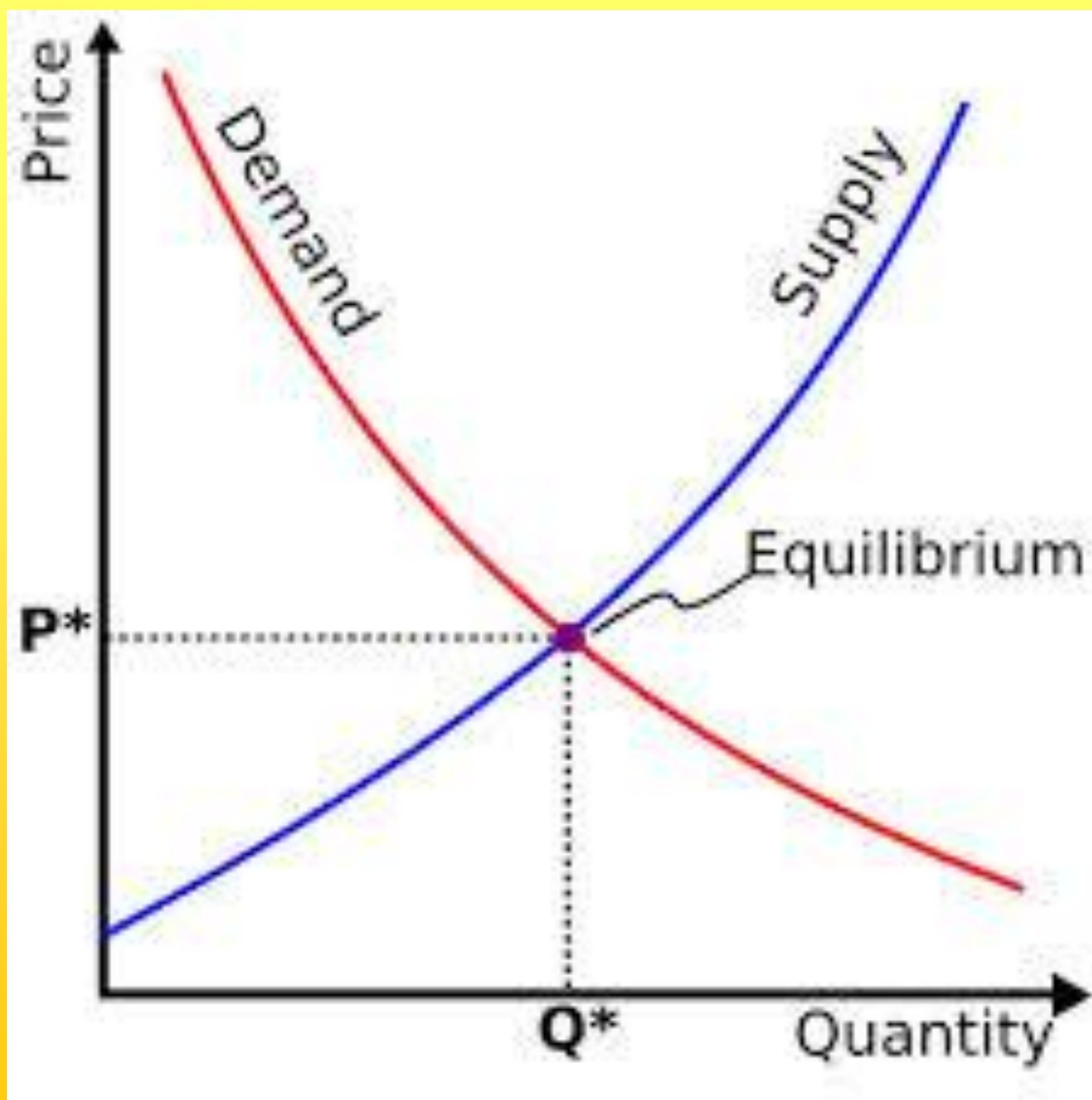


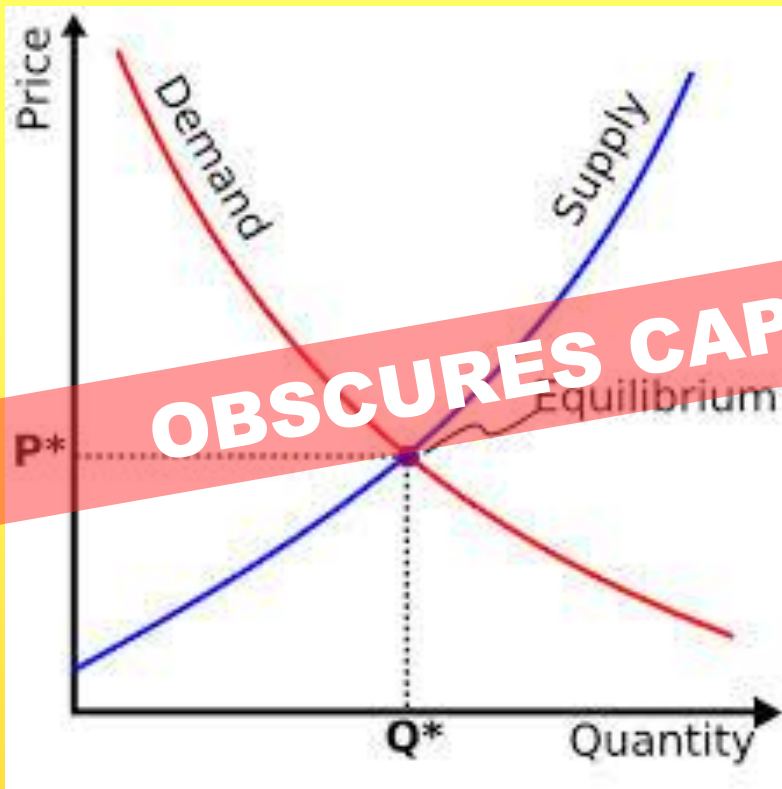
INTRODUCTION TO MARXISM #3

UNDERSTANDING CAPITALISM

