

Thesis Paper: Introduction to the Critique of Capitalism

Thesis 1: Property and Exchange; The Fundamentals of Capitalism

Under capitalism, all things exist as private property. On the one hand, private individuals have the power of disposal over the things they own, which means that they can exclude everyone else from them. Property is therefore not a relationship between a person and a thing, but a social relationship between different wills. As a result, people are initially excluded from the things they need to satisfy their needs. So they have to exchange.

In an exchange, two people relate to each other as owners. Herein lies a contradiction. They want to get hold of someone else's property and have to give up their own in return. They use what they own as leverage to get what they really want from others. The legal form of exchange is the contract.

Thesis 2: Making Money as the Purpose of Production

Money is the universal power of access to social wealth. Its quality is the ability to be exchanged for anything. It is the means by which one can acquire objects of desire. Because one is separated from them by property, one must acquire money.

Useful things are not produced to satisfy needs, but to be exchanged for money. They are commodities. Their purpose is to be sold for more than their cost of production, i.e. to make a profit. There is no limit to this purpose.

Thesis 3: The Division of Society into Classes

Whether you already have money or not determines your ability to earn money. If you don't have money, you need someone who has enough to pay you for working. On the other hand, if you have enough money, you can have people work for you to increase your money. It becomes capital. In this way, society is divided into two classes by property: the bourgeoisie and the proletariat.

The bourgeoisie uses the power of access inherent in its money to buy the means of production necessary to produce commodities: resources, machines and labour-power. Through its ownership of the means of production, it gains command over the production process. What, when, where, how and how many commodities are produced is their decision.

Workers are free in a double sense: they are politically free, i.e. they can freely choose to work. They are also free, i.e. excluded, from the means of satisfying their needs and from the means of their production. Their freedom becomes an economic obligation to earn money. Therefore, they have to sell the only commodity they own that is marketable: their labour-power.

Thesis 4: Wage-Labour Is Always Exploitation

Wage is the price of the commodity labour-power. By paying it, the capitalist buys the temporary disposal of the worker's labour power and uses it by having him work. A part of his working time the worker reproduces the value of his labour-power, everything above that is surplus labour, appropriated by the capitalist. That is to say, the worker creates a higher value than that of his labour power and thus surplus value for the capitalist. That is why wage-labour is always exploitation.

The capitalists have an interest in lowering wages because they reduce their profits. The workers, on the other hand, have an interest in higher wages because they are their material condition of existence. The capitalists also seek the maximum expenditure of labour-power in order to increase their

profits, which results in greater intensity and longer working time for the workers. The classes are in contradiction to each other.

Thesis 5: The Competition between Capitalists

Capitalists pursue the accumulation of their wealth against each other. As sellers of their commodities, they compete over the limited ability to pay of those who buy their products. They do this across all industries. In this competition there are inevitably winners and losers. The capitalist's interest in profit thereby becomes a practical constraint.

The primary means for them to prevail in this competition is to lower the prices of their products and thereby sell more than the competition. To do this, they must produce more profitably than others, i.e. they must exploit more effectively.

Thesis 6: Technological Progress as a Means of Competition

Since the cost of wages always reduces the capitalist's profit, he tries to lower it. He does this by lowering wages directly and indirectly by increasing the productivity of his capital. Therefore, technological progress becomes a means of reducing the unit wage cost, i.e. producing more commodities in the same working time and thus reducing the quantity of labour in each individual commodity. In this way he makes the products cheaper and is able to undercut his competitors and secure his market share.

In doing so, he makes workers obsolete. Those who are unemployed become part of the industrial "reserve army" that capital is able to make use of at any time when it needs them. This leads to increased competition among the workers themselves, which lowers wage levels. The workers who are still needed don't experience any relief in their daily work.

Thesis 7: Overproduction; The Cause of Recurrent Crisis

The individual capitalist produces his commodities without coordination, for a market in which it only becomes clear afterwards whether the production was socially necessary in the first place. Since a reduction in unit wage costs also reduces the profit margin, and since the capitalists want to compensate for this by selling more commodities, it regularly happens that more commodities are produced than can be sold profitably. The capitalists are left with their unsold products. Some of them go bankrupt, taking others down with them. When this happens to too many, the result is a "crisis". The consequences are a stop to production, the dismissal of workers, the destruction of goods that have become valueless. Then the ability of buyers to buy collapses and even fewer commodities are being sold.

Thesis 8: The Necessity of State Power and Its Destruction

wards communism.

If you want to abolish capitalism and put an end to an economy in which all individuals pursue their interests against each other and everyone finds his advantage in damaging others, in which primarily one class is exploited and excluded from the means of satisfying its needs and from the means of their production, you have to expropriate the bourgeoisie and build an economy which has the purpose of satisfying the needs of all. The technological conditions for this have long been created. For this to happen, the bourgeois state must be abolished, which uses its law and power to manage the contradictions arising from capitalist production, in particular by guaranteeing and enforcing property and thus making exploitation possible. The dictatorship of the bourgeoisie must be destroyed and the dictatorship of the proletariat, socialism, must be established as a necessary step to-

Karl Marx:
The Capital, Volume I.
Value, Price and Profit.

Literature:

Wage-Labor and Capital.