after-tax) returns to private wealth, or state subsidies of various forms, for example unemployment, old-age, sickness and supplementary benefits, education allowances or unconditional grants, all of which are distributed in cash form. The sum of these constitutes the agent's disposable income, denoted by x_j .

$$(D9) \quad \sum x_j = w \sum l_j + \sum N_j \quad (\text{aggregate disposable income})$$

Next, saving and consumption is discussed in relation to disposable income. Assume that a fixed proportion (a) of national income is saved ($0 \leq a \leq q-w$). Total saving aY consists (1) of a proportion (a_1) of national income saved compulsorily, via State levies ($0 \leq a_1 \leq a$) and (2) of a proportion (a_2) of disposable income saved voluntarily ($0 \leq a_2 \leq a$). A purely capitalist economy would have $a_1 = 0$ and $a_2 = a$; a purely collectivist economy would have $a_1 = a$ and $a_2 = 0$. All savings are invested and all other income is consumed by individuals in the next period. Thus:

$$(A10) \quad \sum x_j = (1-a_1)Y \quad (\text{net individual claims on national income})$$

$$(A11) \quad Y = C + I \quad (\text{expenditure of national income})$$

$$(A12) \quad I = aY = a_1Y + a_2 \sum x_j \quad (\text{aggregate saving and investment})$$

$$(T13) \quad C = (1-a)Y = (1-a_2) \sum x_j \quad (\text{aggregate consumption})$$

from (10), (11), (12)

3.3. The subsistence constraint

So far, nothing in this economy guarantees that persons who become disabled or unemployed will survive. To deal with this question later on, a uniform level of subsistence income (b) is introduced. And I assume that subsistence is only guaranteed, when an agent's disposable income is at least equal to b . The economy is sufficiently productive to provide all agents the subsistence income, at full capacity utilisation:

$$(R14) \quad x_j \geq b \quad (\text{the subsistence constraint})$$

$$(A15) \quad \bar{Y}/n \geq b \quad (\text{productive potential of the economy; lower limit})$$

Requirement (14) implies that the security of agents with similar needs depends entirely on their legal entitlements to wage or non-wage income. Informal redistribution mechanisms, such as the family, are thus being ignored.

3.4. Labour supply

Potential workers maximize a utility function of the form:

$$(A16) \quad U_i = x_i^k (1-l_i)^{1-k} \quad (\text{utility function of potential workers}),$$

in which utility depends on disposable income x_i , and leisure-time $1-l_i$. The exponent k ($0 < k < 1$) indicates the share of disposable income; $1-k$ the share of leisure in utility. Since k is uniform, all workers have the same income-leisure preferences. Utility is maximized subject to the individual budget constraint (9) which, for given wage rate and non-labour income, depends on the amount of labour performed. The utility-maximizing labour supply is:

$$(T17) \quad l_{si} = k - (1-k) \frac{N_i}{w} \quad (\text{at } dU_i/dl_i = 0) \quad \text{from (9), (16)}$$

One may regard the parameter k as the 'pure propensity to work' (presumably related positively to the quality of labour), for if they receive only wage income, workers will offer exactly k units, whatever the wage rate may be. But then, labour supply behaviour according to (17) will be over-ridden by the subsistence constraint, if the pure propensity to work happens to fall short of the subsistence-wage ratio b/w . In such cases, agents are assumed to work as long as required to earn subsistence income:

$$(A18) \quad \text{for } N_j = 0 \text{ and } k < \frac{b}{w}, \quad l_{si} = \frac{b}{w}.$$

The capital stock \bar{K} will be fully utilized only if aggregate labour supply (L_s) is at least equal to the capacity demand for labour \bar{L} . I will return to this requirement in section 5.

Section 4 Exploitation as forced net surplus labour

In section 2, three definitions of exploitation were mentioned: extraction of gross surplus labour (Marx), net surplus labour (Roemer) and extraction of forced net surplus labour (my own proposal). This section presents these definitions in the language of the model. To facilitate comparison, the economy is assumed to be purely capitalist.