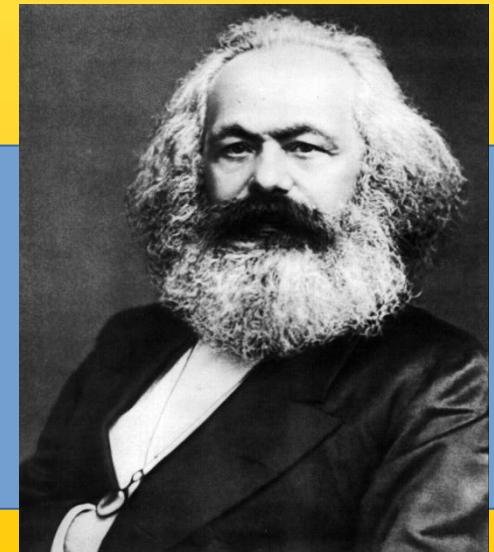
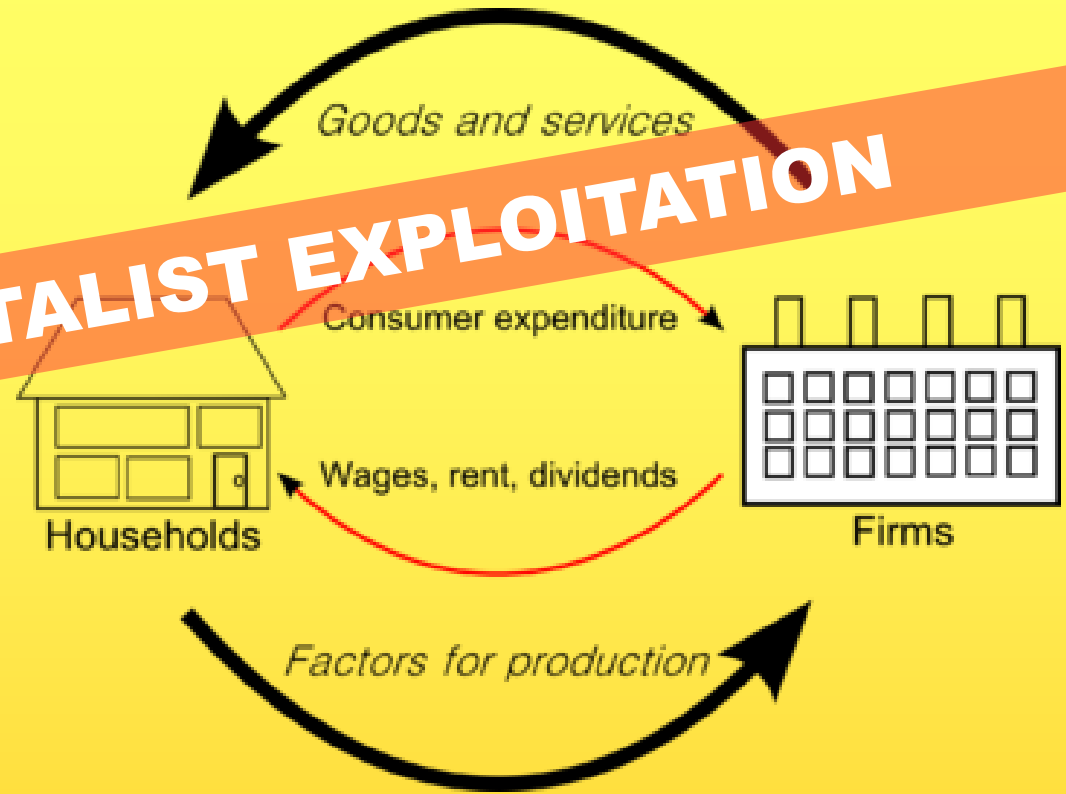
TELL ME ABOUT
MARXIST
ECONOMICS







