

Digests of Comments on *The Theory of Capitalist Development*

1. SUMMARY OF PROFESSOR Y. YOSHIDA'S COMMENT:

(1) Mr. Sweezy, in explaining "crises arising from underconsumption," tries to establish a stable relation between "stock of means of production" and "output of consumption goods." He says: "Such evidence as we have.....strongly suggests a remarkably high degree of stability for a reasonably well-developed capitalist economy." (p. 182) Even if the empirical evidence appears to prove this stability, it has to be shown *theoretically*. Theory must come first.

(2) So long as we assume the improvement in the method of production and the rise in the organic composition of capital, the stable ratio referred to above cannot be logically defended. Especially if we mean by the relation between stock of capital and output of consumption goods *not* the relation between stock of capital in the second department (the consumption goods department) and output of consumption goods *but* the relation between stock of capital in both departments and output of consumption goods, the stability referred to becomes all the more untenable. Mr. Sweezy does not seem to make any distinction for his theoretical purpose between capital goods in general and capital goods for the second department.

(3) One departure which Mr. Sweezy makes from Marx is the use of the Keynesian concepts of *net* aggregates instead of the two-department scheme of Marx. The two-department scheme enables us to see the possibility of producers' goods increasing more rapidly than consumption goods and yet maintaining a balance in the process of social reproduction. The basic contradiction of capitalist production which Mr. Sweezy so neatly summarizes does not show itself *directly*, as he implies, through the conflict of the two relations (the two ratios referred to on p. 183), but through the process of accumulation which

actually permits for a while the unbalanced development of the first department in an apparently balanced manner. The kernel of the problem of crises lies in the process of accumulation and how the disproportionate growth of investment is made possible and then subsequently becomes untenable. (Summarized from a review article in *the Economic Review*, January 1950, pp. 56—61)

2. SUMMARY OF MR. Y. KAZAHAYA'S COMMENT:

(1) The passage characteristic of Mr. Sweezy's theoretical position is: "the law of value is essentially a theory of general equilibrium developed in the first instance with reference to simple commodity production and later on adapted to capitalism." (p. 53) It is true that the value theory in Marx deals with problem of equilibrium, but this does not mean that it is a "theory of general equilibrium." "Theory of general equilibrium" is another name for modern bourgeois economics which basically stands on the assumption of the permanence of the capitalist mode of production. Mr. Sweezy does not seem to have quite gotten out of the spell of the modern economic theory in which he was trained for so many years.

(2) As is clear from his passage: "In the economics of a socialist society the theory of planning should hold the same basic position as the theory of value in the economics of a capitalist society. Value and planning are as much opposed, and for the same reasons, as capitalism and socialism," (p. 54) Mr. Sweezy takes a rather stereotyped position as regards the role of the law of value in a socialist society. We should like to hear his opinion on this problem, now that the new light has been thrown upon it through the discussions started in 1943 by Soviet economists. (Summarized from a review article in *the Shiso no Kagaku*, June 1947, pp. 221—232)