

Errata for Volume 35 of Karl Marx, Frederick Engels: Collected Works (Capital, Volume 1)

Introduction to the Errata

Volume 35 of *Karl Marx, Frederick Engels: Collected Works* published in 1996 by the Progress Publishing Group (Moscow), Lawrence and Wishart (London), and International Publishers (New York) contains Volume I of *Capital* by Karl Marx. These Errata to this volume are being made available with the permission of the Lawrence & Wishart.

As stated in the publishers' preface on page xiii, the text of the volume (apart from the prefaces) is based on the first English edition of *Capital*, volume I, prepared by Frederick Engels and published in 1887; it includes Engels' addenda to the fourth German edition (1890). Two multipage addenda by Engels, however, were omitted inadvertently, since the page numbers where they should have been inserted are given in brackets on page 37 in Engels' discussion of the addenda in his "Preface to the Fourth German Edition." These Errata are intended to restore the completeness of the work.

The English texts for these two addenda are taken from the *Capital*, Volume I, (Moscow: Progress Publishers, 1935, pages 584–587 and 626–628). Following the practice of the *Collected Works*, hyphens in noun-form phrases like surplus-value and prefixed words like pre-suppose have been dropped. The practice of the *Collected Works* in using block quotes for long quotations has been followed instead of the run-in quotes in the 1887 English edition. Also included in these Errata are two instances of corrections to page numbers cross-referenced in the present volume.

Page 37, 2nd paragraph, 3rd line. In the sentence beginning with "They will be found" replace 494 by 495, replace 582–583 by erratum for page 583, replace 621–622 by erratum for pages 621–622, and replace 624 by 625.

Page 519, note 2. Replace 300–302 by 321–324.

Page 583. After the paragraph ending with "identity" add the following passage:

Therefore,^a however much the capitalist mode of appropriation may seem to fly in the face of the original laws of

commodity production, it nevertheless arises, not from a violation, but, on the contrary, from the application of these laws. Let us make this clear once more by briefly reviewing the consecutive phases of motion whose culminating point is capitalist accumulation.

We saw, in the first place, that the original conversion of a sum of values into capital was achieved in complete accordance with the laws of exchange. One party to the contract sells his labour power, the other buys it. The former receives the value of his commodity, whose use value—labour—is thereby alienated to the buyer. Means of production which already belong to the latter are then transformed by him, with the aid of labour equally belonging to him, into a new product which is likewise lawfully his.

The value of this product includes: first, the value of the used-up means of production. Useful labour cannot consume these means of production without transferring their value to the new product, but, to be salable, labour power must be capable of supplying useful labour in the branch of industry in which it is to be employed.

The value of the new product further includes: the equivalent of the value of the labour power together with a surplus value. This is so because the value of the labour power—sold for a definite length of time, say a day, a week, etc.—is less than the value created by its use during that time. But the worker has received payment for the exchange value of his labour power and by so doing has alienated its use value—this being the case in every sale and purchase.

The fact that this particular commodity, labour power, possesses the peculiar use value of supplying labour, and therefore of creating value, cannot affect the general law of commodity production. If, therefore, the magnitude of value advanced in wages is not merely found again in the product, but is found there augmented by a surplus value, this is not because the seller has been defrauded, for he has really received the value of his commodity; it is due solely to the fact that this commodity has been used up by the buyer.

The law of exchange requires equality only between the exchange values of the commodities given in exchange for one another. From the very outset it presupposes even a difference between their use values and it has nothing whatever to do with

their consumption, which only begins after the deal is closed and executed.

Thus the original conversion of money into capital is achieved in the most exact accordance with the economic laws of commodity production and with the right of property derived from them. Nevertheless, its result is:

- (1) that the product belongs to the capitalist and not to the worker;
- (2) that the value of this product includes, besides the value of the capital advanced, a surplus value which costs the worker labour but the capitalist nothing, and which none the less becomes the legitimate property of the capitalist;
- (3) that the worker has retained his labour power and can sell it anew if he can find a buyer.

Simple reproduction is only the periodical repetition of this first operation; each time money is converted afresh into capital. Thus the law is not broken; on the contrary, it is merely enabled to operate continuously. "Several successive acts of exchange have only made the last represent the first" (Sismondi, *Nouveaux Principes, etc.*, p. 70).

