

SRAFFA AND SOCIAL ANALYSIS: SOME METHODOLOGICAL ASPECTS¹

1. INTRODUCTION

On p. 203 of Sraffa's copy of the *General Theory*, now conserved at Trinity College, Cambridge, there appears in the margin to a passage in chapter XV where Keynes states that the rate of interest should be taken "as a highly conventional, rather than a highly psychological, phenomenon", a note in Italian by Sraffa himself to the effect that²: "E' così che si fa una 'teoria'"—"That's how a 'theory' should be made".

For a number of reasons we may see this as a significant comment. For example, it sheds light (together with certain passages in his unpublished papers quoted by Ranchetti³) on Sraffa's views regarding the monetary interest rate determinants to be discerned in monetary policy as it operates through the banking system and the Stock Exchange. In a brief remark in *Production of Commodities by Means of Commodities*⁴, Sraffa had suggested that over the long period the rate of profits is "susceptible of being determined from outside the system of production, in particular by the level of the money rates of interest". Thus, from this viewpoint monetary policy takes on its own autonomous role in determining the distribution of income. Moreover, the remark cited above also reveals a somewhat critical position vis-à-vis Keynes' determination of the interest rate based on the preference for liquidity. And again the unpublished papers⁵ bear out the point and shed

¹ The Italian version of this paper, *Sraffa e l'analisi sociale: alcune note metodologiche*, was published in M. Pivetti, ed. (2000), *Piero Sraffa. Contributi per una biografia intellettuale*, Carocci editore, Roma. While minor cuts were introduced with respect to the original version, no attempt was made to update it. I thank for helpful comments and criticisms Renzo Bianchi, Alberto Gajano, Pierangelo Garegnani, Leonardo Paggi and Fernando Vianello on earlier versions, exempting them from all responsibility.

² Cf. F. Ranchetti (1998), *Sraffa e Keynes: note per una critica della teoria keynesiana dell'interesse e della moneta*, in N. de Vecchi, M.C. Marcuzzo (eds) (1998), *A cinquant'anni da Keynes*, Unicopli, Milano, p. 43.

³ Cf. Ranchetti, *ibidem*, p.42.

⁴ Cf. P. Sraffa (1960), *Production of Commodities by Means of Commodities*, Cambridge University Press, Cambridge, § 44.

⁵ Cf. Ranchetti, *ibidem*, pp.35-36.

further light on it: in answer to Keynes' idea of the existence of a money demand curve downward sloping with respect to the interest rate—implying that the demand for liquidity could be discouraged through increasing rates of interest—Sraffa argues that “liquidity...is an advantage to some people and a positive disadvantage to others”. The latter category includes those living on interest, for which a reduction in the rate of interest leads them to reduce their liquidity in order to preserve the same level of income. Given the existence of such a category, no general validity can be ascribed to a money demand function that falls against the rate of interest. I do not intend to address these particular issues here, while I shall be considering the extent to which theoretical propositions may be attributed with general validity later in this paper. However, regardless of the point that prompted it, the remark “E' così che si fa una 'teoria'” raises a more general methodological problem, and that is how, according to Sraffa, a theory should be constructed in the field of political economy⁶. Here I shall advance a few fragmentary and, above all, tentative hypotheses (furthermore, I shall draw solely upon the published material which, as we know all too well, has little to say on the matter).

We might well begin with one of Sraffa's few explicit references to the question. In his book published in 1960 Sraffa sets out to propose a return to the viewpoint of the classical economists from Adam Smith to Ricardo, which had been “submerged and forgotten since the advent of the ‘marginal’ method” (p.V). Immediately a problem arises here, and that is how we are to interpret the lack of any explicit reference to Marx in this context (although it is worth noting that he is cited in the Appendix D, called ‘References to the Literature’). Might he have deemed it politically inopportune? It is possible, in part at least, but not, I believe, at a deeper level. My opinion is that Sraffa fully endorsed Schumpeter's view, when he went as far as stating: “Any real understanding [of Marx's economics] begins with the recognition that he, as a theoretician, was a pupil of Ricardo, and not only in the sense that his argumentation starts from Ricardo's theses, but also in the more important

⁶ In the following pages I consider the Sraffa subsequent to the breakthrough of winter 1927-28, when his thinking seems to have gone through “an initial (and decisive) turning point...and led to a searching examination of the classical economists with consequent abandonment of the Marshallian interpretation of them that had been behind the articles of 1925-26”. Cf. P. Garegnani, (1998), *Sui manoscritti di Piero Sraffa, Rivista Italiana degli Economisti*, 1, p. 152. Cf. also Sraffa's reference, in the preface to the 1960 work, to the inclination “to suppose that the argument rests on a tacit assumption of constant returns in all industries”, which can befall “anyone accustomed to think in terms of the equilibrium of demand and supply”, a temptation that, as his writings reveal, he experienced in 1925.

sense that Marx learnt from Ricardo the art of constructing a theory"⁷. If, then, there is in fact a methodological continuity running from Ricardo to Marx (together with the other classical economists) in terms of this 'art of constructing a theory', and thence to Sraffa, it would be well to take a look at the work of Marx—the only one of the three authors cited to take an explicit position on methodological matters in the writings published so far—if we are to gain a better understanding of Sraffa's position.

Marx's works contain a wealth of indications on the subject, but here I shall focus in particular on the *Introduction to A Contribution to the Critique of Political Economy*, written in 1857 but published only in 1903 by Kautsky⁸, where it is addressed directly and finds fullest treatment. Discussion on matters of methodology is often vitiated by the sheer vastness and vagueness of the issues tackled. Here I shall endeavour to avoid this risk, starting out from the reconstruction of the 'core' of surplus theories (from the classics to Sraffa) proposed by Garegnani⁹. This reconstruction—which I take Sraffa to be in agreement with—will serve to root the methodological debate in a well—defined theoretical setting. In the following pages, I will propose for discussion the following five points: 1) having traced out the broad lines of the analytical procedure adopted by the surplus approach theoreticians (from classical political economists to Sraffa), I shall seek to show its consistency with Marx's treatment of method in political economy. The 'core', which includes the theory of value and distribution, appears to be the initial and more abstract part of a procedure, which entertains the ambition to reconstruct, through a number of passages, the totality of reality. 2) In this framework, it appears to be relevant the contrast, underlined by Marx, between analytical methods based on 'specific' and 'generic' abstractions, the first being attributable to the classical approach, the latter to post—Ricardian and marginalist theories. 3) I shall then go on to argue that in the same years, between 1928 and 1934, four of the most important and original thinkers of this century (Gramsci, Sraffa, Wittgenstein and the Soviet psychologist

⁷ Cf. J. Schumpeter, (1942) *Capitalism, Socialism and Democracy*, New York 1942, Citing this passage, D. Cavalieri remarks that, with apparent inconsistency, Schumpeter does not impute the master with the 'Ricardian vice' he found in the pupil. See D. Cavalieri, (1983), *Quaderni di storia dell'economia politica*, 3, p. 171.

⁸ On the story of this writing, which was to be the introduction to *A Contribution to a Critique of Political Economy*, but which Marx subsequently, in circumstances that remain obscure, replaced with a preface that was to feed a line of rigidly orthodox Marxism, see for example R. Marsden (1998), *The Unknown Masterpiece: Marx's model of capital*, *Cambridge Journal of Economics*, 22, p. 313.

⁹ Cf. P. Garegnani, (1981), *Marx e gli economisti classici*, Torino, pp. 8 ff.

Vygotsky¹⁰) were, under various conditions and in their different fields but perhaps not entirely independently of each other, reflecting on the themes proposed by Marx in, for example, his work of 1857, and in particular on the crucial contrast between 'generic' and 'specific' abstractions mentioned above. I will try to show some "family resemblances" but also, among the first three authors, some possible reciprocal influences and interactions. On the basis of these themes proposed by Marx, and certain affinities emerging between Sraffa's research and the lines proposed by the other theoreticians mentioned above, we shall be able to view the return to the classical framework proposed by Sraffa from a broader perspective—one that reaches beyond the bounds of the economic science—and obtain some idea of its real scope. On such a basis we may, for example, be able to clear up certain common misunderstandings¹¹ such as the subjectivism/objectivism antithesis, the alleged "closure" of Sraffa's system to modification by significant variables and the alleged lack of intellectual communication between Gramsci and Sraffa, to name but a few). 4) Discussing the relationship between the analytical and synthetical procedure, I will show some possible influences of Goethe on Sraffa, through Wittgenstein's mediation. 5) The last two paragraphs are dedicated to some aspects of the relationships between Gramsci and Sraffa, both at the intellectual and political level. Starting from some questions that still remain obscure and from what Valiani has called Sraffa's "sovietism", in my conclusions I shall indicate the existence of a risk, namely a possible 'reassuring' (and thus to my mind uninteresting, sterile or counterproductive) utilisation of the return to the classical framework proposed by Sraffa. The difficulties encountered in the last decades in developing the classical and Marxian framework in innovative terms cannot be ascribed entirely, or even mainly, to 'external' misunderstandings (i.e. of those who do not subscribe to the premises) or to the acrimony of the ideological and political battle. The alternative between dogmatism and unprejudiced scientific research—

¹⁰ The temptation would be to define the four theoreticians mentioned in the text as innovators along the research lines proposed by Marx, but it remains difficult and possibly misleading—given the manifold influences—to apply labels, and it can prove particularly reductive if not inappropriate in the case of Wittgenstein's research. It is, however, worth recalling a remark written in 1931 on Ramsey (who had died the year before), and that can shed light on his own position in the early '30s: "Ramsey was a bourgeois thinker. That is, his thoughts went in the direction of putting things in order within a certain social community. He did not reflect on the essence of the State—or at least not readily—but on how to confer a rational order on this State. That this State was not the only possible one was an idea that disquieted or bored him. His aim was to take the most immediate way to reflect on the foundations of *this* State. Here lay his real province and interest; while strict philosophical reflection troubled him so much that he discarded the findings (if there were any) as irrelevant". Cf. L. Wittgenstein (1977), *Vermischte Bemerkungen*, Frankfurt (It. tr. 1980, pp. 44-5).

¹¹ Cf. for example G. Lunghini (1977), *La crisi dell'economia politica e la teoria del valore*, Feltrinelli, Milano, M. Dardi, (1983), Piero Sraffa (1898-1983), *Quaderni di storia dell'economia politica*, 3.

between the reassuring or destabilising function of research—is always there, for all of us to face up to.

2. THE CORE

For our purposes here, the main feature characterising the analytic structure of the classical economists' framework—as it emerges from Garegnani's reconstruction—is the separation of levels of analysis¹². From this peculiar feature of the surplus theory there derive—in principle, at least, I believe—a number of significant implications, including among others the flexibility of the analysis itself and its relations with deduction and induction, the role of the theory of value, the relationship between automatism and specific (historical and/or institutional) phenomena and the 'open' or 'generative' nature of the research findings.

