

PRESENTATION of
Jacques GOUVERNEUR's LATEST TEXTBOOK

The online scientific library « i6doc.com » makes J.Gouverneur's latest introductory textbook in Marxist economics available in three languages (French, Spanish and English) and, for each language, in two sizes :

- on the one hand, an « A4 » or « quarto » size (267 pages in English), under the title :

UNDERSTANDING THE ECONOMY
The hidden face of economic phenomena

- on the other hand, an « A5 » size (389 pages), under the title :

THE FOUNDATIONS OF CAPITALIST ECONOMY
An introduction to the Marxist economic analysis of contemporary capitalism

Except for the foreword, some passages of the introduction and the bibliography (included in the « A5 » size only), the two texts are practically identical.

This text of presentation successively shows :

1. the contents of the book and its interest, both pedagogical and theoretical (p.1-3);
2. large extracts from the table (p.4-6)
3. some data about the author and his publications (p.7)
4. some useful information concerning access to the text and its reproduction (p.8)

1. CONTENTS AND INTEREST OF THE BOOK

The book provides an introduction to the Marxist economic analysis of contemporary capitalism.

The first six chapters consider the structure of the economy and adopt an essentially static point of view. These chapters analyse successively : 1. the basis of goods and services (namely labour, in combination with nature) ; 2. the basis of prices and revenues (namely value, i.e. labour devoted to the production of commodities) ; 3. the basis of profit and accumulation (surplus value, surplus revenue) ; 4. the basic economic ratios (rate of surplus value, composition of capital, rate of profit) ; 5. the competition for the share-out of surplus revenue between firms and between branches ; 6. the relationships between the capitalist sector and non-capitalist sectors.

The last three chapters adopt an essentially dynamic viewpoint and analyse various aspects of growth. Chapter 7 successively considers the development of mechanization, the contradiction between socialization of production and concentration of capital, the expansion of waged labour and market production, the human and ecological costs of growth. Chapter 8 deals with the conflicts over the rate of surplus value ; it shows that increases in general productivity make it *theoretically* possible to simultaneously raise profits, real wages and public expenditure. Chapter 9 deals with the problem of crises ; it shows how changes in the balance of forces, combined with the evolution of general productivity, have *actually* shaped the evolution of profits, real wages and public expenditure in advanced countries since 1950.

The conclusion moves out of the economic framework of the preceding analyses in order to show the various elements (in the socio-economic, political and ideological structures) which combine to make a joint contribution to the reproduction of capitalism.

Thanks to its outstanding pedagogical qualities, the book constitutes a first-class textbook for students and teachers as well as for any interested reader, even without previous knowledge. At the same time, the book expresses many theoretical viewpoints which deserve consideration by specialists.

a) Pedagogical aspects

1. The book systematically combines the qualities of precision and simplicity. Precision, in order to counteract the great deal of fuzziness which too often hovers, over even the most elementary concepts. Simplicity, in order to make the approach accessible to any receptive person, even without any previous knowledge on the subject.

2. Each chapter is complemented with a set of pedagogical devices : a) a summary of the argument ; b) a list of the new concepts to be assimilated (all of them are brought together and defined in a lexicon at the end of the book) ; c) a selection of « theoretical » and « practical » exercises : the former are aimed at checking the assimilation of the material, while the latter enable readers to establish links between theory and present-day realities (the clue to most exercises is given at the end of the book).

3. The book clearly shows the relevance of Marxist economic theory in analysing and understanding many current socio-economic realities. In addition, all the « practical » exercises (« applied knowledge ») spur readers to establish themselves numerous links between theory and present-day realities, whatever the moment and country.

4. All the purely theoretical debates are relegated to appendices. The issues discussed there are simply mentioned in footnotes in the text (with due references to the corresponding appendices).

5. The whole book is written in a very clear, straightforward and neutral style (avoiding all emotional involvement).

b) Theoretical aspects

1. The book systematically relates the visible phenomenon of prices to the hidden reality of value. This simultaneous attention to prices and value makes it possible to draw and underline an essential distinction – which is massively overlooked in current economic literature – between revenue created and revenue obtained (see in particular the syntheses provided in chap.II, 4.2.2, and chap.VI, 5.2.3). The links between prices and value are established by the « money equivalent of value » (see chap.II, 3.2.1).

2. The book underlines the basic influence of both productivity (« development of productive forces ») and power relations (« class struggle » or conflicts between « class fractions »). Both are simultaneously taken into consideration to account for :

- the relative prices of commodities (see chap.II, 3.2.2, summary in table II.3);
- the stages in growth and crisis after the Second World War (see chap.IX, 2.2.2, summary in table IX.3).

3. The book also emphasizes the contradictory aspects of reality, which are mentioned or analysed on numerous occasions (see a synthesis in theoretical appendix 1, § 1.1, d). For instance : contradiction between the « cost » and « market » aspects of both wages and public expenditure ; contradictory relationships between capitalist and non-capitalist production ; contradictory aspects of mechanization ; contradictory effects of neo-liberal policies ; etc.

4. The book provides an accurate and convincing answer to various common objections, especially the following ones :

- « Since all working hours are paid at a given hourly rate, how can one speak of surplus labour being provided free by wage-earners? » (see chap.III, 1.3.3, c).

- « Since more mechanized – or even automated – enterprises make more profit, how can one argue that profit is created by the wage-earners' surplus labour? » (see chap.V, § 1.1).

- « Given general improvement in the standards of living in the more advanced countries since the 19th century, how can one still speak of the wage-earners being exploited in those countries? » (see chap.IV, 2.1.2, and chap.VIII, 2.1.2 : it is perfectly possible to simultaneously have a *decline* in *physical* exploitation – i.e. a decline in the duration or intensity of labour, or a rise in real wage – and an *increase* in *economic* exploitation, – i.e. a rise in the rate of surplus labour).

