

Marx's anti-neoclassicist views on labour exchange: another possibility of the labour power–labour distinction implied in his drafts

This paper reappraises Karl Marx's views on labour exchange. In doing so, it elucidates their present-day significance, in memory of the 200th anniversary of his birth. Marx's theory of surplus value constitutes the nucleus of his economic doctrine. It was formed through his inheritance and criticism of classical economics. On the other hand, Marx died knowing little about neoclassical economics. We might guess that even if Marx had known about neoclassical economics, he would have rejected it flatly as 'vulgar economics'. However, the neoclassical school dominates today's economic academe. Thus, to distinguish Marx as an economic thinker of present-day significance, it is necessary to find in his work arguments that could afford a forceful anti-neoclassical perspective. This paper sheds light on Marx's descriptions in his pre-Capital drafts since the Grundrisse (1857–8). In them, Marx highlighted capitalistic worker's subjectivity towards labour performance that her/his control of her/his own labour capacity allows, in sharp contrast to slave and serf. Marx also emphasised that this autonomy is suppressed by capitalist rule. Marx's arguments here amounted to observing that capitalistic labour exchange is contingent on worker subjectivity towards labour performance and capitalist countermeasures. This causes the quality of concrete useful labour to be endogenously determined, thus ruling out the market determination of labour exchange and necessitating the intervention of socio-political forces such as worker–employer power struggles and the state in labour exchange and other outcomes of production and distribution.

In this way, Marx's descriptions in his drafts indicated a possibility of the distinction between labour power and labour differing from the theory of surplus value founded on the concept of abstract human labour. Marx stressed inseparability of economic and socio-political factors. However, his theory of surplus value per se does not substantiate it. For this, the other direction provided by Marx's labour power–labour distinction is needed. Unfortunately, this angle receded in Capital and thus has hitherto received scant attention.

The above perception of capitalistic labour exchange that Marx's descriptions in his drafts could lead to affords a potent anti-neoclassical perspective. It illuminates a defect inherent in the neoclassical theory of labour exchange.

Unlike classical economists, economists since the "Marginalist Revolution" focused on individual decision making and theorised the worker's choice of labour time based on the maximisation principle. However, they disregarded another decisive influence on the worker's

welfare: her/his preference for labour performance and the resulting variability of the latter quality. With this bias, they made assumptions such as a unique correspondence between labour input and output, which formed a basis for the application of marginal productivity theory to labour. On the other hand, leading early neoclassical economists, such as W. S. Jevons, F. Y. Edgeworth, A. Marshall, L. Walras, V. Pareto, E. v. Böhm-Bawerk and F. v. Wieser, de facto recognised socio-political effects on actual industrial relations. In this manner, their theories of labour exchange and their observations on its realities had variances. The evolution of neoclassical economics strengthened its pioneers' theoretical tendencies towards the deindividuation of labour exchange. Thus, the neoclassicist principle that the market determines labour exchange, as well as the other exchanges, to the exclusion of socio-political intervention was moulded. Insofar as the present-day neoclassical labour economics builds on this basis, it also possesses a fatal flaw in the analysis of capitalist economies. Tracing the above course of neoclassical economics, this paper elucidates the significance of Marx's views on labour exchange in his drafts. It will be further argued that they also provide an important clue to the understanding of the labour situations in today's 'post-industrial' capitalism.