Separation of the levels of analysis is implicit in determination of the surplus, which constitutes the “centre about which these theories of distribution revolve”¹³. Before determining the surplus, three magnitudes—given, because determined in other parts of the theory—are assumed: a distributive variable (the real wage or, following the suggestion by Sraffa cited above, the monetary rate of interest¹⁴), the quantities produced and the technological conditions of production. Thus the three magnitudes indicated (variables we take as independent at this stage) and their relations with the dependent variables, i.e. the social surplus and the relative prices of commodities, constitute the 'core', separated from the rest of the analysis. As Garegnani pointed out¹⁵, within the sphere of surplus theories the theory of value and distribution occupies a far more limited ambit than marginalist theories. In the latter, “the ambitious attempt to achieve simultaneous treatment of the interrelation between most economic phenomena” means that the theory of value and distribution “comes to embrace virtually the entire sphere of economic theory.” Nevertheless, within this simultaneous treatment, determination of the variables that marginalist theory takes to be independent—namely

¹² So it was that, in *The Theory of Political Economy* (1871), Jevons launched into blistering criticism of Ricardo's method. For an embarrassed 'defence' of Ricardo on this point, Cf. A. Marshall (1920), *Principles of Economics*, Mac millan London, Appendix I, p. 818.

¹³ Cf. P. Garegnani, *Marx e gli economisti classici*, cit., p. 9 ff. See also, by the same author, the entry 'Surplus approach to Value and Distribution', *The New Palgrave Dictionary of Economics*, Palgrave London 1987.

¹⁴ In the latter case the dependent variable will be the real wage together with relative prices.

¹⁵ Cf. *Marx e gli economisti classici*, cit., p 16.

consumers' tastes, the endowment of 'production factors' and the technological conditions of production— is "seen as something falling largely outside the economic sphere." The more limited ambit occupied by the theory of value in surplus theories "has, however, the advantage of attributing theory with greater flexibility as far as the determination of distribution and quantities produced are concerned." An example of this flexibility in the field of distribution is afforded by the 'conventional' determination of the rate of interest mentioned above, which brings us to a level of analysis distinct from the theory of value as being less 'abstract', more closely bound up with specific conditions—including the institutional conditions themselves—in the banking and finance systems and with specific ways in which, in the given context, monetary policy is conducted. As regards the definition of the quantities produced, separation between the determination of the quantities produced and income distribution makes it possible to analyse situations where, as in the theory of Keynes, unemployment depends on the level of economic activity¹⁶.

In conclusion, at the basis of surplus theories (which emerge, among other influences, from the research lines pursued by the Scottish historical school) lies the idea of a society characterised, in the first place, by high levels of complexity. To quote Marx, "The concrete concept is concrete because it is a synthesis of many definitions, thus representing the unity of diverse aspects"¹⁷. In the second place, it is characterised by a high degree of variability in the course of time, resulting both from 'tendencies' moving in the direction of change and the 'counter-tendencies' endogenous to change itself. In the third place, we have a society showing considerable variability over space and time (specific phenomena, whether historical, institutional or otherwise, being unevenly distributed over the territory). It is from this appraisal of reality—which is taken as pre-existing the observer—that the subdivision of analysis into separate logical stages derives. The main distinction here is between relations situated within the 'core' and relations external to it, the former (given the independent variables) being those that lead to determination of the surplus (and, as a corollary, of the relative prices). It is these relations that possess the greater degree of generalisation, while relations external to the 'core' are less susceptible of generalisation. This 'external' stage includes analysis of the determination of the variables previously taken as independent, and of their reciprocal relations and interrelations. However,

¹⁶ *Ibidem*, p.16. On the obstacles encountered instead in this connection by marginalists theories, which contemplate self-balancing forces acting on the 'factors of production' markets, cf. P. Garegnani, 1979, *Valore e domanda effettiva*, Einaudi, Torino, pp. 12-19.

¹⁷ Cf. K. Marx, *Introduction* [1857], Engl. trans, in: Appendix to *A Contribution to the Critique of Political Economy*, introduction by M. Dobb, (1970), Progress Publishers, Moscow, p.206.

it also includes the study of many other variables and circumstances. By definition, the study of relations external to the 'core' brings the analytic focus to bear on the specific functioning of institutions (whose existence is generally assumed in the first stage, but not analysed). Here there arises an important problem, and one that I intend to return to, namely: how does the first, and most abstract, of the stages of analysis fit in with the subsequent stages? It is worth recalling here that the 'core' by definition exclude a number of aspects (and their interrelations) ranging from determinants of distribution and aggregate demand—or at any rate determinants of the quantities produced—to technological and organizational change.

A major concern of Marx was the creation of tools to analyse an increase in the "contradictions of material life", i.e. crises, and it is hard to imagine the three aspects mentioned above together with various others would not playing a crucial role here. As we shall see, unlike the "classical economists" Marx was perfectly aware of the existence of many intermediate terms between the "more difficult, because more abstract, [part] of political economy"¹⁸ and the concrete as a "totality comprising many determinations and relations"¹⁹.

3. SPECIFIC AND GENERIC ABSTRACTIONS. THE METHOD OF POLITICAL ECONOMY

As we know, Marx draws the contrast between specific and generic abstractions in his 1857 *Introduction*. At this point, we may avoid simplistic interpretations of this contrast by posing two questions: firstly, abstractions *from what?*²⁰ Secondly, abstractions *of what?* With regard to the first question, Marx dedicates the first two sections (entitled, respectively, 'Production' and 'The General Relations of Production to Distribution, Exchange and Consumption') to describing the starting point for investigation (which is taken as pre-existing the observer): "when we speak of production... we always have in mind production at a definite stage of social development, production by individuals in a society" (p. 190). One and the same stage of social development covers a variety of traits that combine to form an organic unit. If, by comparison, we try to bring to light the common aspect which "all periods of production...have in common" we discover that this

¹⁸ Cf. Marx's letter to Weydemeyer, February 1th, 1859, It. tr. in: Appendix to K. Marx, (1957), *Per la critica dell'economia politica*, Editori Riuniti, Roma p. 220.

¹⁹ Cf. K. Marx, *Introduction* [1857], Engl. tr. cit., p.206.

²⁰ As A. Sayer pointed out in *Method in Social Science*, London 1992, p. 86 and note 1, many authors neglect this point.

“common aspect is itself a multifarious compound comprising divergent categories. Some elements are found in all epochs, others are common to a few epochs” (p. 190). Analysis of this complex structure can be conducted along two possible lines.

The first consists in abstracting from the specific characteristics of a certain stage in social development and focusing on the (generic) features common to all. This approach leads to “categories common to all stages of production and ... established by reasoning as general categories”. They are “the so-called *general conditions* of all and any production” considered by economists such as J.S. Mill. These conditions are “nothing but abstract conceptions which do not define any of the actual historical stage of production” (p. 193). In fact, forgetting certain “essential differences” leads “the modern economists” not to understanding, but rather to apologetics for the existing state of affairs. (This, Marx writes, is “the more or less conscious purpose of the entire procedure”: “bourgeois relations are clandestinely passed off as irrefutable natural laws of society in *abstracto*”) (p. 192).

Taking the second of the two lines, abstraction is socially and historically determined in a two—fold sense. On the one hand, it is constructed by singling out precisely those characteristics (e.g. production relations) that differentiate a given phase in historical development. At the same time—and this is a point that is often ignored²¹—the multiplicity of determinations within one and the same phase of social development again makes generalisation impossible, making it necessary to give separate, successive treatment to variables which, *even though also present in the more abstract analysis*, must at the outset be considered as given premises, as independent variables. Any specific abstraction is by definition unilateral²², isolating a partial trait from

²¹ Cf. M. Dobb, *Theories of Value and Distribution since Adam Smith*, 1973. In an earlier version of the same contrast (possibly echoing discussions with Sraffa), Dobb (*Political Economy and Capitalism*, London 1937, p.130-131) had in 1937 defined the second way indicated in the text thus: “one may build one’s abstraction on the exclusion of certain features which are present in any actual situation, either because they are the more variable or because they are quantitatively of lesser importance in determining the course of events”. If the 1937 version had the merit of associating this form of abstraction with characteristics of generality in the given situation, here as in the following version there appears no reference to the need to take account of the complexity of the relationships, i.e. the multiplicity of the determinations. It is indeed odd that neither of the two versions contains reference to Marx’s 1857 text.

²² On this point see also Dobb (1937, p. 7): “To take a slice of the real world and to analyse it in this way is equivalent to declaring this slice to be an ‘isolated system’, in the sense that it is connected with the rest of the world-happenings only through certain definable links, so that if we know what will happen to the remainder of these links at any moment, we can calculate what will happen to the rest of this ‘isolated system’”. Citing Whitehead, Dobb adds “the conception of an isolated system is not the conception of substantial independence from the remainder of things, but of freedom from casual contingent dependence upon detailed items within the rest of universe”.

reality, but the observer here is aware that what he abstracts from is a totality consisting of organic connections²³. An example from Marx, explaining the relations he postulates between economy and institutions, may serve to illustrate this point. When the economists who take the line of generic abstraction refer to production in general, "they include under this heading", with the same general approach, two other aspects, namely property (of the products and means of production) and protection of property "by means of the judiciary system, police, etc", both being considered among the general conditions of production. Marx criticises this line not only on the grounds that it reaches out, "with a jump", from property and protection in general to embrace specific forms of property and protection, but also because reducing realities to "mere connections in the mind" also reduces perception of the existence of problems, and thus prevents analysis of them. In fact, Marx wrote, "each mode of production produces its specific legal relations, political forms etc."²⁴, while by contrast generic abstraction—and here lies its "crudeness and lack of comprehension"—brings "into haphazard relation with one another" "organically coherent factors"²⁵ (*Introduction*, p. 193). The reduction of these organic connections into "mere connections in the mind" makes it impossible to subject them to systematic investigation.

The first two sections of the 1857 Introduction pave the way for examination of "The method of political economy", which the third section addresses. Here Marx introduces a concrete representation—abstract analysis distinction, the significance of which differs from that of the generic abstraction—specific abstraction antithesis considered above, the first term being different, although it might lead to similar results by a different route (there generic abstraction designated a method, while here the very term 'concrete representation'

²³ In the words of Polanyi, the contrast between generic and determined abstractions takes on the form of a contrast between "formal" and "substantive meanings" of what is 'economics'. Cf. K. Polanyi, *The Great Transformation*, Boston 1944, e K. Polanyi et al., *Trade Market in the Early Empires*, Glencoe 1957. For a recent revisitation of the concept of "economy as instituted process" and "embeddedness", see M. Granovetter, (1985) Economic Action and Social Structure: the Problem of Embeddedness, *American Journal of Sociology*, November.

