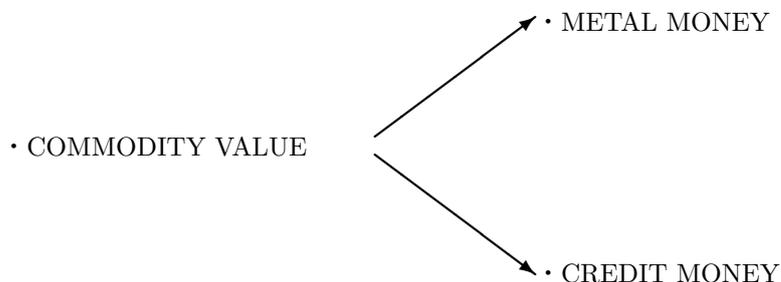


Comment: The social relations of money as universal equivalent by C.Lapavistas *

Michiaki OBATA †

March 10, 2006

1. I agree with your view that “commodity and credit money are forms of the universal equivalent” (CL[2005]: 389). I wrote it is necessary to introduce credit money at beginning in value form theory as well as commodity money. Both are equal in logical level, not in historical process.



I am against Marxian orthodox view that money is naturally gold ¹ and that credit money is incomplete or fake money deriving from original money. The difficulty exists how to deduce credit money in the development of value forms theoretically. According to your explanation of value forms (CL[2003]:63), the development of them reaches the money commodity *C*. I can find out no mention about credit money in this level. I would like you to explain why commodity money and credit one are “universal equivalent”?

2. The difference between my view and G.Ingham exists the starting point. I start from COMMODITY VALUE on the other hand Ingham starts

*Seminal of Political Economy Workshop in University of Tokyo

†Faculty of Economics, University of TOKYO, obata@e.u-tokyo.ac.jp, <http://georg.e.u-tokyo.ac.jp/>

¹“obgleich Gold und Silber nicht von Natur Geld, Geld von Natur Gold und Silber ist” (K.I, S.104)

from "promise to pay", namely CREDIT MONEY. In my view, someone possesses his own commodity in which he thinks certain amount of value exist, so he can issue IOU which corresponds it. Charterists insists that IOU make the purchasing power on itself at first, then commodities are bestowed their value by it.

3. You approve of Ingham's claim that "'money in general' is 'constituted by social relations' ". You stress the non-economic relations are indispensable to explain the concept of money, which means money is exogenous for market. You might not think so because you point out social *relation* have the same meaning with social *customs*, but not with state or authority. But you do not also agree that money emerges according to logic of market in itself. These approaches are sometimes named purely economical explanation or Mengerian view of commodity money. In this aspect I understand that money comes from inner market as the form of not only commodity money but also credit money. In explaining actual historical processes around money phenomena, it is important to pay much attention on social relations, but it does not means that without these relations it is impossible to understand theoretically the essential character of money.
4. I would like to confirm you about your idea of "extra-economic forces, including social custom" (CL[2005]:393). Generally speaking, meaning of 'extra-economic' results in either custom or compulsion power. Marx also mentions both side in his theory of Zirkulationsmittel. He starts from symbol of coin and arrives at compulsion by State (Staats-papiergeld mit Zwangskurs). In Zeichen or Symbol theory money as the means of circulation appears from market itself. The term of "social customs" is a little bit ambiguous because sometimes it implie relations such as someone receives money because another receives without any compulsion. But almost in any situations, money would not continue to be hold if it is based only on customs or on credit as itself (departing from the expression of commodity value). Money is asset as well as means of exchange, namely not only the means of buying but also those of not-buying. It seems that you stress one side of buying and assumed the stability of social customs. I think it is much more fragile than your view such as "The expectations of commodity owners are continually validated by their collective practice" (CL[2005]:394).
5. Though I explain money only from the view point of market theoretically, it does not means money is essentially converge the single pure type, such as gold bullion or coin. Money has nature to self divergence . It changes its types by itself. I thought theoretically money is gold and silver, or more other type of staples as Marx mentions in *Kritik*, and now think that it also includes credit money. Polymorphism consists the core concept of money. But it does not mean the idea of value is plural. Value is expressed only one term. Account unit should be single though money has different

types. You are not agree with me in this point as my view seems to be the same as that of charterists.

6. I completely agree with your criticism against the shallow interpretation of Marx's value theory by Ingham. His idea of abstarct value is not clear, maybe it means abstract unit of account as you paraphrase. If he investigate the concept of abstract value, it should be possible to reach the Marx's idea of value form, not the labour theory of value, or Substantz.