

Commerce and injustice

Diego Saravia Wrote:

"Societies grow, so not all human actions are equal value exchange, in fact if all exchanges are of equal value (no commercial injustice) (if value could be defined without doubts), there are other acts that are not exchange."

Raoul: I am not sure I understand exactly what you mean. Your telegraphic style is some times too... telegraphic. But you deal with an important question: is it possible to have "no commercial injustice"?

The problem is that the main source of "injustice" is commerce, trade itself. For two fundamental reasons: the first is general and concerns any symmetric exchange; the second is more specific to capitalism.

1 - At a general level, as soon as you are in a logic of exchange (I give you the "equivalent" of what you give to me), the relation is biased. By definition, if you are a good "exchanger", your logic in the transaction has to be: "I give you as little as I can, and I try to get from you as much as I can". If not, you are a bad exchanger, a sorry trader. That is why Aristotle, more than two thousands years ago, condemned already "exchange" as being *"a mode by which men gain from one another"*.

The idea that money, the instrument of exchange, corrupts human relations is as old as money itself. One may imagine traders trying to exchange with a "fair" spirit: "I give you as much as I can, I take from you as little as I can". They will be quickly ruined... by other traders.

It is not the nastiness of traders which makes exchange a source of "injustice", it is the logic of trade which make traders inevitably nasty and grasping.

2 - With capitalism (and this is one of its most specific characteristics) market relations extend to the whole economic social life and more crucially to the relation between the owner of the means of production and the worker. Before capitalism, market relations remained secondary, some times marginal in the economic life of societies. The ancient slave was fed by his owner as a draft animal, the serf could keep for him a share of the harvest. In capitalism the worker gets from his employer the price/value of his labor force, the wage. His labor force has been transformed into a commodity which is "exchanged", treated as any other good in a market. The quantity, the share of the production which returns to the worker (when he has the chance to have a job) is measured by the price of that commodity in the "labor market". In capitalism, the main object of exchange is labor force.

Capitalists have many ways to put that price down, mainly making the offer of labor-force greater than demand. Since the 80s, for example, western economic managers calculate the NAIRU, *"an acronym for Non-Accelerating Inflation Rate of Unemployment, and refers to a level of unemployment below which inflation rises."* (Wikipedia in English) In fact, below which **wages** rise. Governments entertain not only a level on unemployment which feeds the new needs of labor-force due to the growth of production, but also, in addition, a level of unemployment which creates a relation of force in the market permanently disadvantageous to the workers.

But even when the labor-force is paid at its value it remains an exploitation, an injustice. Injustice comes from the market itself, from the fact that a human being cannot eat if he does not find an exploiter disposable to buy his labor-force, from the fact that what he will be paid depends not of the value he creates but on the price of his labor force.

What is the price of a marginal farmer's or a farm-worker's labor-force in some places of Latin America or Africa? In regions of the world where unemployment is endemic and massive, where

the education standards are extremely low, the market price of human effort is close to physiological minimum. That is the logic, the "justice", of the market.

Initiatives like "Fair trade", may try to push a little up the value on human effort, of course within the limits of profitability, when they are not a sheer advertising argument to transform the generosity of (feeling guilt) consumers in Northern countries into greater profits for corporations. But the result can only be the equivalent of alms at the gate of a church. Some may say: alms are better than nothing, but alms have never been a solution to injustice.

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