

Soviet economists discuss political economy textbook

(Concluded from last issue)

PROFESSOR V. KATZ attacked the point of view that there is no need to elaborate basic economic laws. The question as to whether one can or should speak about a basic economic law at all—especially since we have managed quite well without it until recently—is a false one, for it misses the essence of the matter. What is being discussed is not a matter of description, but the fact that we seek to find, for every social formation, one out of the totality of categories which acts as the determining one, that which embodies the essence of the formation as a whole. And this is precisely the basic economic law, as we define it. Lenin remarked that the theory of surplus value is the cornerstone of the economic teachings of Karl Marx. What else is this but a formulation of the basic law? The view that Stalin was the first and only one to formulate the basic law is therefore incorrect. Of course, each law only explains one side of the essence. Nevertheless, in spite of this, there is one law around which the whole system regulates itself, one which combines all other categories into a single unity, namely, the basic economic law.

Professor Katz declared that in order to answer the question as to whether or not the means of production are commodities under socialism, it is first of all necessary to determine what are the features which give the character of a commodity to any product of labour. We have usually regarded as the sole criterion the exchange of goods, the passing of the product of labour from one owner to another. Although this is an essential description it is insufficient for a definition of a commodity in the economic sense of the term. The addition of a whole number of other features is required.

Professor Katz listed the following attributes which go to make up a commodity: (1) Change of ownership, (2) sale of the product to a third person, i.e. the sale of a product produced in one undertaking to another undertaking for use (this expresses the social division of labour), and (3) obligation to make a return payment (compensation, recompense) making the transaction one of

equal values. The commodity in the fullest sense of the term must fulfil all these conditions. If the means of production under socialism are considered from this standpoint, then it at once becomes clear that the first feature no longer applies, for the movement is not accompanied by a change of ownership but proceeds within one and the same form of social ownership. From this, however, we must not conclude that the means of production, having lost one essential feature, are no longer commodities at all. They still retain the other attributes, they still have value and are not disposed of for nothing, but for a definite exchange value, a process which is an objective necessity under socialism. Consequently the means of production have not finally ceased to be commodities, a state of affairs which is of great importance for the unity of the whole reproduction process.

T. Mansilya was critical of the chapter in the textbook which discussed the law of absolute impoverishment. A Marxist can have no doubt that such a law exists under capitalism but one should not make the mistake of dealing with the problem in a schematic way. What is required here is detailed, comprehensive investigation. Above all one should not work on the basis of facts and figures of the last century, but deal with the most recent information. Thus one cannot simply maintain that the real wages of the workers decline consistently under capitalism. What would follow from such an approach is that wages are ultimately reduced to nothing—which entirely contradicts reality. Similarly, one cannot just flatly affirm that the French worker today consumes less bread than his predecessor of a century ago. What we have to do is to show how the forms of absolute impoverishment change under imperialism. In this connection special attention has to be given to the intensification of labour because that is the most important factor influencing the development of absolute impoverishment. And here, economic investigation must be undertaken, authentic facts and figures

must be found which show how the intensification of labour is increasing, thereby worsening the condition of the working people.

Professor N. A. Zagolov considered that the textbook gave the student only a poor idea of the essence of monopoly under imperialism. The concept *monopoly* is used indiscriminately in connection with feudalism and with absolute and differential rent without any further explanation.

It is necessary to make a sharp distinction between monopoly in pre-capitalist modes of production, in pre-monopoly capitalism and in imperialism.

One of the main problems requiring our attention is that of the impoverishment of the working class. Marx occupied himself with this question a very great deal and gave us a moving picture of the impoverishment of the masses under capitalism. Nevertheless, all laws of capitalism operate in a chaotic and spontaneous fashion. In the textbook it stated: "the *relative impoverishment* of the proletariat means that in bourgeois society the working classes' share of the total national income *steadily* decreases while at the same time the share of the exploiting class steadily grows." How can one affirm that under capitalism laws work *steadily*, have a *constant* character? We are not Proudhonists or Lassalleans who deny economic importance to the struggle of the working class. As Marx pointed out, the working class under capitalism can influence not so much the causes of its poverty, but it can mostly influence the consequences. The strength of the working class is a factor which, in certain periods, operates to improve somewhat the condition of the working class. In this regard Lenin wrote: "Marx wrote about the increase of poverty, the driving down of the working class etc., but he also drew attention to the counteracting tendencies and to the real social forces which alone are able to give rise to this tendency. Marx's words about the increase in poverty are confirmed fully and completely by the facts. From this we see that capitalism really has a tendency to produce and to extend poverty, a poverty of gigantic proportions wherever the above-mentioned counteracting forces are absent." (Lenin, *Works*, Vol. IV, Russian edition).

In view of these remarks by the classic founders of Marxism-Leninism the formulations in the textbook should not remain so rigid and inflexible.

Academician Ostrovitianov thanked those present and promised, in his concluding remarks, on behalf of the group of authors responsible for the textbook, to give the most careful attention to all the critical remarks and suggestions for improvement made in the course of the discussion.

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