²⁴ In a later section (not developed), entitled 'The unequal development of material production and, e.g., that of art', problematic doubts are raised on the rigidity of the relationship: "the really difficult point to be discussed here is how the relations of production as legal relations take part in this uneven development." (p. 215). (It is worth noting that inequalities of this kind are a focal point for Gramsci's reflections). It may also be worth pointing out that the method Marx proposes indicates a procedure but does not foreshadow the result. This may be of decisive importance in analysis of "structure"—"superstructure" relations (provided that we recognise that the use of this terminology, here used for the sake of brevity, may not prefigure the result).

²⁵ Cf. also *Economic-philosophical Manuscripts of 1844*, (It. tr., Einaudi Torino 1949, p. 82), where it is however stated that "political economy does not understand the connection of the historical movement" and mistakes as "chance, deliberate, violent consequences" circumstances that are, instead, "natural, inevitable, necessary consequences."

reveals its absence). Here Marx is concerned to account for a humanly comprehensible error, and in this way he also seeks to explain how analysis of the categories of political economy developed from the historical viewpoint.

Let us consider “a given country from the standpoint of political economy”. We are thus faced with “its population, the division of the population into classes, town and country, the sea, the different branches of production, exports and imports, annual production and consumption, prices, etc. It would seem to be the proper thing to start with the real and concrete elements, with the actual pre-conditions, e.g. to start with population, which forms the basis and the subject of the whole social process of production”. On closer examination, however, this approach proves erroneous. The population is an “abstraction devoid of sense” if we ignore the classes of which it is composed, the classes in turn involving reference to wage—labour and capital, which in turn “presuppose exchange, division of labour, prices.” Again, “capital, e.g. without wage—labour, without value, money, prices, etc.” is nothing. If, therefore, analysis were to begin with the population and proceed in a disorderly manner, the result would be “a vague notion of a whole.” Remaining at the most superficial level, that of “appearances”, would mean falling back—we might add—on what Marx defines as “vulgar economy”, i.e. points of view where the absence of analysis leads to confusion between “the mere reproduction of phenomena” and their representation in “a distinct, crystallised form”²⁶ (often resulting in mere apologetics). Although Marx occasionally noted ‘vulgar’ elements in the analyses of the classical economists, he nevertheless gave them credit for employing the “scientifically correct method”, which consists in proceeding “from the concrete situation represented to increasingly subtle abstractions, until one reached the most simple definitions.” Following this line of analysis, “even the simplest category of economics, such as exchange value, presupposes a population, a population moreover which produces under definite conditions, as well as a distinct kind of family, or community, or State, etc. Exchange value cannot exist except as an abstract, unilateral relation of an already existing concrete organic whole” (p. 206). From here it is a matter of making “the journey again in the opposite direction until one arrived once more at the concept of population, which is this time not a vague notion of the whole, but a totality comprising many determinations and relations”.

²⁶ Cf. K. Marx, *Theories of Surplus Value*, vol. III, London 1972, p. 501. See also, on this point, P. Garegnani, *Marx e gli economisti classici*, cit., pp.24-25, note 14.

At its birth, in the 17th century, political economy began from the “living organism, the population, the nation, the State, several states, etc”, but “analysis led [the economists] always in the end to the discovery of a few decisive abstract, general relations such as division of labour, money and value. When these separate factors were more or less clearly deduced and established, economic systems were evolved which from simple concepts such as labour, the division of labour, demand, exchange value, advanced to categories like State, international exchange and world market” (p. 206). The order of subjects as set out in the ‘57 *Introduction* also followed, quite literally, the sequence from abstract to concrete (and the relationship between economy and institutions) indicated above: “1) General, abstract determinations, which therefore appertain in some measure to all social formations, but in the sense set forth earlier. 2) Categories which constitute the internal structure of bourgeois society and on which the principal classes are based. Capital, wage—labour, landed property and their relations to one another. Town and country. The three large social classes: exchange between them. Circulation. The (private) credit system. 3) The State as the epitome of bourgeois society. Analysis of its internal relations. The “unproductive” classes. Taxes. National debt. Public credit. Population. Colonies. Emigration. 4) International production relations. International division of labour. International trade. Exports and imports. Rate of exchange. 5) The world market and crises.” This plan was never carried out.²⁷

It is worth recalling here that the year 1858 represented a watershed in Marx’s thinking. Probably as a result of having found what he considered the correct solution to the problem of determining the rate of profits and prices of production, he went on to piece together, within an organic whole constructed around the concept of a ‘substance’ to be redistributed, a number of elements he had been reflecting upon, ranging from the theory of prices and income distribution to the social division of labour and the concept of abstract labour²⁸. Indeed, it might well have been this very discovery that prompted Marx to suppress the general introduction to *A Contribution to*

²⁷The preface to *A Contribution to the Critique of Political Economy* opens with the words: “I consider the system of bourgeois economy in the following order”. There follow these six issues: capital, landed property, wage labour, the State, foreign trade, world market. Cf. also the letter to Lassalle of February 22, 1858 (It. trans. in Appendix to *Per la critica*, cit., p. 210).

²⁸On Marx’s theory of production prices and rate of profits as redistribution through the competition of total profits, equal to the total surplus, in proportion to the capital invested altogether, it has been pointed out that it should be seen “as a premise for the conception of abstract labour as the substance of value and the cornerstone of the whole theoretical structure of Capital”, Cf. F. Vianello (1987), ‘Labour Theory of Value’, entry in *The New Palgrave Dictionary of Economics*, London, p. 112. On the date of 1858 as watershed see, by the author of the present paper, (1985), *A Journey to Manchester: a change in Marx’s economic conceptions*, Political Economy, 1.

the Critique of Political Economy that he had drafted the previous year and replace it with the Preface²⁹. Comparing the '57 and '58—'59 summaries we are immediately struck by the change in the envisaged first chapter. The '57 summary suggests that it was to deal with the method of historically determined abstractions and, in conclusion, re—propose the analytic method of the classical economists, albeit obviously qualified. However, the version eventually taken up in *A Contribution* and again in *Capital* reflects both the solution Marx believed he had supplied (the transformation of values in prices) and his adoption of the genetic (or synthetic) method of exposition. Gajano (op. cit., pp. 44—46) has convincingly demonstrated the role Marx attributed (after 1858, I might add) to 'genetic exposition' as a means to integrate the analytic method (a necessary precondition for it) and, at the same time, overcome what he saw as the scientific limitations to classical economics (which he attributed to application of the analytic method alone). In passages in the *Theories of Surplus Value and Capital*, Marx notes that Ricardo had endeavoured to "trace back by means of analysis the various forms of wealth, fixed and foreign to one another, to their internal unity". However, by seeking to demonstrate with the analytic method alone "the identity of the source of various forms", abstraction was applied directly, without intermediate terms, revealing "the conception according to which the forms, the relations between of production and exchange, are natural and not historical." (Cf. Gajano, cit., pp. 44—46). Abstraction thus takes on the form of formal abstraction, "which is in itself false." (Gajano, *ibidem*, p. 51, note 5 and p. 46; K. Marx, *Theories of Surplus Value*, vol. II) According to Marx genetic development of the various forms would make it possible to proceed through all the intermediate terms from the foundation to forms, and thence to phenomenal appearance; the 'falseness' of appearances upon which 'vulgar' opinion was founded would thus emerge directly when the *ex post* result of transformation of values into prices could be traced back to its true origin, labour. In arguing this point I wish to suggest that Marx set out to integrate the analytic method with the genetic method only after he had provided the theory of determination of the rate of profit and prices with the solution defined as 'transformation of values into prices'. The proposal was in fact closely bound up with this solution and—in its specific form—dies with it.

For our present purposes it will suffice to point out that the object of polemics in the '57 *Introduction* is not the classical economists, whose analytic method

²⁹ For a different viewpoint, finding close continuity between the two writings, see e.g. A. Gajano (1979), *La dialettica della merce*, Napoli, p. 25.

of determined abstractions is in fact positively appraised—albeit with the qualifications we consider below—but the exponents of the method of generic abstractions: above all, the post—classical economists who came in with the demise of Ricardo’s school, namely J.S. Mill and Carey. It might be objected that criticism of the classical economists for having mistaken historical for natural forms can also be found in this text, at two points in particular. However, neither of them contains any reference to the limitations of the analytic method as such, but only to limitations in the philosophy behind it.

The first concerns the “Robinsonades” of Smith and Ricardo. Here they are seen as idealised prefigurations of a nascent ‘free competition’ society, and thus viewed with indulgence. They had “rhyme and reason in the works of eighteenth century writers”, and Smith and Ricardo “still rest entirely” “on the shoulders of the prophets” of that century. However, in the “modern political economy” of Bastiat, Carey, etc. “production performed by an individual isolated outside society” is sheer “inanity”, “as preposterous as the development of speech without individuals who live *together* and talk to one another”³⁰. The second passage (p. 206) contains more direct reference to the risk that transition from the concrete to the abstract may go astray, to produce “a chaotic representation of the whole” (although, “through closer definition one would arrive analytically at increasingly simpler concepts”). This is what happened in the dawn of political economy, when “full representation volatilised in abstract determinations” (while, in classical political economy, “abstract determinations by way of reasoning [lead] to the reproduction of the concrete situation”).

With regard to this risk of going astray, it should be noted that it is inherent to the method of ‘specific’ abstract determinations with its various levels of abstraction and necessary combination of deduction and induction, but does not seem to have any counterpart in the ‘generic’ abstraction method. It is, therefore, only for the former method that the need arose to start analysis from an ‘internal nexus’, serving in the first place to orient and clarify the subsequent transitions, and secondly (according to Marx, at least) to connect with a (more or less) necessary link the various ‘pieces’ of the structure which together form total reality. However, response to this need opens the way to a further risk: if defensive needs for reassurance and fears of contamination prevail over the requirements of research, the beginning of analysis becomes its point of arrival, and what was an ‘open’ system immediately turns into a ‘closed’ one.

³⁰ Cf. K. Marx, *Introduction*, pp. 188-9.

If in fact by opting for the genetic method and various other options Marx had already created the conditions for 'closure' of the system, it became increasingly marked in the Marxist tradition in general, in the debates following upon his death. The defensive approach and, ultimately, the 'closure' itself are evidenced by the recourse made to the terms of the genetic method without clarifying its relations with the preceding analytic phase, by the abandonment of the analytic method and difficulty in answering to the criticism of opponents. It is, I believe, in terms of this ultimately barren turn that we should appraise the renewal of Marxism launched by Sraffa in 1927—8 and completed (the intermediate stages of this evolution will have to be reconstructed) in 1960 with the publication of *Production of Commodities by Means of Commodities*. In short, having reconstructed the Ricardian and, more generally speaking, 'classical' basis of Marx's method, Sraffa went on to propose a solution to the problem of determining the rate of profit and production prices in such a way as to take up Marx's scientific programme from the point he had left it at (while, of course, taking account of subsequent developments) on more solid foundations than were afforded by the theory of labour value (modified though it was in Marx to apply to totals). In the place of labour value, the 'internal nexus' function is here taken over by the inverse relationship between wage and rate of profits. This relationship was originally brought in by Ricardo on the basis of the labour value theory and confirmed by Marx, although in both cases simplifying hypotheses were applied to obtain it. With Sraffa its general validity was confirmed, applying even when commodities are not traded in accordance with the labour they incorporate. However, the risk once again arises that it may be stretched to inappropriate or disproportionate ends—a point we shall be returning to later.