5. The book shows the contrasts that exist between Marxist economic theory and standard economic theory (see a synthesis in the Conclusion, § 3.1 and § 3.2). On the other hand, within the Marxist paradigm, the book adopts a certain number of non-conventional viewpoints, especially with respect to the concepts of value, commodity and productive labour (see a synthesis of the non-conventional stands in appendix 1, § 1.2). The traditional viewpoints and those adopted in the book are systematically opposed in the corresponding appendices (see in particular appendices 5, 6, 7, 9).

6. The non-conventional viewpoints adopted combine the advantages of precision and simplicity. On the one hand, they make the theoretical approach more rigorous and coherent. On the other hand, while justified on purely theoretical grounds, some of the « unorthodox » viewpoints have the additional advantages of making the theory simpler and allowing for a much easier quantification of various key-concepts, namely the « money equivalent of value », the value of commodities (reciprocal of total productivity), necessary labour, the rate of surplus value (see appendix 3, § 3.1 and § 3.3 ; appendix 4, 4.3.2 ; chap.III, § 1.4 ; chap.VIII, 2.2.1). Compared to alternative empirical approaches, the methods used to measure these concepts appear to be theoretically more appropriate as well as easier to handle in practice.

7. While focusing on the sector of capitalist enterprises, the book also examines all the other forms of production (enterprises relying on self-employment, public enterprises, non-market public or private services, voluntary organizations, and households) : it shows their specific features and contradictory relationships with the capitalist sector (see chap.VI). In so doing, it does not restrict itself to analysing an abstract system but contemplates the actual diversity of a concrete society.

8. The book provides a thorough treatment of the « transfers of (surplus) revenue », both within the capitalist sector (see chap. V, § 1.1 and 1.2, and appendix 10) and between capitalist and non-capitalist sectors (see chap.VI, 3.3.1 and 5.2.3). This issue, of crucial importance both for theory and concrete analyses, is quietly glossed over in other textbooks (except for the all too famous « transformation problem », a problem which is actually little relevant to concrete analyses and is widely misinterpreted : the problem in question is tackled in appendix 10).

2. EXTRACTS FROM THE TABLE OF CONTENTS

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 - 1.2 The micro-economic process
 - 1.3 The macro-economic process
 2. The various social aspects of labour
 - 2.1 Labour in the professional sphere
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 - 2.3 Synthesis and conclusion
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CHAPTER II : THE BASIS OF PRICES AND REVENUES : VALUE

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GLOSSARY

ANSWERS TO QUESTIONS

3. ABOUT THE AUTHOR

Jacques Gouverneur (born in 1940) is Doctor in Law of the Université Catholique de Louvain (1962) and D.Phil. in Economics of Oxford University (1969). He achieved a complete academic career at the Université Catholique de Louvain-la-Neuve, where he delivered courses on « Latin American economics » and « Marxist analysis of capitalist economy ». He also delivered lectures or seminars in several other universities, both in Europe and Latin America.

Parallel to his academic research and teaching activities, throughout his professional life Jacques Gouverneur developed a great number of extra-university training activities intended for very diverse groups : trade-unionists, teachers, members of political parties, militants of voluntary organizations, managers, as well as many « ordinary citizens », all of them anxious to better understand the current economic situation.

The author's textbooks result from this twofold experience – inside and outside university – and are intended for a fairly wide readership, much wider than academic circles.

The author's main publications include:

1971 : *Productivity and Factor Proportions in Less Developed Countries*
Oxford, Clarendon Press, XVII + 171 p.

1983 : *Contemporary Capitalism and Marxist Economics*
Oxford, Martin Robertson, XV + 300 p.

1989 : *Valeur, capital et accumulation*
Brussels, De Boeck, and Paris, Editions Universitaires, 332 p.

1990 : « Productive labour, price/value ratio and rate of surplus value »
Cambridge Journal of Economics, vol. 14, p. 1-27.

1998 : *Découvrir l'économie (Phénomènes visibles et réalités cachées)*
Paris, Editions Sociales, and Brussels, Contradictions, 320 p.

2005 : *Les fondements de l'économie capitaliste*
Brussels, Contradictions, 3rd edition, 387 p.

2005 : *Los fundamentos de la economía capitalista*
Louvain-la-Neuve, Diffusion Universitaire Ciaco, 415 p.

2005 : *The Foundations of Capitalist Economy*
Louvain-la-Neuve, Diffusion Universitaire Ciaco, 389 p.

4. ACCESS TO THE TEXTS AND REPRODUCTION

a) Electronic editions

The different versions of the author's textbook are accessible using the following URLs :

- size A4 (21 x 29.7 cm) :

2005 : *Comprendre l'économie* (265 p.)

URL : <http://www.i6doc.com/doc/a4economie>

2005 : *Comprender la economía* (275 p.)

URL : <http://www.i6doc.com/doc/a4economia>

2005 : *Understanding the Economy* (267 p.)

URL : <http://www.i6doc.com/doc/a4economy>

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2005 : *Les fondements de l'économie capitaliste* (387 p.)

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URL : <http://www.i6doc.com/doc/a5economia>

2005 : *The Foundations of Capitalist Economy* (389 p.)

URL : <http://www.i6doc.com/doc/a5economy>

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b) Printed editions

Texts in the A5 size are also available in the form of printed books. These are published by *Contradictions* for the French version, by *Diffusion Universitaire Ciaco* for the Spanish and English versions (see the list of publications above).

The three books can be ordered through the online scientific library « *i6doc.com* ». The French book can also be ordered from *Contradictions*.

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