OBSCURES CAPITALIST EXPLOITATION



COMMODITIES

Something
produced
in order
to be
exchanged

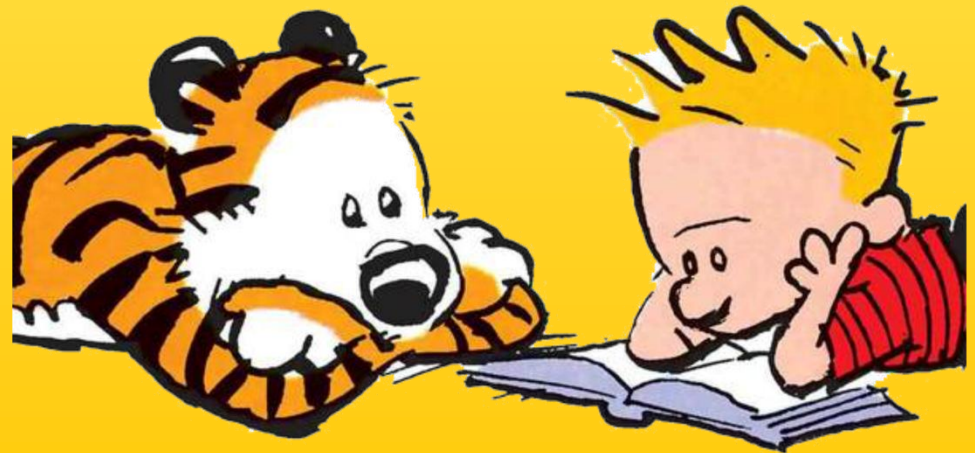
SO WHAT
IS A
COMMODITY?



COMMODITIES

- .use value
- .exchange value
- value

SO WHAT
IS A
COMMODITY?



VALUE



Labour theory of value

Law of value



Capitalism:

**Generalised
commodity production**

Basic commodity exchange:

$$C - M - C$$

Capitalism:

$$M - C - M'$$
$$(M' = M + \Delta M)$$

What is the source of ΔM ?

Generalised commodity production



**This implies:
Labour power
has become a
commodity**

- . use value**
- . exchange value**

SURPLUS VALUE

↑
**LENGTH
OF WORK
DAY**
↓



SURPLUS VALUE

SURPLUS
LABOUR

LENGTH
OF WORK
DAY

NECESSARY
LABOUR

**CAPITALIST
PROFITS
COME FROM
WORKER'S
LABOUR**





SURPLUS VALUE

SURPLUS
LABOUR

ABSOLUTE
SURPLUS
VALUE

NECESSARY
LABOUR



SURPLUS VALUE

**SURPLUS
LABOUR**

**RELATIVE
SURPLUS
VALUE**



**NECESSARY
LABOUR**



$$C + V + S$$



CONSTANT CAPITAL

(raw materials &
machines)