It should, however, also be remembered that Sraffa's 1960 work also bears the secondary title "Prelude to a Critique of Economic Theory". This takes us back to the antithesis between generic and specific, or historically determined, abstractions, which merits further discussion.

4. TAXONOMIES AND METHODS OF ANALYSIS

Analysis—any analysis— will invariably start with certain given presuppositions. It is, however, a distinctive feature of Marx's method to trace back these presuppositions to historical forms, which is achieved in part by demonstrating that the "vital process of bourgeois society converts the assumptions into results"³¹. What is illustrated here is not historical—

evolutionary in nature but structural. The starting point is the idea that the economy functions as a reproduction system, in line here with the Physiocrats. It is seen as perfectly circular: commodities are transformed into commodities, and the prices of production governed by the law of uniform rate of profit are also the prices of reproduction. (As noted above, reproduction is also implicitly guaranteed by the presence of institutions, behaviours, etc.). In his Appendix on 'References to the Literature'³² Sraffa pointed out that presentation of the economic system as a circular process "is in striking contrast to the view presented by modern theory, of a one-way avenue that leads from 'Factors of production' to 'Consumption goods'".

Although—as it has been stated³³—explanation is something more than description, any explanation will imply a description. The process that gave rise to construction of marginalist theory in the mid-19th century was also characterised at a certain point by a change in the taxonomy, or in other words of the classification criteria previously applied, in the direction of what Marx had defined as the method of 'generic abstractions'. Increased pressure on the positivist approach, aiming at bringing political economy (renamed 'economics') to the level of the natural sciences (of those times) was accompanied by the gradual formulation of the "true postulates of the science such as an abstract man, the law of population and diminishing returns", although "as Newmarch noted in 1871... the abstract doctrines of the population principles and of diminishing returns could no longer be verified empirically"³⁴. The steady rise of the deductive method was also attested by an observation of Cairnes (a disciple of J.S. Mill), who saw in the

³¹ Cf. A. Gajano, cit., p. 46, although he associated the phrase cited in the text with the genetic method. It is also worth noting, as Sayer, (cit., p. 97) writes, that "while the elements of structures are necessarily related, it is contingent whether any structure, as a unit, exists. It is therefore not sufficient to explain the existence of a structure merely by referring to its constituent internal relations and necessary conditions. The assumption that such inferences [about origins] can be drawn purely from this kind of analysis is the prime error of functionalism".

³² Cf. *Production of Commodities by Means of Commodities*, p. 93

³³ Cf. L Wittgenstein, *Philosophical Observations*, it. tr., Turin 1976, I, 1, p. 4 (the quotation is taken from M. Trincherio, Introduction to L. Wittgenstein, (1967) *Ricerche filosofiche*, Torino, p.XI.

³⁴ Cf. G. M. Koot, *English Historical Economics 1870-1926*, Cambridge 1997, p. 24 e 15. I refer the reader to the volume by Koot for initial description of the debate on method (confused and somewhat shallow, in all truth) held in Great Britain in this period. Koot argues that Marshall, despite having on various occasions asserted the importance of induction, or taken a conciliatory position ("so characteristic of his career") between induction and deduction—as attested by many passages in the *Principles*—actually "adopted Jevons' approach, calling for an essentially deductive method for economic science and a more varied methodological approach for applied economics and economic history" (ibid. p. 30).

method, “when conducted under the proper checks, [incomparably] the most powerful instrument of discovery ever wielded by human intelligence”³⁵

In this period, Jevons enounced the criteria to define a class of objects: “a class must be defined by the invariable presence of certain common properties”. Or, in other words, “Of every class, so far as it is correctly formed, the great principle of substitution is true, and whatever we know of one object in a class we also know of the other objects, so far as identity has been detected between them”³⁶. It is possible that in proposing this taxonomy Jevons had in mind the problems of exchange of final goods (not that of production of reproducible goods)³⁷. However, as subsequently observed, there is in actual fact no reason why a class should include only objects showing common characteristics or properties. Nevertheless, an experiment conducted by Sir Francis Galton³⁸ in 1879 would appear to bear out Jevons’ principle of classification, proposing an analogy in the field of cognitive psychology. The experiment (prompted by a conversation with Herbert Spencer) consisted in seeking out the ‘typical features’ of the physiognomies of members of one and the same family by exposing their faces briefly on one photographic plate. The results suggested to Galton this observation “No one, observing even fleetingly [these composite faces] would doubt that it was the portrait of a living person; and yet....it is not; it is the image of a type, not an individual.”³⁹

Thus, it was by analogy supposed—and the idea was widely embraced—that abstract concepts are formed in the mind. From a set of individuals (or objects) a

³⁵ Cf. J.M. Cairnes, (1888, 2nd edition), *The Character and Logical Method of Political Economy*, p.84, quoted in Koot, cit., p. 24.

³⁶ Cf. W.S. Jevons (1874), *The Principles of Sciences: A Treatise on Logic and Scientific Method*, pp. 412 and 345, quoted in R. Needham (1975), *Polythetic Classification: Convergence and Consequences*, Man, p. 349. The term ‘polythetic’ refers to a class of objects that don’t share common traits, as for instance: (a,b,c,d), (a,b,c,e), (a,b,d,e), (a,c,d,e) (b,c,d,e). For an historical account of the debate on classification criteria, see A.J. Cain, (1959), *Deductive and inductive methods in post-Linnean taxonomy*, in *Proceedings of the Linnean Society of London* and D. L. Hull, (1988) *Science as a Process*, Chicago, in particular pp. 117-30.

³⁷ On the difficulty in accounting for the prices of reproducible goods where cost represents a constraint to price in the process of formation of marginalist theory, see A. Campus, entry ‘Marginalist Economics’, *The New Palgrave. A Dictionary of Economics and Doctrine*, London 1987.

³⁸ Cf. F. Galton, (1879) *Composite Portraits*, *Journal of the Anthropological Institute*, 8, (see also *Composite Portraits*, *Nature*, 1878). It is worth recalling that in 1877 Sir Francis Galton had chaired a committee of the British Association for the Advancement of the Science calling for an end to session F of the Association dedicated to works of “Economic Science and Statistics”, “on the grounds that the papers of this section had failed to live up to acceptable scientific standards” (Cf. Koot, cit., p. 13).

³⁹ Cf. R. Needham, *Belief, Language and Experience*, Oxford 1972 (it. tr. *Credere*, Torino 1976, p. 113), which also merits more general consultation on the themes discussed in the text.

number of common features are first identified and extracted, thus constituting the definition of the class consisting of such individuals (or objects).

It was to refute this analogy that Vygotsky set out on a series of research projects between 1927 and 1930 (subsequently published in *Thought and Language* in 1934, chapter 5), demonstrating that adolescents actually form concepts following a path that “never conforms” to the logical process Galton’s composite photographs had suggested. The formation of abstract concepts did not derive from logical mental operations carried out regardless of the experimental context and the subject’s own experience and reworking, as Piaget had initially argued (1926). On the contrary, Vygotsky asserted, the formation of concepts is the result of a complex movement of thought “constantly oscillating... between the particular and the general, the general and the particular.” Since the mind has its processes to endow experience of meaning⁴⁰, it will construct classifications in which the members of the class (or complex of blocks considered) may differ among themselves in accordance with concrete circumstances and aims but prove to be associated by specific forms of relations (e.g. complementarity, contrast, resemblance, symmetry, “chain” links with attributes varying from link to link, etc).

By an odd coincidence⁴¹ noted independently by Needham and Toulmin, both Vygotsky and Wittgenstein (in the *Blue Book*, which contains findings taken up ten years later in *Philosophical Investigations*) took the lead from Galton’s experiment in the same years to illustrate, and then criticise, the traditional definition of concept, or class, as a set of common features⁴². What prompted Wittgenstein’s criticism, Needham writes, was mainly the aim to “expose the extreme consequences ‘our mania for generalisation’ leads to.” According to Wittgenstein, this mania is the result of certain tendencies associated with specific types of speculative confusion, the first of which is the tendency to “seek out something in common between all the

⁴⁰ Cf. J. Bruner, (1998) *Celebrare la divergenza: Piaget e Vygotsky*, in O. Liverta Sempio, a cura di, *Vygotsky, Piaget e Bruner. Concezioni dello sviluppo*, Milano, p.27.

⁴¹ S. Toulmin (Ludwig Wittgenstein, *Encounter*, 32, 1969, but see also "The Mozart of Psychology", *New York Review of Books*, 28 September 1969, p.53) suggests a possible indirect connection between Vygotsky and Wittgenstein through the psychologist K. Bühler, a friend of Wittgenstein’s sister often cited in *Thought and Language*. As we shall see below, a number of the themes linking the two authors appear in the discussion Gramsci goes through in the *Prison Notebooks (Quaderni del carcere)*, edited by V. Gerratana (1975) Einaudi Torino) starting from the *Theory of Historical Materialism* by Bukharin (called for short by Gramsci *Saggio popolare*).

⁴² As Needham points out (1976, p. 114), there is however a difference in terminology: Vygotsky follows Galton in calling features common to various people “family traits”, while Wittgenstein applies the term “family resemblances” to a series of features occurring sporadically, none being common to all.

entities we normally indicate with one single term"⁴³. This idea, Wittgenstein wrote, "links up with other primitive, and simplistic, ideas on the structure of language. It can be compared with the idea that *properties* are *ingredients* of the things that possess them"⁴⁴. The mania for generalisations also derives from preoccupation with scientific method, defined as that which reduces explanation of natural phenomena to the smallest number of basic natural laws. But—Wittgenstein asks—can the philosopher's task be to *reduce* something to something else? Subscribing to the conventional notion of classes amounts to "a contemptuous attitude towards the particular case" or "contempt for what seems a less general case." Such considerations can be associated with the *Remarks on Frazer's "Golden Bough"*, most of which Wittgenstein wrote in 1931. Here too, criticising the reductive attitude implicit in the evolutionary view of those who look to the past as an apprenticeship for the present, Wittgenstein—as has been noted⁴⁵—considers "generality as the natural bent and constitutive laziness of the philosophical intelligence, since no effort in this field can be seen as other than an effort to distinguish and differentiate... There are explanations and theories that we are irresistibly inclined to accept almost solely for the unity, symmetry and logic they confer on the facts considered."

The personal relations between Wittgenstein and Sraffa have often been recalled, as has the influence of Sraffa's criticism in determining what von Wright defined as the "radical change", or in other words, the transition from the *Tractatus* to other works—like the *Philosophical Investigations*—

⁴³ Cf. Needham, 1976, p. 113. The citations Needham refers to are from L. Wittgenstein, *Blue Book and Brown Book*, (it. tr., Torino 1983, pp.26-28), pp.16-18 of the English second edition, Oxford 1964; the latter edition contains on p. 17, a variation to the first edition on the basis of "a text of the Blue Book in the possession of Mr. P. Sraffa").

