6 The Reproduction-Process of Capital

6.1 REPRODUCTION OF THE CAPITALIST PRODUCTION-RELATION

6.1.1 Production of Capital by Capital

"A society, regardless of its form, can no more cease to produce than it can cease to consume. When viewed as a connected whole and as flowing on with incessant renewal, every social process of production is a process of reproduction" (Capital, I, p. 531). In capitalist society, production continues because of the uninterrupted motion of capital. We cannot, however, simply or automatically assume the non-interruption of capitalist production. Instead, we must establish its commodity-economic necessity in the light of the circulation-process of capital, which was studied in the previous chapter. Among other theories elaborated in that chapter, the one on the "circulation of surplus value" is of particular relevance here. The fact that it is based on the circuit of commodity-capital alerted us to the need for a comprehensive theory of the reproduction-process of capital.

In this chapter, we specifically address the reproduction-process of the aggregate-social capital, that is to say, the reproduction of capitalist society as a whole. All societies reproduce themselves by reproducing their economic life, i.e. by reproducing goods, or use-values, of various kind in definite proportions. For instance, a feudal society perpetuates its hierarchical lord–vassal relation by reproducing agricultural and manufactured goods which are regularly distributed, in appropriate proportions, to its various classes. Indeed, the reproduction of use-values in human society is never exclusively a natural activity. It is a natural activity (a man–nature interface called "production") which is carried out under the rules and principles dictated or sanctioned by the particular form of social organisation. We may call this latter the "production-relation".

Thus, in capitalist society, goods are produced as commodities, i.e. as value, meaning indifferently to their use-values. When capitalist commodity production occurs "with incessant renewal", it reproduces
the "value relation" which defines the structure of the organisation of production in capitalist society, i.e. of the production-relation peculiar to capitalism.

We shall, therefore, examine first what the reproduction of capitalist production-relation involves (in the present Section 6.1), before investigating (in Section 6.2) how it relates with, and is supported by, the capitalist reproduction of goods, or use-values, as commodities. The first section addresses the production-process of the aggregate-social capital, prior to its disaggregation into sectors. The second section deals with the circular flow structure (the system of the inter-sectoral flows of produced goods) of capitalist society. When these two aspects are studied, they will then be synthesised (in Section 6.3) into the "actual process" of capital accumulation.

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So far, both the production-process and the circulation-process of capital have been studied with reference to the activity of the representative capital, i.e. a representative sample of individual capital-units. We now focus our attention on the macro-behaviour of the aggregate-social capital, rather than on the micro-behaviour of the representative individual capital. In fact, the changeover took place in the discussion of the "circulation of surplus value" in the previous chapter. For that subject presupposed the circuit of commodity-capital, the only circuit capable of explicitly accounting for the social interaction of the motion of capital.

The circuit of commodity-capital requires that the capitalistically produced commodity (C') should be exchanged, by the mediation of money, for its elements of production (C), and for whatever luxury consumption-goods (c) that capitalists may purchase from out of their surplus value incomes. However, for an individual capital to successfully complete the operation:

\[
C' - M' \cdot \begin{cases} M - C \\ m - c, \end{cases}
\]

the aggregate-social output, \( \Sigma C' \), should have an appropriate composition of use-values. (Here, I use the \( \Sigma \)-sign before C and C' when they pertain to the input and the output, respectively, of the aggregate-social capital rather than to the representative individual capital-unit.)

If this point is taken into consideration, the production-process of capital can no longer be adequately represented by \( P \) in \( C \ldots P \ldots C' \), but only by that in \( \Sigma C \ldots P \ldots \Sigma C' \). That is to say, \( P \) must be viewed