**VARIABLE
CAPITAL**

(wages)



**SURPLUS
VALUE**

(profit)

ORGANIC COMPOSITION OF CAPITAL



.The proportion of capital invested in raw materials and machines

$$C + V + S$$



CONSTANT CAPITAL

(raw materials &
machines)



**VARIABLE
CAPITAL**

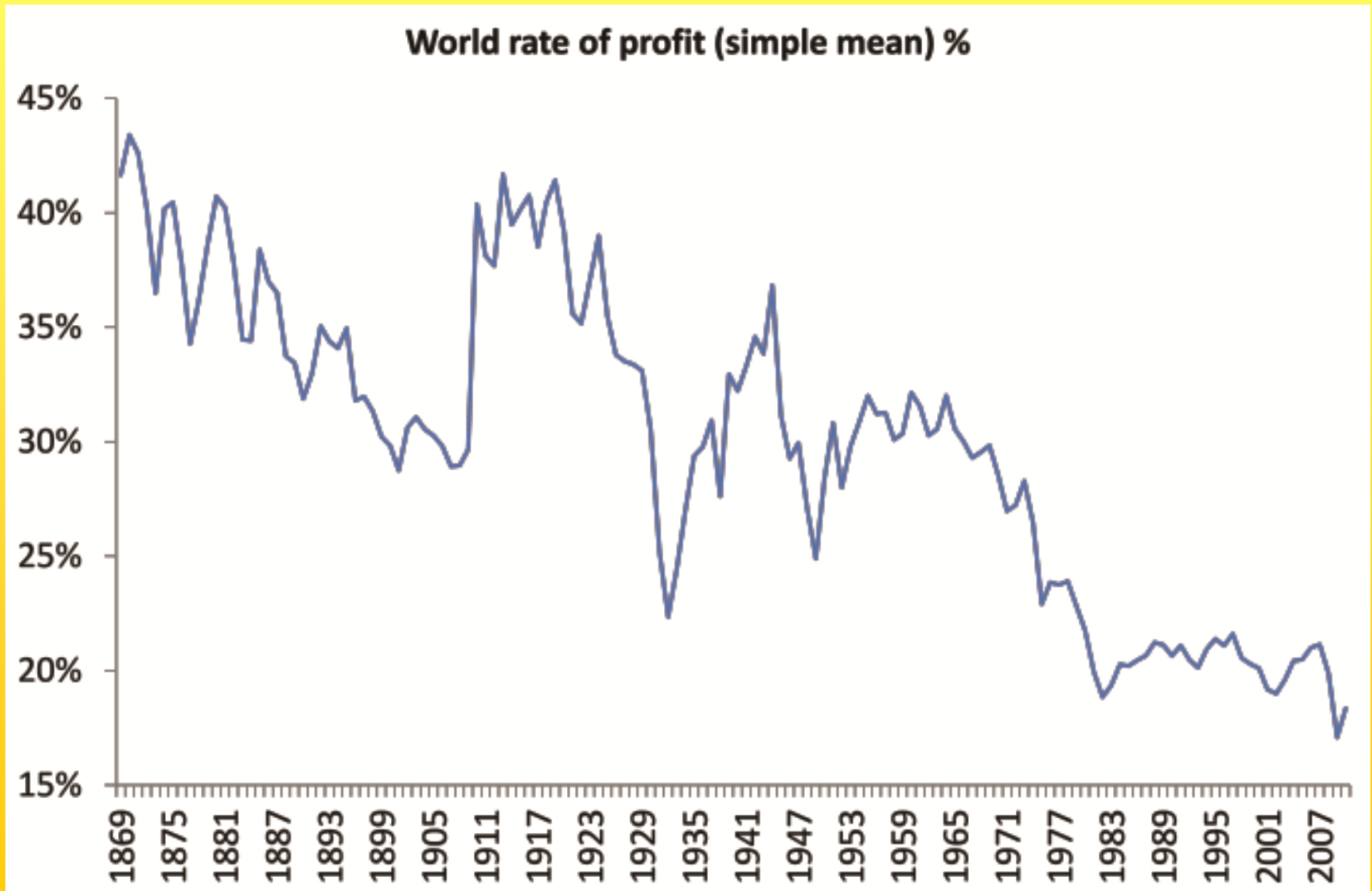
(wages)