⁴⁴ Italics added. Needham speaks of the "disastrous deception of reificatory and monothetic taxonomies", in particular in comparative researches, which he contrast with "a radical style of abstraction" in which "formal properties [are] defined in pure formal term, without reference to any class of entities". Cf. R. Needham, *Remarks and Inventions: Skeptical Essays About Kinship*, London 1974, p. 16 and 47. The notion of 'polythetism' applies to groups "composed of organisms with the highest overall similarity, and this means that no single feature is either essential to group membership or is sufficient to make an organism a member of the group" (cf. Needham, 1975, p. 353, italics added). With regard to "theoretical difficulties" arising from embracing without analysing the premise that phenomena are to be classified according to the properties they have in common, Needham cites in *Remarks on the Analysis of Kinship and Marriage* (in *Rethinking Kinship and Marriage*, edited by R. Needham, London 1971, p. 30) these words of Wittgenstein, referring to the "processes we call 'games'": "Do not say 'There must be something common to all, otherwise they would not be called 'games' - but look to see if there is something common to all. In fact, if you observe them you will certainly not see something common to all, but you will see resemblances, relationships, indeed you will see a whole set of them. As I have said: do not think, but observe!" (*Philosophical Investigations*, it. tr., cit., p. 46).

⁴⁵ Cf. J. Bouveresse, Wittgenstein antropologo, in Appendix to L. Wittgenstein, *Note sul 'Ramo d'oro' di Frazer*, Adelphi Milano 1975, p. 66.

belonging to the phase defined as the “second Wittgenstein”. According to a much cited anecdote recounted by Malcolm⁴⁶ the object of Sraffa’s criticism was ‘the theory of representation’ contained in the *Tractatus*, i.e. the idea of necessary correspondence between the propositions of language and the images of the facts they describe⁴⁷. It is worth noting that in the *Blue Book* Wittgenstein associates Galton’s experiment with the ‘isomorphic’ theory he had succeeded in shaking off. “There is a tendency (rooted in our customary forms of expression) to think that those who have learnt to understand a general term—the term ‘leaf, let us say—have thus come to possess with it a general image of a leaf, an image distinct from the images of individual, particular leaves... We say that he sees what is common to all these leaves; and this is true, if we mean that, when questioned, he can tell us certain features or properties. However, we are inclined to think that the general idea of a leaf is something like a visual image, but containing only what is common to all leaves. (Galton’s composite photograph). This again is connected with the idea that the meaning of a word is an image, or something correlated to the word. (In other words: we consider words as if they were all proper nouns, and then confuse the bearer of the name with the meaning of the name)”⁴⁸.

In virtue of the criticism of the traditional notion of classes of objects as collections of common features and the contemporaneous proposal of alternative notions based on formal properties, we can associate two points that had already received the separate attention of other authors. The first regards the suggestion⁴⁹ that there is an analogy between marginalist methodology (and thus the philosophical position underlying it) and the theoretical framework of the ‘first’ Wittgenstein. This point finds Rossi Landi (p. 42) and Roncaglia (p. 138) in agreement. In particular, the latter notes these aspects: “the atomistic basis of reality and theory”, “a correspondence between the facts of the world and the elements of language”, “the presumption of a complete description in accordance with general rules of everything that is describable in the world.” The second point regards an analogy between the general theoretical framework of the second Wittgenstein and the second Sraffa (i.e. the Sraffa who abandoned

⁴⁶ “What does this correspond to?” Sraffa is said to have asked Wittgenstein, on the train, repeatedly raising his finger to his chin with a typically Neapolitan gesture.

⁴⁷ On this theory and its origins, see D. Marconi (ed.) (1997), *Guida a Wittgenstein*, Laterza Bari, p. 19 ff.

⁴⁸ Cf. *Blue Book and Brown Book*, cit., it. tr., p. 27

⁴⁹ Cf F. Rossi Landi (1968), *Il linguaggio come lavoro e come mercato*, Milan 1968, p. 42, e A. Roncaglia, (1975), *Sraffa e la teoria dei prezzi*, Laterza Bari, pp. 137-8. For a recent revisitation of the thesis, cf. J.B. Davis (1988) Sraffa, Wittgenstein and neoclassical economics, *Cambridge Journal of Economics*, 1.

a Marshallian influence and returned to classical economics and Marx after 1928). Here interpretations diverge. Roncaglia⁵⁰ places the emphasis mainly on Wittgenstein's turnabout on the propositions previously embraced, but with the risk of a conclusion (regarding criticism of the presumption of a complete description in accordance with general rules) that merely opposes the uniqueness of the methods of analysis with a sort of common-sense relativism applied to the methods themselves ("The type of analysis that will serve for subsequent clarification depends on the circumstances, on the specific problem in relation to the propositions under examination"). More relevant, or at any rate more in keeping with the interpretative line adopted here, are Rossi Landi's observations on Wittgenstein's line of research and the "research models... characteristic of the thinking of the classical economists" (significantly, he cites Dobb's work of '37, and recalls its contiguity with Sraffa at Trinity College). "Such models," Rossi Landi writes, "are obtained by means of abstraction, discarding secondary characteristics and not bringing together common properties. It is a way of abstracting that [much like Wittgenstein's linguistic games] determines its object as a totality, and not severing some parts from the whole they belong to"(p. 43).⁵¹

We may, I think, postulate the existence of a relationship between the three elements: characteristics of the reality as perceived by the observer, the categories (or classification systems, i.e. taxonomies) used to describe them, and finally the methods of analysis (forms of abstraction). In terms of the classical political economy framework, the reality perceived does not consist of a non-structured set of components (or attributes), each of which is isolated or randomly related with the others. Indeed, we might say, borrowing from the terminology of cognitive psychology⁵², that "the material objects of the world are perceived to possess high correlational structure" (for example, in the field of zoology "it is an empirical fact provided by the perceived world that wings co-occur with feathers more than with fur" and that "objects with the perceptual attributes of chairs are more likely to have functional sit-on-able-ness than objects with the appearance of cats", or, in short, "combinations of what we perceive as the attributes of real objects do

⁵⁰ Roncaglia's interpretation is consistent with his peculiar interpretation of Sraffa's scheme as a "snapshot" of the real system (if taken literally, a snapshot evidently does not require a process of abstraction).

⁵¹ However, with regard to surplus theories we have argued that the totality of the real, although presupposed at each stage, requires temporary separation of the levels and objects of analysis in view of its complexity and variability.

⁵² Cf. E. Rosch, (1978), *Principles of Categorization*, in E. Rosch and B. Lloyd, eds., *Cognition and Categorization* New York, p. 29.

not occur uniformly”, i.e. with equal probability). If this “high correlational structure” is also perceived as important in relation to the objects of social reality, what are the difficulties and limitations we come up against adopting categories that, following Jevons’ approach, are based on the grouping together of common properties?

The first, obvious, point to make is that these categories lead to forms of generalisation in which the objects are isolated from their context (removed from their historical—i.e. institutional, social, spatial, cultural, etc.—context). And, as we observed in the case of the reduction of “tools for production” to “capital”, i.e. a category considered devoid of historical contents, “the more a social object is internally *related to other objects*, the less likely is it to be invariant across time and space”⁵³. On occasion the institutions are described in a reductive way as “habits and customs”, a sort of given parameter ruling out a priori the possibility that they may change, or interact in a different way, and at any rate removing them from specific analysis. However, we are so accustomed to generalisation that we tend to forget how many things are actually abstracted when—with only apparent completeness—hypotheses based on the neo-classical theoretical perspective are stated. Following through with the same example, if I write of a production function that the product obtained depends positively, and decreasingly, on the use of a quantity of a factor called ‘capital’ for a given level of a factor called ‘labour’, I am abstracting not only from the political and juridical context with all its formal and informal norms, etc, but also from the organisation of the firm itself (and of labour), both within and in relation to other firms. Since this simple formal relationship stands as the basis on which the factor demand curves are constructed, and with them the neo-classical description of the competitive ‘market’, it is obvious that separate, successive inclusion of this or that institutional aspect (albeit with the best of intentions, to come closer to realities) can only obscure, but never eliminate the initial idea of a market that exists before the institutions and can function independently of them—indeed, all the more efficiently as it converges towards their elimination. From these—apparently Arcadian, innocuous abstractions—social disasters can arise, as in the case of ‘instant capitalism’, a term coined by Ignacy Sachs to sum up the economic culture of the experts who offered their ready-made recipes for swift transition from planned economies to the market.

⁵³ Cf. A. Sayer, cit., p. 101, italics added. On the problem of the limits to generalisation, see Sayer, cit., pp. 99-103.

Secondly, a generalisation based on association of a given property with a class of objects can tell us nothing about how incidental this association may in reality be: in any case, *the nature of the relationship* between a given characteristic and a class of objects, defined in the manner we have seen, is not itself susceptible to investigation with the method of generalisation.

Thirdly, and above all, even when generalisations refer to classes of objects with features defined as common (i.e. disregarding the problems of aggregation) "they do not tell us whether the classes are independent or connected among themselves."⁵⁴

In conclusion, reified categories, constructed on the basis of the common properties of the objects (generic abstractions), lead to forms of generalisation in which the relationships among the objects, and between them and their attributes, are not investigated. Thus we may say that the categories constructed with this criterion lead to generalisations leaving no room for relationships of structure⁵⁵. We may therefore well understand how revival of the classical framework has, alongside separation between determination of the quantities produced and relative prices, also meant a return to the study of relationships and distinctions that the marginalist tradition had shelved: between production processes and products, between intermediate and final goods, between wages and luxury goods (with the generalisation to the basic/non-basic goods distinction, the latter category also susceptible of being used—as analytic category—for the study of product innovations), between single and joint product production processes, between subsistence wage and

⁵⁴ Sayer, *ibidem* p. 101. An enlightening example is offered by Sraffa's refusal in *Production of Commodities by Means of Commodities* to use the term "cost of production"—at this point left to the Marshallian tradition—in the context of classical political economy. "The latter "description," Sraffa writes (1960, p. 8), "would be adequate so far as non-basic products were concerned" since in this case "their exchange ratio is merely a reflection of what must be paid for means of production, labour and profits to produce them- there is no mutual dependence". But in the case of "basic products" there is another aspect to consider—"its exchange ratio depends as much on the use that is made of it in the production of other basic commodities as on the extent to which those commodities enter its own production". "A less one sided description is therefore required." (Sraffa's italics).