And yet we have seen that simple reproduction suffices to stamp this first operation, in so far as it is conceived as an isolated process, with a totally changed character.

"Of those who share the national income among themselves, the one side (the workers) acquire every year a fresh right to their share by fresh work; the others (the capitalists) have already acquired, by work done originally, a permanent right to their share" (Sismondi, l.c., pp. [110]111).

It is indeed notorious that the sphere of labour is not the only one in which primogeniture works miracles.

Nor does it matter if simple reproduction is replaced by reproduction on an extended scale, by accumulation. In the former case the capitalist squanders the whole surplus value in dissipation, in the latter he demonstrates his bourgeois virtue by consuming only a portion of it and converting the rest into money.

The surplus value is his property; it has never belonged to anyone else. If he advances it for the purposes of production, the advances made come from his own funds, exactly as on the day when he first entered the market. The fact that on this

occasion the funds are derived from the unpaid labour of his workers makes absolutely no difference. If worker B is paid out of the surplus value which worker A produced, then, in the first place, A furnished that surplus value without having the just price of his commodity cut by a halfpenny, and, in the second place, the transaction is no concern of B's whatever. What B claims, and has a right to claim, is that the capitalist should pay him the value of his labour power. "Both were still gainers: the worker because he was advanced the fruits of his labour" (should read: of the unpaid labour of other workers) "before the work was done" (should read: before his own labour had borne fruit); "the employer (*le maître*), because the labour of this worker was worth more than his wages" (should read: produced more value than the value of his wages). (Sismondi, l.c., p. 135.)

To be sure, the matter looks quite different if we consider capitalist production in the uninterrupted flow of its renewal, and if, in place of the individual capitalist and the individual worker, we view them in their totality, the capitalist class and the working class confronting each other. But in so doing we should be applying standards entirely foreign to commodity production.

Only buyer and seller, mutually independent, face each other in commodity production. The relations between them cease on the day when the term stipulated in the contract they concluded expires. If the transaction is repeated, it is repeated as the result of a new agreement which has nothing to do with the previous one and which only by chance brings the same seller together again with the same buyer.

If, therefore, commodity production, or one of its associated processes, is to be judged according to its own economic laws, we must consider each act of exchange by itself, apart from any connexion with the act of exchange preceding it and that following it. And since sales and purchases are negotiated solely between particular individuals, it is not admissible to seek here for relations between whole social classes.

However long a series of periodical reproductions and preceding accumulations the capital functioning today may have passed through, it always preserves its original virginity. So long as the laws of exchange are observed in every single

act of exchange the mode of appropriation can be completely revolutionised without in any way affecting the property rights which correspond to commodity production. These same rights remain in force both at the outset, when the product belongs to its producer, who, exchanging equivalent for equivalent, can enrich himself only by his own labour, and also in the period of capitalism, when social wealth becomes to an ever-increasing degree the property of those who are in a position to appropriate continually and ever afresh the unpaid labour of others.

This result becomes inevitable from the moment there is a free sale, by the labourer himself, of labour power as a commodity. But it is also only from then onwards that commodity production is generalised and becomes the typical form of production; it is only from then onwards that, from the first, every product is produced for sale and all wealth produced goes through the sphere of circulation. Only when and where wage labour is its basis does commodity production impose itself upon society as a whole; but only then and there also does it unfold all its hidden potentialities. To say that the supervision of wage labour adulterates commodity production is to say that commodity production must not develop if it is to remain unadulterated. To the extent that commodity production, in accordance with its own inherent laws, develops further, into capitalist production, the property laws of commodity production change into the laws of capitalist appropriation.¹

¹ We may well, therefore, feel astonished at the cleverness of Proudhon, who would abolish capitalistic property by enforcing the eternal laws of property that are based on commodity production!

^a The following passage (to page 5 of the Errata “laws of capitalist appropriation”) has been added to the English text in conformity with the 4th German edition.