In archetypical capitalism, no compulsory income re-distribution or (State) saving takes place. All non-wage income is 'profit', shared out amongst the n agents in proportion to their (unequally distributed) private capital holdings K_j , according to the uniform rate of profit r :

$$(A19) \quad a_1 = 0 \quad (\text{no State saving})$$

Assuming that the capital stock is fully utilized:

$$(A20) \quad \sum N_j = r \sum K_j = r \bar{K} \quad (\text{profit income})$$

$$(T21) \quad r = \frac{q-w}{u} \quad (\text{rate of profit}) \quad \text{from (3), (9), (10), (19), (20)}$$

In the simplest theory of surplus value, the unit value of labour power is w/q and gross surplus labour, or 'unpaid labour' is the difference between labour performed by and labour 'paid' to the worker:

$$(D22) \quad l_i (1 - \frac{w}{q}) \geq 0 \quad (\text{gross surplus labour})$$

Gross surplus labour is Marx's criterion for measuring the exploitation of workers; the rate of surplus labour, denoted by e , is the ratio of 'unpaid' to 'paid' labour.

$$(D23) \quad e = \frac{1 - (w/q)}{w/q} = \frac{q-w}{w} \quad (\text{ratio of surplus labour})$$

An agent's profit income rK_j is equivalent to $\frac{q-w}{q} \cdot \frac{K_j}{u}$ units of labour, performed by workers in the current period. Thus, on Marx's definition, working agents are invariably exploited, being gross surplus labour performers. Capital-owning agents are always exploiting, being gross labour appropriators. Agents who are neither of these two may be called (exploitation-)neutral. Given the subsistence constraint, neutral agents must be disabled; if not, they would be exploited 'proletarians'. Thus:

$$(D24) \quad \left. \begin{array}{l} \text{exploited} \\ \text{an agent is neutral} \\ \text{exploiting} \end{array} \right\} \text{iff} \left\{ \begin{array}{l} l_i > 0 \\ l_h = K_h = 0 \\ K_j > 0 \end{array} \right. \quad (\text{Marx})$$

On Roemer's re-definition of Marxian exploitation, agents are classified as exploited, exploiting or neutral, depending on whether they perform or appropriate net surplus labour, or do neither of the two. Net surplus labour consists of the agent's gross surplus labour minus the value of his profit income; it thus may be positive, zero or negative. Stated otherwise, net surplus labour is the difference between the labour performed by an agent and the value of his disposable income:

$$(D25) \quad l_j - \frac{x_j}{q} \begin{matrix} > \\ = \\ < \end{matrix} 0 \quad (\text{net surplus labour})$$

Net surplus labour can also be expressed as follows:

$$(T26) \quad \frac{ew}{q} (l_j - \frac{K_j}{u}) \quad \text{from (9), (20), (21), (23), (25)}$$

This suggests an intuitive way of phrasing Roemer's definition: to check whether an agent happens to perform more, or less, labour than could be utilized on the capital stock he owns (at the prevailing capital-labour ratio). If he performs more, he will be a net surplus labour performer and therefore exploited; if he performs less, he is a net appropriator and therefore exploiting. Agents who happen to have $l_j = K_j/u$ will then be neutral. Phrased in this way, the Roemer definition of Marxian exploitation is:

$$(D27) \quad \begin{matrix} \text{exploited} \\ \text{an agent is neutral} \\ \text{exploiting} \end{matrix} \quad \text{iff} \quad l_j \begin{matrix} > \\ = \\ < \end{matrix} \frac{K_j}{u} \quad (\text{Roemer})$$

The definition clearly shows how the exploitation-status of potential workers depends on the amount of work they perform, hence (to a varying extent) on their income-leisure preferences. This partial dependence of exploitation-status on preferences can be eliminated, by further re-defining the exploited as agents who are forced to perform net surplus labour.

This notion needs to be formulated carefully. In a capitalist economy, where agents own their labour power, they can not be forced to work by legal means (at least not prior to entering a work contract). They will be under compulsion to work only through economic necessity, dictated by the need to subsist and the lack of 'independent means' (i.e. $rK_j \leq b$).

One might say that such agents are under compulsion to perform gross surplus labour. More restrictively, an agent will be said to be under compulsion to perform net surplus labour, if and only if the amount of work l_{bj} he needs to do in order to earn the subsistence income is larger than the value b/q of the subsistence income itself. If the agent is able to work, he will invariably perform surplus labour, being forced under the subsistence constraint. And this constitutes my notion of an exploited agent. Define:

$$(D28) \quad l_{bj} = \frac{b - N_j}{w} \quad (\text{minimum labour under the subsistence constraint})$$

By convention, $l_{bj} = 0$ whenever $N_j \geq b$.

$$(D29) \quad l_{bj} - \frac{b}{q} \stackrel{>}{\approx} 0 \quad (\text{net surplus labour under the subsistence constraint})$$

Since l_{bj} is a counterfactual, agents with $l_{bj} > \frac{b}{q}$ are under compulsion, but not necessarily forced, to perform net surplus labour. They may not have the capacity to work, in which case no surplus whatsoever can be extracted from them. Thus, being under compulsion in the specified sense indicates the agent's vulnerability to exploitation, not the fact of exploitation itself. And therefore:

$$(D30) \quad \text{an agent is exploited under the subsistence constraint iff} \\ l_i > 0 \text{ and } l_{bi} > \frac{b}{q}$$

In the general case, agents may also be subject to effective legal or political constraints, for instance a compulsory labour minimum ($l_i(\text{min})$). If such a minimum restricts the agent's choices more than does the subsistence constraint ($l_i(\text{min}) > l_{bi}$), the second condition in the definition will have to be: $l_i(\text{min}) > \frac{x_i}{q}$, where $x_i = wl_i(\text{min}) + N_i$. The agent will then be forced to perform net surplus labour at a higher level of income than subsistence. In what follows, I shall mainly discuss situations in which the subsistence constraint is the relevant one for defining exploited agents.