⁵⁵ Possibly Foucault was thinking of the transition from one method of abstraction to another when he wrote: "While Hume made of causality a case of the general questioning of resemblances, Kant, isolated causality and thus inverted the problem; where it had been a matter of determining relations of identity and distinction against a continuous background of similitudes, he raises the reverse problem of the synthesis of diversity". Cf. M. Foucault, *Les mots et les choses*, [1966] (It. tr. Le parole e le cose, Milan 1978, p. 181). My thanks go to Franco Cossentino for pointing out this point to me. D. Hume (in *A Treatise on Human Nature* [1739], London 1983, p.117) had written: "And as the power, by which one object produces another, is never discoverable merely from their idea, 'tis evident cause and effect are relations, of which we receive information from experience, and not from any abstract reasoning or reflection. There is no single phaenomenon, even the most simple, which can be accounted for from the qualities of the objects, as they appear to us".

surplus wage, between rate of interest and rate of profits, etc. It may in fact be significant that it is the relationships of complementarity—generally ignored or given little consideration by the marginalist theoreticians—that make it, in general, impossible to foresee the existence of factor demand curves inversely, and monotonically, related to factor prices, and thus of markets stable enough to make the explicative claims of the theory acceptable.

5. IMAGE AND REPRESENTATION

As I pointed out above, it is only in the case of investigations based on determined abstractions that the problem arises of setting some element to illuminate the successive transitions at the outset in order to avert the risk of going astray. It may be formulated as the need for a synthesis—inevitably subsequent to the initial findings—to supply the premise for further research. In the case of Marx, synthesis starts from the theory of the rate of profits, based on the hypothesis that commodities exchange according to the labour they embody. The hypothesis is assumed in the development of forms beginning from the commodities themselves, and thus underlies the exposition Marx sets out in Book I of *Capital* applying the genetic method inspired by Hegel. It is not, however, until Book III, after treating a great many intermediate terms that Marx actually illustrates the way competition works and presents what he saw as the solution. Although not applying at the level of individual goods, exchange of commodities in terms of embodied labour should, according to Marx, apply at the system level, with the result that the uniform rate of profits should prove to be determined by the ratio between total surplus and the labour incorporated overall in the means of production and in wages. However, it is a solution that lacks general validity. Sraffa's proposal is to determine prices and rate of profit at the same time. The formulation adopted rules out the possibility that labour will in general play a role in the determination of prices and the rate of profits, but confirms the ideas of Marx (and Ricardo) on the dependence of profits on wages, and thus their residual nature.

Garegnani has argued⁵⁶ that in the case of Sraffa “comparison between equations and unknown values in a system of $(k+1)$ simultaneous equations... is no substitute for the transparency” offered by equations where, as in the case of Marx (and Ricardo), together with the disappearance of prices, profit

⁵⁶ Cf. P. Garegnani, *Marx e gli economisti classici*, Torino 1981, p. 38.

emerges as the difference between a product of known magnitude and wages, while the rate of profits emerges from the proportional distribution of profits over the capital employed.

According to Garegnani, the absence of such transparency means the loss of a “simple ‘image’ affording the concrete mental representation of a highly abstract analysis—the dependence of the rate of profits on wages.” Loss of this ‘image’ “would constitute a great disadvantage for analysis”, not only because “it would diminish insight into the now recognised properties of the system,” but also because “our progress in knowledge through the formulation of further questions and the consequent search for answers would prove slower and harder.” In order to recover the ‘image’ Sraffa follows two lines, reducing prices to ‘dated’⁵⁷ quantities of labour and, when it is the rate of profits rather than the wage that figures as independent variable in the ‘core’, measuring wages in terms of a composite commodity, i.e. the standard commodity. When the wage is expressed in terms of the latter, which is so constructed as to ensure physical uniformity between the (net) product and its means of production, in the real system we obtain a linear relationship between rate of profits and wage. Thus we recover that ‘image’ of a product of known magnitude to divide between wages and profits which Marx had obtained working on the hypothesis that goods were exchanged according to the quantities of incorporated labour in relation to the economy as a whole. The aim of the standard system, Sraffa wrote⁵⁸, is to “give transparency to a system and render visible what was hidden”.

I wish to stress two points briefly. In the first place, as we have already found in Marx, we have the distinction between two aspects: representation on the one hand and analysis on the other.

The problem of the representation (or exposition, or synthesis) of findings is also considered important for the subsequent developments of the analysis itself. Secondly, we have the analogy between the importance Sraffa attributed (as Garegnani sees it) to the ‘image’ as intuitive and concrete mental representation of the results of highly abstract analysis, and the importance Wittgenstein ascribed to the concept of ‘perspicuous representation’ (stressed both in the *Philosophical Investigations* (§ 122) and the *Remarks on Frazer* (it.

⁵⁷ Cf. also the application of the “surplus equation method” to the vertically integrated sector of wage goods, in P. Garegnani (1960), *Il capitale nelle teorie della distribuzione*, Giuffrè Milano, chapters IV and V, and Marx e gli economisti classici, cit., pp. 39-48.

⁵⁸ Cf. *Production of Commodities*, cit., § 31.

tr., p. 29)), taken as “presentation of the totality of facts known to us in an enlightening and, as it were, ‘speaking’ order”⁵⁹. In the *Remarks* on Frazer he writes: “The concept of perspicuous representation is of fundamental importance for us. It designates our form of representation, the way we see things.... This perspicuous representation mediates our understanding, which consists in fact in ‘seeing the connections’. Hence the importance of finding *intermediate links*”.⁶⁰

The strong affinities between these aspects of Wittgenstein’s theoretical reflections and Goethe’s morphological studies have been pointed up by other authors⁶¹, and it would be superfluous to go into them here. It will suffice to recall that behind Goethe’s research on the morphology of forms of life in nature there is, Schulte remarked (p. 104), a two—fold sense of dissatisfaction, “on account of the lack of a principle for investigation, symptomised by the inconclusiveness of a merely empirical gathering and amassing; and secondly on account of the lack of a principle for explanation which might make it possible to organise the results achieved in a perspicuous form. These two defects are closely bound up together, research and explanation being activities interconnected in various ways.” Goethe saw in the presentation of observations in perspicuously ordered sequence an alternative to these deficiencies, and in particular to the causal explanation of the succession of forms characteristic of Newtonian science. For Goethe (as indeed for Wittgenstein), theory was to be sought in the phenomena themselves, and not behind them, since “no phenomenon is explained by itself and in itself, but many considered together and methodically ordered finally yield that which might be called theory”⁶². It is worth noting that this type of procedure, which Goethe himself defined as ‘operating objectively’, contains polemical reference to the hypothetical procedure attributed to Newton, contested by Goethe for the error of “taking as the foundation one phenomenon, and one artfully distorted moreover, to build a hypothesis upon and, starting from here, endeavouring to explain the most various and

⁵⁹ Cf. J. Bouveresse, cit., pp. 70-71.

⁶⁰ In the original text the phrase cited contains between brackets, in the place of the dots, the following sentence: "(A sort of 'world conception' such as appears typical of our age. Spengler)". On Wittgenstein's relations with Spengler, Cf. J. Schulte, *Coro e legge. Il 'metodo morfologico' in Goethe e Wittgenstein*, *Intersezioni*, 1, 1982, pp. 116-7. The expression 'intermediate links' is from Goethe {La metamorfosi delle piante e altri scritti sulla scienza e la natura, (*The Metamorphosis of Plants and Other Writings on Science and Nature*) [1792], It. trans. 1983, p.128}.

⁶¹ Cf., apart from J. Schulte, cit., the authors cited in Marconi, ed., *Guida a Wittgenstein*, cit., p. 91, note.

⁶² Cfr. W. Goethe, *Teoria della natura*, Torino 1959, p. 168. On the contrast of Goethe with Newton, see D.L. Sepper, *Goethe against Newton: Towards Saving the Phenomenon*, in F. Amrine, F.J. Zucker, H. Wheeler, *Goethe and the Sciences*, Dordrecht 1987.

limitless phenomena"⁶³. 'Objective thinking', Schulte writes (p. 102), is to be seen as a methodological principle which may be expressed thus: "to fix upon the object in its purity, free from extraneous influences, and shed all prejudice, forget all one has heard hitherto, let the object work upon us as it appears to us"⁶⁴.

Returning, now, to the functions the theory of labour value performs in Book I of *Das Kapital*, we might put it quite succinctly that Marx, with the help (and in the language) of Hegel, used it to provide a 'perspicuous representation', an intuitive 'image' of the results of analysis. Sraffa not only corrected Marx's analytic error, but also sought through the inverse relationship between wage and rate of profits to recover a 'perspicuous representation', in turn proposed as—at least in principle—a premise for further questions and further results. In the idea of 'intuitive' image, Goethe, with the mediation of Wittgenstein, thus takes the place of Hegel.

6. GRAMSCI'S QUESTIONS

In a letter of May 30 1932⁶⁵, Gramsci posed a number of questions to Sraffa from prison, with Tania acting as intermediary. In the first place he wanted bibliographic data on "the method of research in the economic sciences employed by Ricardo and the innovations Ricardo had introduced into methodological criticism." In this connection Gramsci writes: "My reflections run thus. Can we say that Ricardo contributed to leading the early theoreticians of the philosophy of praxis to supersede Hegelian philosophy and construct their new historicism, purged of all speculative logic?" He asserted that it

⁶³ Cf. W. Goethe, *Teoria della natura*, cit., p. 147. Cf. on the subject Schulte, cit., p. 101, and note 10. Schulte underlines Goethe's appreciation for the 'analytic method' while reasserting his preference for representation "in a certain succession".

⁶⁴ We can perhaps find traces of Goethe's influence also in a passage in *Production of Commodities*, cit., § 31 ("the rate of profits....can be seen to rise", where the italics are in the text) and in the correspondence with P. Newman where, considering the distinction between basic and non-basic goods, Sraffa writes of "differences between objective properties". See also the "scaffolding" metaphor which recalls the first lines of the preface to *Production of Commodities* and the function of the Standard Commodity. For Goethe "Hypotheses are like the scaffolding that is erected in front of a building and taken down when construction is completed; it is indispensable to the worker, but he must be careful not to mistake the scaffolding for the building"(Cf. *Teoria della natura*, it. tr., p. 167; see also L. Wittgenstein, *Philosophical Investigation*, cit., § 240 and, on this point, Schulte, op. cit. p.115, note 42). It is worth noting that the terms 'scaffolding' and 'basis for orientation' (which we may associate with the term 'perspicuous representation') are also to be found—with partially different meanings—in the works of Vygotsky and his school.

⁶⁵ Cf. A. Gramsci, T. Schucht (1997), *Lettere 1926-1935*, edited by A. Natoli and C. Daniele, Torino, p. 1015-6.