Pages 621–622. Replace the text from “credit system” on third line from bottom of page 621 to the end of the last full paragraph on page 622 (ending with “metamorphosis of old capital.”) with the following passage:

credit system,^b which in its first stages furtively creeps in as the humble assistant of accumulation, drawing into the hands

of individual or associated capitalists, by invisible threads, the money resources which lie scattered, over the surface of society, in larger or smaller amounts; but it soon becomes a new and terrible weapon in the battle of competition and is finally transformed into an enormous social mechanism for the centralisation of capitals.

Commensurately with the development of capitalist production and accumulation there develop the two most powerful levers of centralisation—competition and credit. At the same time the progress of accumulation increases the material amenable to centralisation, *i.e.*, the individual capitals, whilst the expansion of capitalist production creates, on the one hand, the social want, and, on the other, the technical means necessary for those immense industrial undertakings which require a previous centralisation of capital for their accomplishment. Today, therefore, the force of attraction, drawing together individual capitals, and the tendency to centralisation are stronger than ever before.

But if the relative extension and energy of the movement towards centralisation is determined, in a certain degree, by the magnitude of capitalist wealth and superiority of economic mechanism already attained, progress in centralisation does not in any way depend upon a positive growth in the magnitude of social capital. And this is the specific difference between centralisation and concentration, the latter being only another name for reproduction on an extended scale. Centralisation may result from a mere change in the distribution of capitals already existing, from a simple alteration in the quantitative grouping of the component parts of social capital. Here capital can grow into powerful masses in a single hand because there it has been withdrawn from many individual hands. In any given branch of industry centralisation would reach its extreme limit if all the individual capitals invested in it were fused into a single capital.¹⁾ In a given society the limit would be reached only when the entire social capital was united in the hands of either a single capitalist or a single capitalist company.

Centralisation completes the work of accumulation by enabling industrial capitalists to extend the scale of their operations. Whether this latter result is the consequence of accumulation or centralisation, whether centralisation is

accomplished by the violent method of annexation—when certain capitals become such preponderant centres of attraction for others that they shatter the individual cohesion of the latter and then draw the separate fragments to themselves—or whether the fusion of a number of capitals already formed or in process of formation takes place by the smoother process of organising joint-stock companies—the economic effect remains the same. Everywhere the increased scale of industrial establishments is the starting point for a more comprehensive organisation of the collective work of many, for a wider development of their material motive forces—in other words, for the progressive transformation of isolated processes of production, carried on by customary methods, into processes of production socially combined and scientifically arranged.

But accumulation, the gradual increase of capital by reproduction as it passes from the circular to the spiral form, is clearly a very slow procedure compared with centralisation, which has only to change the quantitative groupings of the constituent parts of social capital. The world would still be without railways if it had had to wait until accumulation had got a few individual capitals far enough to be adequate for the construction of a railway. Centralisation, on the contrary, accomplished this in the twinkling of an eye, by means of joint-stock companies. And whilst centralisation thus intensifies and accelerates the effects of accumulation, it simultaneously extends and speeds those revolutions in the technical composition of capital which raise its constant portion at the expense of its variable portion, thus diminishing the relative demand for labour.

The masses of capital fused together overnight by centralisation reproduce and multiply as the others do, only more rapidly, thereby becoming new and powerful levers in social accumulation. Therefore, when we speak of the progress of social accumulation we tacitly include—today—the effects of centralisation.

The additional capitals formed in the normal course of accumulation (see Chapter XXIV, Section 1) serve particularly as vehicles for the exploitation of new inventions and discoveries, and industrial improvements in general. But in time the old capital also reaches the moment of renewal

from top to toe, when it sheds its skin and is reborn like the others in a perfected technical form, in which a smaller quantity of labour will suffice to set in motion a larger quantity of machinery and raw materials. The absolute reduction in the demand for labour which necessarily follows from this is obviously so much the greater, the higher the degree in which the capitals undergoing this process of renewal are already massed together by virtue of the centralisation movement.

¹⁾ [*Note in the 4th German edition.*—The latest English and American “trusts” are already striving to attain this goal by attempting to unite at least all the large-scale concerns in one branch of industry into one great joint-stock company with a practical monopoly.—*F. E.*]

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^b Here (from “which in its first stages” to p. 7 of the Errata “centralisation movement”) the English text has been altered in conformity with the 4th German edition.

Page 621. Note b is replaced by note b in the preceding erratum.

End of Errata.