

Elon Musk discovers *Das Kapital*

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29 July 2020

It may come as a surprise to followers of American politics that Elon Musk, the world's seventh-richest individual, is a great student of Marxism. In between his time running Tesla, SpaceX and his other endeavors, Musk has apparently devoted himself to a significant examination of Marx's great three-volume work, *Das Kapital* (Capital).

In a tweet Monday afternoon, Musk provided the conclusion of his study. "*Das Kapital* in a nutshell," he wrote, is "Gib me dat for free."

Indeed, a brilliant insight! We can forgive Musk for the use of an informal vernacular, for he has summed up an important truth—that the profits accumulated by the capitalist class come from the fact that the value produced by workers is in excess of what they are paid in wages—that is, it is "unpaid labor."

The process deserves a more detailed explanation.

Marx's *Das Kapital* is devoted to an analysis of the basic laws of capitalism, the social and economic system that now prevails throughout the world. He begins his work with a study of the fundamental unit of this economic system, the commodity.

Society has at its disposal a reserve of living labor power, the capacity to produce all the requirements of human life, from food and shelter to transportation and communication technology. As a consequence of the division of labor among different producers, the products of this labor assume the form of commodities. Automobiles and cellphones, food and houses, all are produced by different individuals and industries and are bought and sold on the market.

The many complex workings of modern capitalism are all based on a single law, first fully elaborated by Marx: *the law of labor value*, that is, that the value of commodities is determined by the quantity of socially necessary human labor expended upon them. Thus, for example, a Tesla automobile has a greater value than a gallon of milk, because more human labor goes into the former than the latter. On the market, commodities are exchanged for other commodities of equivalent value (or, with the development of money, for the same amount of money).

However, if commodities are exchanged with each other based on the labor that is required for their production,

where does inequality come from? Why are such vast sums of wealth monopolized by a tiny layer, while those who are engaged in actual labor, the working class, are impoverished?

Elon Musk has a net worth of \$70 billion. This is more than two million times the median individual income in the United States (\$31,000). Does this mean that Musk, in his 49 short years on Earth, labored the equivalent of two million people working for an entire year? Even if we were to accept that Musk is a particularly hard worker, the figures do not add up.

The source of inequality, Marx explained, lies in the peculiar nature of one of the commodities bought and sold on the market: labor power. In common language, it is said that the worker sells his or her labor to the capitalist. This is not correct. What the worker sells to the capitalist is not labor but the commodity labor power, the capacity to work, which goes into the production and value of all other commodities.

The owner of the means of production (the Tesla factory in Fremont, California, owned by Musk, for example) buys the labor power of workers. That is, he buys the capacity of these workers to work in exchange for a certain wage or salary.

Like every other commodity, the value of this particular commodity, labor power, is determined by the amount of labor required to produce it. This is equivalent to the quantity of goods that are necessary for the survival and reproduction of the worker. The less that is required for this survival and the reproduction of the next generation of wage workers, the poorer is the worker and the cheaper is his or her labor power.

Once the capitalist has purchased this commodity, labor power, he or she has the right to consume it. He does so by putting the worker to work. However, and this is the critical issue, the quantity of labor of the worker on the line, in the store or in the fields *exceeds the value of his own labor power* expressed in his or her wage. To put it another way, a worker labors more than the value of the commodities required to sustain himself or herself.

There is an excess, or surplus, value, the difference

between the value produced by the laborer and what is required to keep him alive. The greater the exploitation (the more the capitalist can sweat out of the worker) and the lower the cost of labor power (the less he or she pays the worker to live), the greater the surplus value that is extracted.

The product of the workers' labor belongs not to the worker, but to the capitalist. In selling commodities on the market, the capitalist realizes surplus value that has been extracted in the form of profit.

In this way, the capitalist class as a whole extracts a mass of surplus value from the working class as a whole. This surplus value is then divided up among the different sections of the capitalist class in the struggle on the market via the price mechanism, competition, manipulation, trade restrictions, etc. Marx analyses these complexities in *Das Kapital*. But what is being divided up in the struggle on the market has already been created by the expenditure of the labor power of the working class.

All of this boils down to the fact that the profit and wealth of the capitalist is not the result of his own labor, but the labor of others, the workers. "The surplus value," Marx explained in his earlier work, *Value, Price and Profit*, "or that part of the total value of a commodity in which the surplus labor or unpaid labor is realized, I call Profit."

Or, in the somewhat oversimplified version laid out by Musk: "Gib me dat for free."

One elaboration, however, is required to understand the present situation, and that is the way in which the ruling class has utilized its control over the apparatus of the state, particularly over the past four decades, to funnel wealth directly into the financial markets and therefore the bank accounts of the super-rich.

In response to the coronavirus pandemic, the American ruling class, through the US Federal Reserve, has turned over trillions of dollars to Wall Street, driving up share values to an extraordinary degree.

This massive bailout of the corporations and banks—another version of Musk's "Gib me dat for free"—was endorsed, on a nearly unanimous bipartisan basis, in the passage of the CARES Act in late March. Indeed, Musk's own wealth derives in large measure from such financial operations. As a result of the soaring stock market, amidst growing death and social misery, Musk has tripled his net worth in the first seven months of this year.

While apparently involving the production of money out of thin air, via the printing press of the Federal Reserve, everything turned over to the rich must be paid for through the exploitation of workers, the source of all value.

This is what is driving the demand by the ruling class for a return to work even as the pandemic rages out of control.

Musk himself has played a leading role in insisting that all restraints on the spread of the pandemic must be ended and supplemental unemployment benefits for workers be cut off. Workers must be forced back to producing surplus value and profit.

In words that take on immense relevance today, Marx brilliantly summed up the dynamic of capitalist development and its revolutionary consequences toward the end of the first volume of *Das Kapital*:

Along with the constantly diminishing number of the magnates of capital, who usurp and monopolize all advantages of this process of transformation, grows the mass of misery, oppression, slavery, degradation, exploitation; but with this too grows the revolt of the working class, a class always increasing in numbers, and disciplined, united, organized by the very mechanism of the process of capitalist production itself. The monopoly of capital becomes a fetter upon the mode of production, which has sprung up and flourished along with, and under, it. Centralization of the means of production and socialization of labor at last reach a point where they become incompatible with their capitalist integument. The integument is burst asunder. The knell of capitalist private property sounds. The expropriators are expropriated.

Some might argue that in his tweet on Marx's *Das Kapital*, Musk did not intend to summarize the process of capitalist exploitation of the working class. Perhaps he was suggesting that in protesting their exploitation it is somehow the workers who want something for free?

Such a reading would make Musk look like an ignoramus and a blowhard, not to mention a racist. If workers interpret his tweet in this way, however, they will reply that they merely seek to establish a society in which the process of production is controlled democratically, and in which the product of human labor is distributed on the basis of equality and human need, not the accumulation of vast wealth by the few. It is the expropriators, they will say, who must be expropriated, with Musk among the first in line.



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