

Review of Fineschi
On Hegel's Methodological Legacy in Marx
Andy Blunden, March 2024

Roberto Fineschi's contribution to Marx's *Capital* and Hegel's *Logic* (2014) not only covers 6 different versions of *Capital* written between 1857 and 1864, but 13 different plans or partial plans reflecting the changing structure and scope which Marx was contemplating for *Capital*. Fineschi's examination of this material confirms that Marx changed his mind about what would become the structure of *Capital* frequently during the decade before the final publication of *Capital* in 1867.

Toward the end of Marx's work on the *Grundrisse*, Marx wrote to Engels:

I am, by the way, discovering some nice arguments. E.g. I have completely demolished the theory of profit as hitherto propounded. What was of great use to me as regards *method* of treatment was Hegel's *Logic* at which I had taken another look by mere accident, Freiligrath having found and made me a present of several volumes of Hegel, originally the property of Bakunin (*MECW* v. 40, p. 249)

Thereafter, Marx continued to use figure of Universal—Particular—Individual as the basis for that structure. Also, it does seem that Marx took the Individual moment to mean shares or bank credit, the various ways in which individual people may own capital with a share being the smallest unit of capital. Such forms of capital are covered briefly in Part V of Volume III.

Further, it was only a few months before that letter was written that Marx wrote "The Method of Political Economy," so it is clear that his reading of Hegel strongly influenced how Marx structured *Capital* as a conceptual reconstruction of the concrete. It is equally clear that Marx was working out how to interpret these "clues" from Hegel *as he went along*. These were *new* ideas to him.

Fineschi pointedly and correctly remarks:

In spite of this similarity ... I do not think we have to look for analogies or homologies between Marx's theory of capital and Hegel's logic; ... a very non-dialectical attitude ... which Marx himself criticised ... (p. 140)

and

My starting point is the assumption that Hegel's legacy in Marx is methodological; ... [Marx] is faithful to its fundamental principle: the unfolding of the matter itself (p. 141)

I am chiefly concerned with the relation of the final product, *Capital*, to the *Logic*, and much less with the complicated path of Marx's thinking prior to the publication of *Capital*. Fineschi's article is, however, mainly absorbed with tracing this path, which is interesting, but not something I shall comment upon.

Levels of Abstraction

"Levels of abstraction" play a prominent role in Fineschi's study of the relation between the *Logic* and *Capital*, at one point criticising Marx for where "different

levels of abstraction lay next to one another without sufficient mediation” (p. 160). This expression only entered the language in the 1930s and was never used by either Hegel or Marx. The only occasion when Hegel speaks of anything of this kind is in the article “Who Speaks Abstractly?” (1808) – where it is “the uneducated, not the educated” who speak abstractly, and in a couple of very early works, for example characterising English political economy as at a “lower level of abstraction” than Fichte and Kant. He never used the expression to describe any of the phases of the *Logic*, far less the *moments* of the Concept. “Moments” do not represent “levels” of abstraction.

The use of this expression in relation to the different categories in the *Logic* and in *Capital* suggest that the writer does not understand the meaning of “abstract” and “concrete” in dialectical logic. The classic demonstration of this distinction can be found in Marx’s essay “The Method of Political economy” (1857). Every move from concrete towards abstract in a dialectical development is accompanied by a corresponding move from abstract to concrete.

The way “levels of abstraction” is used nowadays is more akin to Hegel’s contrast between Understanding (*Verstand*) and Reason (*Vernunft*); i.e., between the way a typical participant in some social formation or institution uncritically understands its workings, and the perceptive and educated person who can see beyond these norms to the inner contradiction they conceal and the trajectory which these contradictions imply.

Fineschi, however, uses the expression in relation to the three moments of the Concept:

We have actually four levels of abstraction: 1) a sort of level 0, commodity and money and commodity-circulation; 2) universality (or capital in general); 3) particularity (basically connected to competition); and 4) singularity (credit and share-capital). (p. 142)

The ascription of increasingly lower “levels of abstraction” to U–P–S implies an interpretation of these terms in the spirit of Formal Logic. Formal Logic understands the Universal as a formal category corresponding to some Particular feature of Individual elements which mark them as “members of” the Universal. Hegel, however, developed these relations considerably from their original, formal meanings.

For Hegel, the Universal is *concrete* as well as abstract. Universality *develops into* the Particular and Individuality, transforming alien elements into organs of itself. Further, the Universal can also be a Particular, just as the Particular can be an Individual. This is illustrated correctly, I think, by Fineschi:

In singularity, Marx exposes how few particular capitals incarnate in their own singular figure the function of universal capital (bank system). The productive capitals stay in front of this universal as its particular form of realisation. In Hegelian terms, it is the universal reflected in itself: *a singular that, in its particular form, acts as universal*. This is the basis on which will then be developed the credit system and share capital. (p. 146)

Thus, “capital-in-general,” as the Universal, does not just mean that all capital has in common the feature of being unpaid labour (though it is that as well). To be a Universal indicates that capital is withdrawn from circulation and returned

to circulation with a profit. (In the case of industrial capital, it further means that when withdrawn from circulation it is used in a process of production). If capital is simply withdrawn from circulation it becomes simply a hoard, no longer capital. The Universal thus re-constitutes itself by temporarily becoming an Individual capital, but then returning to itself as accumulated capital. $M-C-M+\Delta M$ is part of what makes capital-in-general Universal. More generally, what makes the Universal is the constitution of the conditions for its own existence as Particular and Individual

Fineschi put it well when he said:

However, although the analysis of the accumulation of a single, 'typical' capital is necessary condition, it is not sufficient. ... Marx's awareness about the necessity of 'circulation and reproduction' of *many capitals* as conditions of the being-posited of a *single typical capital* was explicitly mentioned in the 1861-3 Manuscript. (p. 150)

For although Marx's aim in Volume I on capital-in-general, i.e., the Universal, is only to determine the total social capital and does not talk about competition, competition is essential to capital. Also essential to capital is that it exists in the form of many independent Individuals. The presence of a multiplicity of these units is one of the preconditions for capital accumulation, as is the presence of destitute workers who have to be maintained in that condition of destitution through wage labour. These conditions going to the function of capital in renewing itself *through the Individual units* is precisely what is definitive of the Universal. Otherwise, you just have an arbitrary collection of similar entities, Compare this for example to a species which renews itself by maintenance of its ecosystem and reproduction of the species through the life and death of Individuals. As it happens (though Hegel couldn't have known this), it is precisely the differences between Particular varieties of the Universal species which ensures the future of the Universal.

But the $+\Delta M$ can only be achieved thanks to a specific production process, and this Particular production cycle constitutes the activity as capital, as part of universal capital. But in capitalism, the particular industry exists in many Individual capitals each engaged in competition in the same market, while the surplus value acquired moves back into circulation in the capital market as part of capital-in-general — Universal capital.

It is the way the Universal *particularises itself* and the way the particular *individuates itself*, which constitutes the relation between U, P and I.

The expression "levels of abstraction" make no sense in this context. The Universal is not a collection of similar elements; the Universal *reproduces itself through* these Individuals.

Now it is true that at times during those 10 years in which he worked towards his final draft, Marx also expressed these moments in a manner more consistent with Formal Logic, but the final draft he used the notions of Universal and Particular correctly in their Hegelian sense.

However, Marx had a problem with his plan when he came to consider bank credit in this context. On the one hand, the banking system is a Particular, being one industry alongside others within the capitalist economy, playing a specific role in capitalism, but on the other, its business is immediately Universal capital,

not production of surplus value, as such. For this reason Marx treated interest in Volume I as a *deduction* from the total surplus value. The treatment of bank capital really belongs under the treatment of universal capital, but it does not suit Marx's argument to introduce the bank system at the first stage of his analysis, focusing on the *origin* of surplus value in the exploitation of wage labour, which is the main purpose of *Capital*.

It was well put again by Fineschi:

In order to be accomplished ... capital needs to posit its presuppositions (separation of labour-power and means of production, and availability of the material conditions for reproduction). In order to have this process not as a mere occasional event, but a *structural element of this system*, it is not sufficient to show how this happens once on the basis of presuppositions not posited by capital: if we didn't have those, the process itself would not take place. To be effectively posited, capital needs to show how it itself posits the conditions of its own reproduction. This is why accumulation/reproduction is necessary before profit. (p. 150)

After all, $M-C-M+\Delta M$ begins with Money; M is a presupposition of capitalist appropriation of surplus value. Why is primitive accumulation alone treated in Volume I?

Competition

Fineschi cites Marx:

[*Capital Volume I*] includes neither the competition between capitals nor the credit system. ... It is the quintessence ... and development of the sequel (with the exception perhaps, of the relationship between the various forms of state and the various economic structures of society) could easily be pursued by others on the basis thus provided. (Marx, Letter to Kugelmann, 28 December 1862) (cited p. 151).

It is true that competition does not directly contribute to the formation of surplus value, Marx's aim in Volume I. Despite being an essential feature of capitalism, competition between units of capital *does* belong to the Individual moment and Marx was doubtless correct in giving only cursory treatment to competition in the commodity market in Volume I. Possibly, bonds and shares could have been treated as *part of* the Individual moment as well. However, it does not seem to me that bank credits, i.e., the issuing of *capital loans* and *credit* by commercial banks for the purpose of underwriting *capitalist production*, can belong there. *That* kind of banking is essentially dealing with Universal capital and belongs with the Universal.

Marx is also right though, that the business of Individual capitals is best left to others. Also, the interaction of capital with *other* aspects of capitalist society must be left to later generations. In Hegel's *Logic*, these interactions belong in the phase of the Object, rather than the Subject, within Hegel's Concept Logic. Note that the Object is of neither a higher or a lower "level of abstraction."

Fineschi makes another astute observation when he notes that

... an analysis of the two competitions (within one branch and among branches) produce market values and then production prices thanks to a long-run trend to equalisation.... (p. 161)

This remark is particularly important because with Marx himself avoiding discussing competition in any depth in Volume I, and only discussing competition in Volume III in the context of competition for capital. The distinction between competition in the commodity market and competition in the capital market is never discussed by Marx because he really never got to the Individual moment. And yet the two “dimensions” of competition are both integral to his elaboration of capital and these two fields of competition *function together* to equalise profit and redistribute capital between branches of industry.

Summary

As a result of his close analysis of Marx’s economic manuscripts, Fineschi is one of those who have recognised Marx’s commitment to the treatment of the concept of value according to the three moments of the concept. And he has not been diverted from this conclusion, as others have, by the obvious observation that:

“Science would be superfluous if the outward appearance and the essence of things directly coincided.” (Marx, *Capital v. III*, ch 48, §III)

Marx’s commitment to the moments of the concept as the basic structure of *Capital*, comes up against difficulties of presentation, but Fineschi has done well to follow how Marx pursues his central idea despite these difficulties.

References

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