“would be worthwhile” trying to demonstrate the assumption, and went on: “I take my cue from the two concepts, fundamental to economic science, of the “mercato determinato” (‘determined market’) and the “legge di tendenza” (‘law of tendency’), which I believe we owe to Ricardo, and argue thus: may it not be from these two concepts that the motivation arose to reduce the ‘immanentist’ concept of history—expressed by German classical philosophy with idealistic and speculative language—to realistic, immediately historical, ‘immanence’, in which the causality of the natural sciences is purged of its mechanical nature and synthetically identified with dialectical reasoning of the Hegelian school?” Concluding the letter, Gramsci again posed the problem of Ricardo’s methodological contribution: “That British classical economics contributed to the development of the new philosophy is generally acknowledged, but usually with Ricardo’s theory of value in mind. I believe we should look a little further and identify a contribution I might call synthetic, or in other words concerning intuitions of the world and of the way of thinking, and not only analytic, regarding a particular doctrine, fundamental though it may be”. With uncustomary haste⁶⁶ Sraffa answered Tania on 21 June, and Tania transcribed the contents for Gramsci on 5 July, but due to the harsher censorship and general conditions inflicted on him by the prison authorities he received it with some delay⁶⁷. Behind these measures was the apprehension that the material requested by Tania for a review of Croce concealed an attempt to have articles by Gramsci published abroad. All this was followed, in July, by a dramatic decline in Gramsci’s health. For this or other reasons unknown to us, Sraffa’s answer marked the end of the exchange—at least in written form—between Gramsci and Sraffa on Ricardo with Tania as intermediary.

Sraffa’s reply to Gramsci’s questions is elusive—in part interlocutory, in part questioning, in part ‘dismissive’ and in part over—erudite (given the circumstances). On the observation concerning “the significance of Ricardo in the history of philosophy” Sraffa writes that “in order to understand it well I need to study the writings of the early theoreticians of the philosophy of praxis more than Ricardo”. Sraffa asks for clarifications on the meaning of the terms “that Nino calls fundamental and which, putting them between

⁶⁶ Cf. the chapter by F. Ranchetti on ‘Piero Sraffa’, in F. Ranchetti, B. Ingraio, *Il mercato nel pensiero economico*, Hoepli Milano 1996, p. 551. My interpretation of the correspondence between Gramsci and Sraffa differs in part from Ranchetti’s, but above all marks a distance from the interpretation advanced in G. Lunghini (1994), ‘Gramsci critico dell’economia politica’, introduction to A. Gramsci, *Scritti di economia politica*, texts edited by F. Consiglio and F. Frosini, Bollati Boringhieri, Torino.

⁶⁷ Cf. V. Gerratana, introduction to P. Sraffa (1991), *Lettere a Tania*, Editori Riuniti Roma, p. XLI, and the letter by Tania of 11 February 11, 1933, *ibid*, p. 238, where she writes that due to these suspicions “six of my letters have been sent to the Ministry”.

quote marks, seems to attribute with a technical meaning”, namely “*mercato determinato*” and “*legge di tendenza*”. In the case of the latter term (possibly taking it⁶⁸ as synonymous with ‘law of nature’) Sraffa adds, “I was accustomed to considering it rather one of the characteristics of vulgar economics.” On Ricardo he writes (italics added): “it is very difficult” to appreciate “the philosophical importance, *if there is any*.⁶⁹... since he himself, unlike the philosophers of praxis, never stooped to considering his own thinking historically. In general, moreover, he never takes up the historical standpoint and, as has been observed, sees the laws of the society he lives in as natural and immutable laws. Ricardo was, and always remained, a broker of mediocre culture...” and “in his writings it is, I think, clear that the only cultural element one can find is derived from the natural sciences”⁷⁰. Sraffa went on to add, together with numerous bibliographical references, that “for works on methodology it is useless looking to the British who, in this if not in other respects, are faithful disciples of Ricardo, and never make a point of tackling the question.” Reference followed to “two recent little German works” published in a series edited by K. Diehl, including *Das Abstraktionsproblem bei David Ricardo* by H. Borchers (Jena 1929), which he ‘confessed’ to not having read as yet.

Sraffa’s answer is significant for a number of reasons. On the one hand, as has been aptly pointed out⁷¹, he could not know “the line of reflections” that had led Gramsci to pose such questions and use such terminology, which moreover he attributed to Ricardo. The line was in fact to emerge clearly only after publication of the *Quaderni*. At the same time, Gramsci’s questions caught Sraffa himself engaged in some particularly hard thinking, and admitting that, given also his limited knowledge of the authors involved, the treatment of questions of method in Marx (and Engels) could not suffice to yield satisfactory answers. Moreover, reductive and debatable as his summing up of Ricardo’s cultural background may be, Sraffa seems here to be arguing that the absence of any explicit discussion in his writings makes it ‘more difficult’ to deduce the method, which does not imply any preconceived lack of interest in the methodological position implicit in his writings. (The book by Borchers, which we cannot examine here, deals precisely with analysis of the methodology implicit in Ricardo’s writings, and it seems hardly likely that Sraffa failed to take it into account subsequently).

⁶⁸ Cf. Ranchetti, *ibidem*, p.551.

⁶⁹ Italics added.

⁷⁰ Relevant here is a remark by Gramsci cited later (note 80), although made in a different context.

⁷¹ Cf. Ranchetti, *cit.*, p. 551.

Our difficulty in grasping the real meaning of Gramsci's questions does not only—and quite naturally—concern the Sraffa of '32, however. It still crops up in interpretations seeking to artificially isolate a single aspect of Gramsci's reflections, failing to see the forest for the trees. If we are to understand those questions (that letter) aright we must take account of three poles that were attracting Gramsci's attention at the time, as the *Quaderni* reveal: anti—idealist polemics (with Croce), polemics against the deterministic, mechanistic positions that came from reducing Marxism to "ultra—materialism" (against the Bukharin of the *Theory of Historical Materialism. A People's Manual of Marxist Sociology* and, by extension, the then dominant positions in Soviet politics⁷²) and, finally, the relationship between political economy and philosophy in political strategies leading to hegemony. While Gramsci's questions derived directly from the latter consideration, they can only be understood if we reconstruct the significance of the other two points in relation to the third. In short, Gramsci was seeking to construct a theoretical viewpoint that could avoid the Scylla and Charybdis of hypo—determination (subjectivism based on generalising abstractions) and hyper—determination (deterministic mechanism on a positivist, 'vulgar materialist' base) of the environment on the individual. Basically, what Gramsci asks Sraffa is how the relationship between necessity and regularity, between necessity and freedom, between automatism and political action and between forecast and deliberate intervention was tackled in Ricardo and subsequently taken up by Marx.

In the background to these questions there is therefore—beginning with the method of Marx—a constructive interest but also a keen polemic primarily against the position of contemporary Marxists⁷³, who had embraced the "mechanical causality" of the *People's Manual*. Here I shall endeavour to justify these assertions by reconstructing the meaning of the terms used in the letter of '32. However, I should also like to raise a more general point

⁷² Bukharin's book was defined by V. Mikecin "an aspect of the genesis of Stalinism". Cf. V. Gerratana, introduction to *Teoria del materialismo storico. Manuale popolare di sociologia marxista*, Florence 1977, p. XIV, note 20 and the more attenuated remarks in the text. Bukharin's book, published in 1921, was known to Gramsci in the French translation of the fourth Soviet edition, 1927. Gramsci (*Quaderni*, p. 1386-7) attributes "residui di meccanicismo" (mechanism residues) directly to the opinion (which he learnt from Mirskij to have been advanced by Stalin in 1931) that "materialism is materialism only as long as it regards abstract categories as one with their material content and theory as the servant of practice". Cf. D.S. Mirsky, *The Philosophical Discussion in the C.P.S.U. in 1930-31, Labour Monthly*, October 1931, p. 653.

⁷³ Gramsci is in general highly critical of contemporary Marxists. In 1933 he even went as far as writing: "What strikes one is this: how a critical point of view requiring the greatest intelligence, lack of bias, mental freshness and scientific inventiveness has become monopolised by the drivelling of mean, narrow minds", *Quaderni*, p. 1805.

for brief consideration, namely the analogy⁷⁴ to be found between Gramsci's research programme and that conducted by L. Vygotsky in the field of cognitive psychology, amid the countless obstacles and difficulties put in his way by the Stalinist authorities with persecutory intent. Starting from anti—individualist premises, Vygotsky defines the cognitive processes as social, but involving processes of internalisation (cf. his theory of 'interior language'), closely connected with and mediated by tools, artefacts and socially determined praxis. As we have seen, this programme, too, included an 'anti—generalist' premise⁷⁵: in order to understand and account for the meaning of actions reference must be made to their relations with the peculiar conditions and specific contexts in which they occur.

The term "determined market", as attributed by Gramsci to Ricardo, recalls the distinction between generic and determined abstractions encountered in the Introduction of '57. In fact, Gramsci writes (cf. *Quaderni*, p. 1276): "We must fix the precise point at which we distinguish between 'abstraction' and 'genericisation' ('generizzazione') (the latter term was shortly to be replaced with 'indetermination'). "The determined market in pure economics is an arbitrary abstraction, of solely conventional value for the purposes of pedantic, scholastic analysis"⁷⁶. The determined market for critical economics will, however be the set of concrete, economic activities characterising a determined social form, taken with their laws of uniformity—i.e. 'abstract laws'—but without the abstraction ceasing to be historically determined".⁷⁷ In another passage, whose contents seem to link up directly with the letter of May 1932, Gramsci wonders how the "concept of regularity and necessity in historical development" could have occurred to "the founder

⁷⁴ See also the reference by J. Bruner in O. Liverta Sempio, cit., p. 31. To put it briefly, we might say that the analogy derives from the fact that, though greatly interested in the formation of common sense and the cognitive processes in general, Gramsci is here seeking the methodology implicit in a theoretical framework where the economy is "embedded" in the institutions and politics, while Vygotsky studies the "embeddedness of mind" in the given environment (the expression is contained in W. Frawley (1997), *Vygotsky and Cognitive Science*, Cambridge Mass.).

⁷⁵ These points have recently been revisited (arguing against the traditional cognitivist position) by the theoreticians of "situated action". Cf., e.g., L. Suchman (1987), *Plans and Situated Actions: The Problem of Human, Machine Communication*, Cambridge and, for an application, C. Zuccheromaglio (1996), *Vygotsky in azienda*, Nuova Italia, Firenze, in particular pp. 34-35.

⁷⁶ The term 'mercato determinato' occurs in another passage (*Quaderni*, p. 1076), associated by Gramsci with the 'supposing that' method with reference to, and possibly some polemic against, an expression used by P. Jannaccone in *Scienza, critica e realtà economica, La Riforma Sociale*, December 1930, p. 524. Actually Jannaccone had used the term to indicate that only the presence of "a certain number of conditions" made the market "determined" in the case of competition or monopoly, making it possible to reach a "determined situation of stable equilibrium".