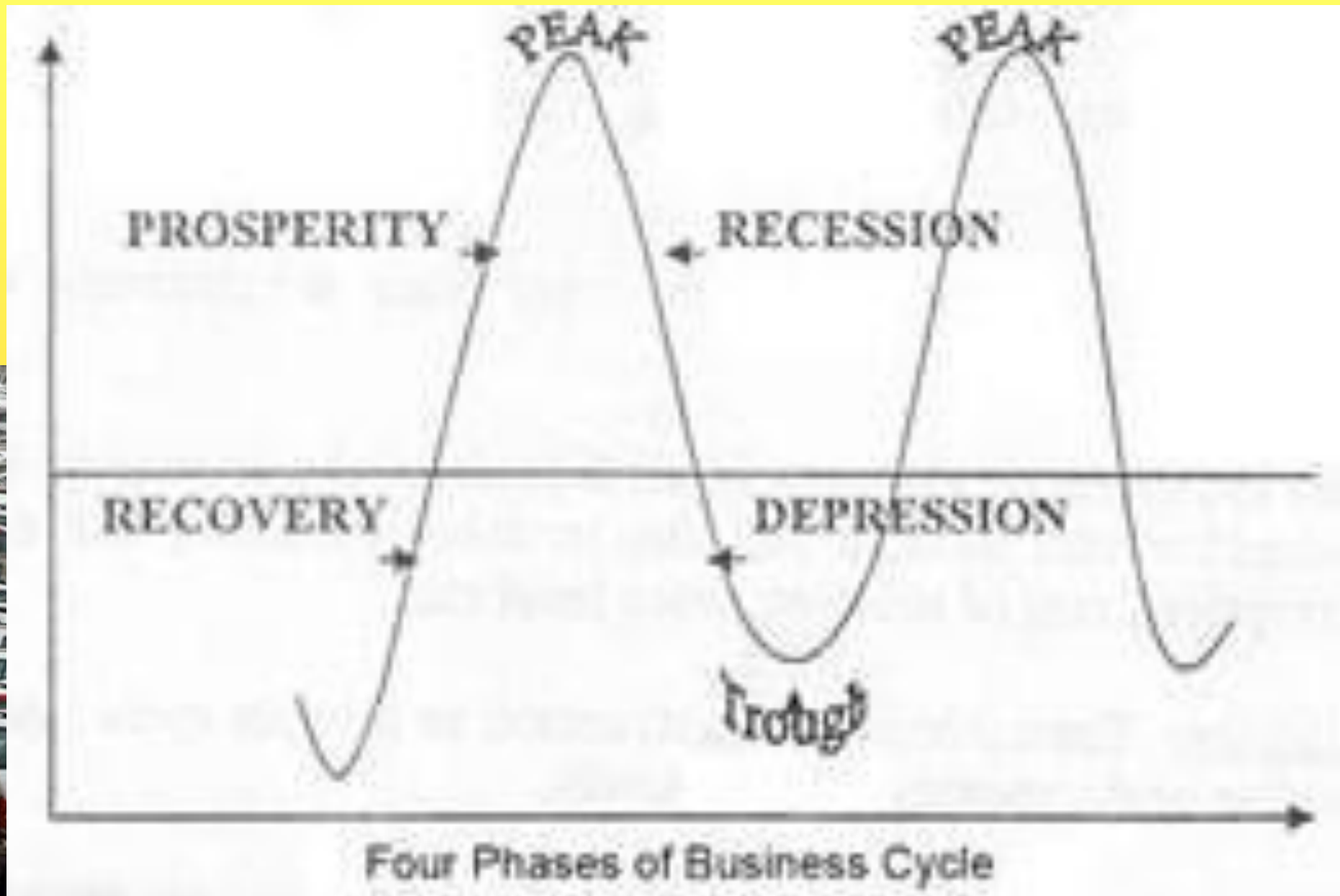
**SURPLUS
VALUE**

(profit)

TENDENCY OF RATE OF PROFIT TO FALL



CRISIS OF OVERPRODUCTION



COMPETITION LEADS TO MONOPOLY



CONTRADICTIONS OF CAPITALISM

Private production > Private Ownership

Social production > ~~Private~~ Ownership

SOCIAL

