

## OPEN LETTERS

### Introduction by Jonathan Nitzan

November 5, 2010, Toronto

On October 29-31, the *Forum on Capital as Power* held a three-day conference at York University, dedicated to the subject of "[Crisis of Capital, Crisis of Theory.](#)" Below is an open letter from Stefanos Kourkoulakos. It was sent a day before the conference to Professors George Comninel, David McNally, Leo Panitch and Jonathan Nitzan, who were to participate as Faculty Guest Speakers at the event. The letter is followed by a reply from Leo Panitch. Both texts are posted with the permission of their authors.

Leo Panitch asked me to preambule the exchange by noting that, during the conference, George Comninel, David McNally and he all engaged (pro and con) with Marx's labour theory of value, and that they expressed their respective views on Bichler and Nitzan's critique of that theory.

### Open Letter from Stefanos Kourkoulakos

October 28, 2010, Toronto

Hi All,

I will be brief.

This is an Open Letter (from me) on some theoretical matters and informal practices addressed to Professors Comninel, McNally, and Panitch, on the one hand, and Nitzan, on the other, regarding tomorrow's opening (Friday, October 29, 2010) of the Conference on "[Crisis of Capital, Crisis of Theory.](#)"

Clarifications:

1. I am sending this Open Letter to the four (4) of you, while copying GRAPSCI [York University's graduate political science listserv], because this Letter is neither personal nor private, i.e. it may be of interest to some of my colleagues too.
2. I am not a partisan of the work of any of the professors addressed, but I do have an interest in the subjects of (radical) political economy, interpretations and appropriations of Marx's *Capital*, Marxism as such, and critiques of the preceding.
3. A response is neither expected nor necessary. The Letter is very last minute (not, however, by design) in any case. But should a response be sent by you, I will forward it to the GRAPSCI listserv, as you are not authorized users (except Prof. Comninel, in his capacity as Chair, but I am not addressing him in this capacity here).

4. This Letter arises out of two observations (and one concern):

- (a) Last spring, Professor Nitzan delivered a presentation on his distinctive approach in the context of a departmentally-sanctioned Monday seminar. His work raises direct and severe criticisms of some of the most distinctive assumptions of Marxist political economy and its relevance to understanding contemporary capitalism and/or its capability of conducting empirical research. Yet, although one of you attended in the beginning, this very public opportunity (the Verney Room was filled to the brim, mostly with graduate students) for theoretical debate passed without being utilized. No one answered Professor Nitzan's theoretical charges.
- (b) Looking at tomorrow's schedule, I noted that all of you are scheduled to present, but none of you provided abstracts of your presentations.

My concern, therefore, is that Professors Comninel, McNally, and Panitch may present on their chosen subjects without directly addressing the core criticisms of Professor Nitzan (in whose honour the Conference is organized by some graduate students) with respect to Marxist political economy. This, if it were to happen, would be truly regrettable.

In other words, my concern is that a debate may not take place yet again (this is what I previously referred to as an "informal practice," because this is what appears to have been happening so far). But, to paraphrase an old fellow, "an unexamined (or un-debated) theory is not worth holding onto." And there can be no examination (and self-examination) without (theoretical) debate.

Marx's political economy (or critique of – classical – political economy, if you insist on the subtitle of *Capital*) is founded upon, and utilizes, value categories (claiming that Marx founded "historical materialism" and was not a political economist is no defence, as it simply evades answering the questions).

As I recall my (brief) exposure to Professor Nitzan's criticisms of Marxism, they revolve around questions such as the following:

- **Do Marx's value categories and the theory built upon, and by means of, them hold water?**
- **Are the 3 volumes of *Capital* (and their value categories) logically coherent, and do they accurately capture capitalism?**
- **Do Marx's value categories have empirical import and/or origin? Are they empirically operationalizable and, if so, how? What if they are not?**
- **Can Marxism maintain the notion of the separation of the economic from the political today?**

If Professors Comninel, McNally, and Panitch already plan to substantially and directly respond to Professor Nitzan's criticisms, please disregard this Open Letter (but at least you can see where it's coming from). If not, could they please DO SO (if not tomorrow, at some concrete and public point in the near future)?

On the other hand, if Professor Nitzan receives, or has received, a substantive reply/defence from one of the aforementioned professors, as well as any criticism of his distinctive approach, could he – likewise – please, RESPOND substantially and directly (again, if not tomorrow, at some concrete and public point in the near future)?

Sincerely, and in the belief that parallel monologues can neither amount to dialogue/debate nor belong to an institute of “higher” education,

Stefanos Kourkoulakos

### **Reply from Leo Panitch**

**October 28, 2010, Toronto**

Dear Stefanos,

Thank you for your “open letter,” but I’m afraid there must be some misunderstanding on your part, especially since I am not now, nor have I ever been, an exponent of value theory (see my answers to your questions on this below). Moreover, although it was not explained to me when I was invited to speak at this conference that it was being organized in Professor Nitzan’s honour, I will be happy to engage with his ideas. Indeed it is rather odd, if that is the point of the conference, that I was only asked to present my own work rather than comment on Jonathan’s, and that the panel David and I have been put on together has been scheduled before Professor Nitzan’s rather than after his, when we would have already had the opportunity to hear what he has to say. As for not engaging with Jonathan when he presented his work in the departmental seminar last year, I was unfortunately out of town at the time, nor did I subsequently hear that it was my work that he was subjecting at that seminar to what you call “theoretical charges.” In any case, if you had asked Jonathan, I am sure he would have told you I had earlier invited him to take part as one of the three critics of my and my co-authors’ recent book at the “authors meets critics” panel I organized in the department in October 2009. As Jonathan explained at the time, he was unable to do so because the comparative political economy seminar series is held on Fridays, which is one of the days he is in Montreal. And with typical good humour, he also replied to my request that he send me comments on the new last chapter of that book on “the political economy of the economic crisis” by saying, if I recall it correctly, something to the effect there was no point in doing so since his approach to political economy was so fundamentally different from mine that he wouldn’t know where to begin.

In any case, as should be clear to anyone who reads any of my work, going all the way back to the “Profits and Politics” essay I published in *Politics and Society* over three decades ago, I would answer your questions on value theory as follows:

- **Do Marx's value categories and the theory built upon, and by means of, them hold water?**

Not without a lot of leaks, and yet there is much that is valuable in Marx's theory that is not built on them, or by means of them alone.

- **Are the 3 volumes of *Capital* (and their value categories) logically coherent, and do they accurately capture capitalism?**

Not always.

- **Do Marx's value categories have empirical import and/or origin? Are they empirically operationalizable and, if so, how? What if they are not?**

Not entirely, although rather more than the other classical economists like Smith and Ricardo, who also utilized a labour theory of value. (It may amuse you to know that I tried to work out the transformation problem for a month or so during my first sabbatical in 1978-79, but I soon decided that life, let alone my sabbatical year, was too short.)

- **Can Marxism maintain the notion of the separation of the economic from the political today?**

No, and if Marx and some Marxists ever did, they never should have, since this is hardly just a matter of today. Most of my work in political economy has been directed at developing a more adequate Marxist theory of the political, and to insist that to overcome this false separation we also must avoid the mistake of thinking that the political is entirely determined by the economic, which is sometimes the case with those of an economic bent, whether they accept or reject value theory. Of course, much of this comes down to what we mean by the "political" and the "economic." I will deal with some of this tomorrow in my talk on the crisis of the theory, and I hope this will be helpful to the engagement you are looking for between Jonathan's work and my own.

Leo