⁷⁷ In another passage the 'mercato determinato' is defined as "an environment organically connected and living in its movements of development". Cf. *Quaderni*, p. 1248.

of the philosophy of praxis". Having ruled out the possibility that it could have derived from the natural sciences, he argues that it must have been the Ricardo of the "method of 'supposing that'" and the premise that gives rise to a consequence who supplied "an abstract scheme of a determined economic society" (Quaderni, p. 1478) and, in terms of method, suggested to Marx (and Engels) "a way to think of and intuit life and history"⁷⁸ (p. 1479). It is with the observation that "in historical development" there form "relatively permanent forces that operate with a certain regularity and automatism" that the problem arises at the political level to analyse the circumstances that can, of necessity, virtually, lead to political action⁷⁹. The "necessity" taken in the "concrete, historical sense" (neither abstract nor speculative) lies in the existence of material premises, ideal convictions and beliefs, a processing of culture and of passions that can lead to the formation of a "force of the collective will", "action at all costs". Here, indirectly, we find contestation of the People's Manual (for Bukharin Marxism is sort of elaboration of common sense, while for Gramsci it stands in critical relation to it: furthermore, for the former 'necessity' was an automatic element, for the latter a construction, etc.). With the term 'law of tendency' ("legge di tendenza") the attack on the same target is even more pronounced. Gramsci set out to oppose the forecast method proposed with the 'mechanical causality' of the hyper—materialists à la Bukharin through the 'method of 'supposing that', i.e. Ricardo's analysis method which had served him to formulate a forecast⁸⁰ on the falling tendency of the profits rate (but also to admit possible causes or hypotheses in contrast). The former was a historical methodology modelled

⁷⁸ The importance of the abstraction method for analysis is attested by Gramsci also—for example—in his evaluation of the so-called "sociological laws". Since they derive from "a mechanical process of abstract generalisation", he asserts, they "are almost always tautologies and paralogisms without any causative significance" (Quaderni, p. 1590).

⁷⁹ Reviewing Bukharin's *Theory of Historical Materialism*, Lukàcs (1923) had written—quoting Lenin—that "the tendential aspect [of trends in development] has... its raison d'être not so much in a deficiency in our knowledge as in the nature of the objectivity of social happenings, on whose structure is in turn based the theoretical possibility of social action, of the 'praxis' that 'overturns' reality" Cf. *Scritti politici giovanili 1919-1928*, Bari 1968, p. 200. On the similarity between certain critical appraisals of Bukharin's *People's Manual* by Lukàcs and Gramsci, see Quaderni, p.2647 and A.Zanardo (1958), *Il manuale di Bucharin visto dai comunisti tedeschi e da Gramsci*, Società, March-April.

⁸⁰ Gramsci possessed and often cited C. Gide, C. Rist (1929), *Histoire des doctrines économiques depuis le physiocrates jusqu'à nos jours*, 5th ed., Paris, where the expression "Ricardo affirme comme loi générale la tendance des profits à la baisse" is used (p. 178). On page 174, one can read, with reference to Ricardo: "Sa methode hypothétique, avec les 'supposons que' qui reviennent sans cesse et sont comme sa marque de fabrique rendent la lecture très fatigante. Cette methode abstraite à cépendant donné à la science une impulsion prolongée". According to the authors, this method is "today" surviving in the "mathematical school", but here Gramsci doesn't seem to follow them, since he links the "posto che" (supposing that) method with the "mercato determinato" concept.

on the natural sciences⁸¹ and “conceived as ‘scientific’ only if and in so far as it affords an abstract forecast of the future facing society. Hence the research on the ‘essential causes’ rather than ‘cause of causes’. However, ‘*Theses on Feuerbach*’ had already anticipated and criticised such a simplistic conception” (*Quaderni*, p. 1403). According to Gramsci “one truly ‘forecasts’ to the extent that one makes a determined effort and thus contributes in concrete terms to bringing about the outcome ‘forecast’. Thus forecasting proves to be not a scientifically performed acquisition of knowledge, but... the practical way to forge a collective will” (p.1404).

7. SRAFFA’S ‘SILENCES’

In the pages above I have sought to argue that the questions Gramsci put to Sraffa originated from the basic identity of Ricardo’s analytic method (of determined abstractions) and that of Marx. Although largely inspired by the demands of the political struggle and the grim battle then in progress, these questions on method remain highly relevant. As we have seen, when faced with them Sraffa either eluded or failed to grasp the questions, confessing his then inadequate knowledge of the classics of Marxism. What really strikes one here, however, is the fact that after Gramsci had raised certain basic questions on methodology, first Wittgenstein (1933—34) and then Dobb (in 1937) took up a number of these themes (regarding forms of abstraction, possibilities of generalisation, the flexibility of categories, etc.) from various points of view. Moreover, if we agree to include the results Sraffa achieved in *Production of Commodities by means of Commodities* in the ‘core’ of social surplus theory, we may find confirmation of Gramsci’s conjecture that, contrary to the opinions expressed by Croce, “a continuous mixing of theoretical deduction and historical description, of logical and factual nexuses ...is one of the characteristic features of the superiority of critical economy over pure economy, and one of the forces making scientific progress more fecund” (*Quaderni*, p. 1284). Various features might suggest concordance in aims and research programmes, but as yet we know little about just how much Sraffa might have shared in one of the basic motivations behind Gramsci’s research and struggle, namely the attempt to build a theoretical and practical platform to avoid and combat the disasters brought about by Stalinism in the name

⁸¹ With regard to the term ‘natural sciences’ Gramsci makes a significant distinction: “It is the very concept of ‘science’ itself that calls for criticism in the *Saggio popolare*, lifted as it is straight from the natural sciences, or rather some of them, and then applying the positivist approach” (*Quaderni*, p. 1059).

of Marx. It was an endeavour that earned Gramsci marginalisation from the Party and, he feared, murky dealings. Natoli offers documented evidence of Sraffa's numerous attempts—on behalf of the Party and possibly of Togliatti himself—to assuage Tania's apprehensions and guide her, waxing harsh in his efforts to silence her doubts. Pointing up his reticence when it came to relations between Gramsci and the Communist Party⁸², Natoli speaks of the "silenzi di Sraffa", Sraffa's silences⁸³.

Further documents now emerging might show precisely where Piero Sraffa stood between the two positions. In this respect, however, the intricate personality of the author—far more complex than any of his interpreters—will inevitably raise difficulties which, I believe, have yet to receive due consideration. We might ask what lies behind 'Sraffa's silences'—silences regarding not only his relations with Gramsci, and Gramsci's with the Party, but also, for example, his relations with Wittgenstein, to name but one. Judged by the conventional standards of behaviour and sensitivity, these silences have at times been taken as a sign of coldness, although they probably expressed or concealed quite the contrary. One possible answer (an initial, tentative hypothesis) associates these 'silences' with three characteristics often attributed to Sraffa's personality: on the one hand 'perfectionism', i.e. a horror of imprecision and inaccuracy, on the other hand the fear of being misunderstood, and finally, a keen sense of what was politically opportune, given the hostile environment. As I pointed out in connection with the Ricardo—Marx nexus, this is not a matter of the contents of the ideas presented but rather the way of presenting them, or choosing not to. It is possible that these three characteristics combined in one major preoccupation, namely that any false step might somehow damage 'the cause' (to use an empty term that might have various contents attributed to it).

⁸² On the clashes between Gramsci and Togliatti in '26, see the reconstruction by Natoli in *Il Pcd'I e il Komintern in 1926. Appunti di storia e storiografia*, in A. Natoli, S. Pons, eds (1991), *L'età dello stalinismo*, Rome. In Togliatti's addresses to the extended executive of the Communist International in which he emerged as one of the major leaders, "there is no sign," Natoli wrote, "of anything Gramscian apart from criticism of 'corporativismo operaio' (workers' corporatism) addressed to the Trockij-Zinov'ev opposition—little indeed in comparison with the degree of support Togliatti gave the Stalin-Bukharin majority. It was in fact total, unconditional support, reasserting Russian dominance of the Communist International: although it could have been less unconditional without being any the less firm". (p.424) The fact that he stood out as "one of the trusted men in the Stalin-Bukharin group" does not mean, Natoli argues, that Togliatti "had become 'Stalinist' as from late '26. Probably he had not got the full measure of exactly what he was doing".

⁸³ Cf. A. Natoli, Introduction to A. Gramsci, T. Schucht, cit., p. LV. On the "only rent in the impenetrable veil of silence in which [Sraffa] had wrapped his memories of those years" see A. Natoli, *Antigone e il prigioniero*, Editori Riuniti, Roma 1991, p. 190.

We encounter here a further problem, namely the relationship between what has been called Sraffa's 'Sovietism' (so far little studied), and the meaning of his proposal of a return to classical political economy and Marx. On the basis of the reconstruction proposed here, we can say that this relationship, if historically existed—and it will be the task of future research to ascertain it—it is not all necessary: the cultural operation conducted by Sraffa proposes without uncertainties a methodology and analytical results open to research, in sharp contrast with the 'closed' theoretical systems typical of Marxism—Leninism. And yet, what we have said does not exclude the risk of ambivalence: there is a way to interpret the meaning of relations within the 'core' that may allow to bring back through the window the dogmatism which seemed at first chased out through the door, in fact firmly contested. If research takes off from the relations internal to the 'core' to boldly venture outside of it, with that integration of inductive and deductive elements that the problem under analysis demands, it can provide interesting and fruitful results. But if, however, a sort of reassurance from apologetics for the status quo is sought, and it is believed that all the problems that reality shows have already been addressed and solved, then we shall find ourselves forever drawn back in to the 'core' in order to reassert—for any given level of product (and thus for any growth rate)—the validity of the 'antagonistic' relationship between rate of profits and wage. This continual 'return to core' means neglecting the importance of events occurring beyond it, and thus of technological change, institutional innovations and, more generally, the capacity of the system under study to respond and adjust. Basically, the flexibility of the method is modelled on the flexibility of reality, but this is in practice denied if the inverse relationship between wage and rate of profits is divorced from its context.

The method of 'determined abstractions' assigns a major importance to a representation of the phenomena that highlights, at various levels of abstraction, a disposition along a structure. The problem of the connection between different levels of analysis cannot, by definition, be addressed in general terms. Thus, the method is necessarily exposed to the twofold risk of eclecticism and generalizing determinism. However, it has the ambition to go from abstract to concrete: it is therefore incompatible with the use of ambiguously metaphysical concepts such as the opposition surface /depth (where the latter is considered capturing the "essence" of reality). "Nature has neither kernel nor shell. She is everything all at once" wrote Goethe.⁸⁴

⁸⁴ For the importance attributed by Wittgenstein to morphological analysis as way to escape from "essentialist conceptions" and for an analysis of the relations between Goethe's and Wittgenstein's research projects, see M. Andronico (1998), *Antropologia e metodo antropologico*. Studio su Wittgenstein, Napoli.

Ultimately, within an 'essentialist' perspective, the inverse relationship would end up contradicting the idea of a limited scope given to the theory of value, once again exchanging a starting point for a conclusion. An interpretation of the revival of classical political economy along these lines would be far from Gramsci's positions and compatible with conceptions of greater ideological rigidity and political dogmatism. A less defensive and reassuring interpretation of the results of Sraffa's research could help to overcome the difficulties encountered in recent decades—along with other, more obvious reasons—to develop in an innovative way the approach of classical political economy and Marx.