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THINKING CRITICALLY

1. What is the use-value of a commodity? How is it determined?
2. What is the fundamental difference between a commodity's use-value and its exchange-value?
3. Do you think the real value of a commodity lies in its use-value or in its exchange-value? Explain.

The wealth of those societies in which the capitalist mode of production prevails, presents itself as "an immense accumulation of commodities," its unit being a single commodity. Our investigation must therefore begin with the analysis of a commodity.

A commodity is, in the first place, an object outside us, a thing that by its properties satisfies human wants of some sort or another. The nature of such wants, whether, for instance, they spring from the stomach or from fancy, makes no difference. . . . The utility of a thing makes it a use-value. But this utility is not a thing of air. Being limited by the physical properties of the commodity, it has no existence apart from that commodity. A commodity, such as iron, corn, or a diamond, is therefore, so far as it is a material thing, a use-value, something useful. This property of a commodity is independent of the amount of labour required to appropriate its useful qualities. When treating of use-value, we always assume to be dealing with definite quantities, such as dozens of watches, yards of linen, or tons of iron. . . . Use values become a reality only by use or consumption: they also constitute the substance of all wealth, whatever may be the social form of that wealth. In the type of society we are not contain an atom of use-value.

This common "something" cannot be either a geometrical, a chemical, or any other natural property of commodities. Such properties claim our attention only in so far as they affect the utility of those commodities, make them use-values. But the exchange of commodities is evidently an act characterised by a total abstraction from use-value. Then one use-value is just as good as another. . . . As use-values, commodities are, above all, of different qualities, but as exchange-values they are merely different quantities, and consequently do not contain an atom of use-value.

Exchange-value, at first sight, presents itself as a quantitative relation, as the proportion in which values in use of one sort are exchanged for those of another sort, a relation constantly changing with time and place. Here exchange-value appears to be something accidental and purely relative, and consequently, an intrinsic value. . . . [T]he exchange-values of commodities must be capable of being expressed in terms of something common to them all, of which thing they represent a greater or less quantity.

about to consider [capitalist society], they are, in addition, the material depositories of exchange-value.

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In *Das Kapital*, which became the handbook for socialist economies, Karl Marx and Friedrich Engels presented a critical assessment of capitalist economic structures. In the following excerpt, from the introductory chapter on commodities, the authors discuss the difference between a commodity's relative value and its intrinsic value, or use-value.

Das Kapital