Comments on Martha
Tony Smith

I very much agree with just about all of this paper, especially the central thesis that "credit money is the form of money shaped by capital or the money of capitalism." (p.17) The way the paper carefully works through Marx's account step-by-step is exemplary.

I think your response to Shortall in note 24 is also right on the mark. In note 27 (p. 10) raises similar issues. You refer there to "the strategy of treating capitalist forms in their unity, which is necessary to progress from one form to the next." I'm not sure this generally holds. I know that Shortall and others disagree, but it seems to me that the theory of surplus value is first and foremost a theory of the ineluctable antagonism between capital and wage labor. While the dead weight of economic compulsion enables that antagonism to be reproduced, and the power of fetishism allows it to be masked, in my view neither is sufficient to warrant the assertion that surplus value is a form of unity as opposed to antagonism. And it seems to me that the capital/wage labor antagonism is behind the progress from the form of absolute surplus value to the form of relative surplus value. Finally, on the more concrete levels of the theory where tendencies to crises are discussed capitalist forms are not treated in their unity and the progress from one form to the next no longer depends on treating them in that way. At least that is how it seems to me.

p. 30, footnote 112. In general, I think it is a good idea to avoid resting too much of your case on what Marx intended, as opposed to the logic of his argument. You write, "By the collapse of the credit system into the monetary system, he [Marx] means instead [of a reversion to gold money] that payments must be made in money (whatever the form of money happens to be)." I'm not at all sure Marx meant that. I think it is more likely that he thought that inter-state conflicts will prevent any national currency from serving as the ultimate and unquestioned form of world money, and so at some point in a crisis in the world economy there will always be a "flight to gold." Regarding the former, I think he was correct (and so I also think he probably wouldn't have agreed with you and Mike Williams (p. 27) that the lack of a world monetary authority is a mere historical contingency, if what you mean by that is some regime of global governance that establishes a particular currency or international clearing unit as world money). Regarding the former, I don't see any reason why interstate conflicts (and the inter-capital conflicts inseparably connected to them) can't be played out indefinitely through massive disequilibriums in the currency exchange rates of the leading hard currencies, followed by abrupt revaluations of those rates. In every crisis in the world market there is then a flight from one (or more) hard currency to another (or group of others). I think you have shown that the logic of Marx's argument is consistent with this viewpoint. I don't think you have shown that something like this was what Marx meant when he talked about the collapse of the credit system into the monetary system.

Finally, I found footnote 118 on Macleod too compressed. It seems to suggest there is something about the choice to start with a theory of credit money that pushes one to make Macleod's mistakes, something that leads to money that isn't be grounded in value and doesn’t have a function as measure, something that leads to a theory of simple commodity production with difference of production time thrown in. Why are these mistakes intrinsic to theories that start with credit money, as opposed being due to contingent features of Macleod’s intellectual horizon?