In a pure capitalist economy, an agent will be vulnerable to exploitation if and only if the income generated by the use of his capital (i.e. K_j/v) falls short of the subsistence income. And in the general case,

vulnerability to exploitation depends on the agent's (net) non-wage income and the (net) wage rate:

$$(T31) \quad l_{bj} > \frac{b}{q} \quad \text{iff} \quad \begin{cases} K_j < vb & \text{(capitalism)} \\ N_j < \frac{q-w}{q} b & \text{(general case)} \end{cases} \quad \text{from (3),(21),(28)}$$

As mentioned earlier, both Marx's and Roemer's definitions classify disabled appropriators (however small their incomes might be) as exploiters, together with the idle rich, who may simply refuse to use their productive capacities. I consider this a disadvantage. Intuitively, it does not make sense to consider handicapped or unemployed workers, or aged persons living off small savings, as exploiters. And this is not (merely) because the entitlement to such non-wage incomes may be grounded in the agent's past labour performance, for there are many cases (supplementary benefits, small inheritances) in which the currently disabled can make no such claim. The source of unease, I believe, is the involuntary nature of net surplus labour appropriation. Especially if $N_h < b$, the exploiting agent would much rather be exploited, and would be, but for his disability to work. This problem may be solved, however, without fuzzifying the surplus labour-calculus of exploitation, by counterfactualizing the exploiter-status so that it becomes independent of the agent's actual working capacity. Thus, exploiters are those who would still be net appropriators of surplus labour, if, contrary to fact, they were to perform one full unit of labour. That is to say:

$$(D32) \quad \text{an agent is exploiting iff } 1 - \frac{w+N_j}{q} < 0, \text{ i.e.: } N_j > q-w.$$

Under pure capitalism, the condition for being an exploiter can be expressed in terms of capital holdings only:

$$(T33) \quad N_j > q-w \quad \text{iff} \quad K_j > u \quad \text{from (20),(21)}$$

To complete our definitional exercise, exploitation-neutrality is the joint negation of exploited and exploiting statuses. The non-wage incomes (in the general case) or capital holdings (in the pure capitalist case) of neutral agents lie within definite boundaries:

$$(T34) \quad \text{an agent is neutral iff } \begin{cases} vb \leq K_j \leq u & (\text{capitalism}) \\ \frac{q-w}{q} \cdot b \leq N_j \leq q-w & (\text{general case}) \end{cases}$$

from (30),(31),(32),(33),(34)

It will be useful to have a measure of agents' exploitation (or vulnerability to exploitation). I shall regard the ratio of net surplus labour under the subsistence constraint (29) to the value of the subsistence income as such:

$$(D35) \quad e_{bj} = \frac{l_{bj} - \frac{b}{q}}{\frac{b}{q}} \begin{matrix} > \\ < \end{matrix} 0 \quad (\text{rate of vulnerability to exploitation})$$

This measure bears a definite relation to Marx's rate of gross surplus labour:

$$(T36) \quad e_{bj} = \frac{q-w}{w} - \frac{q}{w} \frac{N_j}{b} = e - (1+e) \frac{N_j}{b} \quad \text{from (23),(28),(36)}$$

Note that e_{bj} does not (but e_{bi} does) measure the degree of actual exploitation, due to the counterfactual nature of l_{bj} . Agents will be exploited if $e_{bi} > 0$ (maximal value: e , with $N_i = 0$) and non-exploited if $e_{bi} \leq 0$. Those with $e_{bi} \leq -1$ are not under economic compulsion to work, since $N_i \geq b$.

Finally, a distributive state $(w, \{N_j\})$ of the economy is exploitative if it contains exploiting or exploited agents, non-exploitative if it contains only neutral agents.

Section 5 Exploitation and socialist ethics

The normative question addressed in this paper is: should Marxian exploitation, defined as the extraction of forced net surplus labour, be abolished, if one subscribes to a socialist ethic which is capable of realisation without violating minimal requirements of economic efficiency? In this section I