



Dependence and Super-exploitation of Labor in Latin America

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Abstract

This essay aims to expose the theoretical perspective of the exploitation of work in Marx for you discuss a relationship with one of the most important theses of the Marxist theory of the TMD exposed by brazilian intellectual Ruy Mauro MarinI: the extension of the super-exploitation of work to advanced capitalism as a new form of the expanded reproduction of capital for to counteract the economic crisis of capitalism and the growing problems in the production of value and surplus value that press the fall of the average rate of profit in the system.

Keywords: Dependency; Capitalism; Super-Exploitation

Theory and Method of Exploitation in Marx

With respect to Marx's theory of the exploitation of labor, some observations are imposed that have often been misunderstood or ignored by the critics of Marxism and dependency theory. In the first place, Marx erects his enormous work (*Capital*), at a very high level of abstraction. Thus, for example, in relation to the theory of value, it supposes a situation in which this value corresponds to its price. A correct methodological question that, nevertheless, does not mean that this is indeed the empirical behavior in the historical reality of the capitalist mode of production.

Secondly, the concept of exploitation of labor, as the fundamental social relation of historical capitalist society, for Marx it is a relevant concept that builds the theory of surplus value and profit within the capitalist mode of production and no other. That is, in the absence of the concept of exploitation the elaboration and understanding of the law of value is unimaginable as the central axis of capitalist production and accumulation. The German author alludes to this himself

when he writes: "Every production enterprise of merchandise is, at the same time, a company for the exploitation of labor power, but under the capitalist production of merchandise, exploitation becomes a formidable system, which, as it developed historically with the organization of the process of work and the gigantic progress of technology it revolutionizes the entire economic structure of society and eclipses all previous epochs" [1].

To forget this premise in the analysis of the concrete reality of the capitalist social relations of production is not only to limit the structural view from which the *totality* is appreciated, but also to grossly distort the social and labor reality producing fragmented and fetishised visions that hide fundamental relationships. This brings us to a third observation, relative to the fact that from the definition of the law of value, Marx exposes the methods of exploitation of labor identified with absolute surplus value and with relative surplus value, as those basic to the reproduction of the capitalist system in a long-term historical context. This means understanding both forms of surplus value

as articulated concepts within a specific historical-social formation, in which work processes and social relations of production are combined. The periodization that arises from these two concepts of surplus value is none other than the one that incorporates the predominance, or lack thereof, of the productivity of labor based on technological development over the extension of the working day and the intensity of work or its articulation.

That is, it sets the tone for studying the genesis of the development of the capitalist mode of production in its multiple articulations and definitions that result from it. Strictly speaking there is no independent phase of capitalism that has been based exclusively on the prevalence of absolute surplus value (in the prolongation of the working day) and another phase that left that behind to build on the exclusive domain of relative surplus value. Rather, we consider that since the industrial revolution that began in the second half of the 18th century, in which this form of surplus value began to gain ground until it became hegemonic throughout the entire system, the other forms and mechanisms corresponding to the first, and other forms of production such as cooperation and craft work, *coexist* with it and unfold in each historical process of its substantial development.

In other words, the periodization of capitalism, according to Marx, is not resolved in a period in which absolute surplus value prevails and another in which relative surplus value prevails, but in the manufacturing period in which, together with the extension of the working day, the method of extracting absolute surplus value, we can observe the increase in the intensification of work and its standardization, a method of production of relative surplus value, with which the real basis for the full validity of the law of value is felt. Thus, the empire of the laws of the market and a manufacturing period in which the pressure of capital increases in favor of the prolongation of the day, a tendency counteracted by the workers' struggles for the reduction of it and, on the basis of the industrial revolution, the productivity of labor is developed. It is also a method of production of relative surplus value, opening horizons to the deployment of the productive forces only limited by the relations of production in which it is framed.

It is from here that we must view the prism of Taylorism, Fordism and mass production up to the modern systems of organization and exploitation of the workforce centred on today's flexible Toyotism. Each one of them involves social relations immersed in a virtuous combination for capital supported both in the forms of production of absolute and relative surplus value.

Finally, let's consider that the attempts to establish an

"inverse proportionality" of the absolute and relative surplus value in the texts in which the theory of the "of the labor force has been developed, are derived from an enormous incomprehension of the different forms that it, the surplus value, can assume in its concrete articulation within certain conditions of production and circulation of capital. Therefore, it was necessary to carry out this task to locate the specificity of capitalist exploitation in dependent countries, even if they resemble, according to some authors, the historical dynamics of classical capitalism.

Unlike other authors within the framework of dependency, the entrepreneurial task to develop a political economy of dependence and exploitation in Latin America was undertaken, precisely, by Marini. It is this line of work which, in our opinion, deserves to be deepened, in order to comprehend the contemporary conditions and contradictions of capitalist exploitation.

The Marxist Theory of Dependency (MTD) and Marini's thought

In his *Dialectic of dependence* [2] Marini formulated an *outline* for the MTD, a noble task which is open to contributions since it is a passport to present and future generations of intellectuals, students, academics and collectives that are investigating and publishing in Europe, Argentina, Brazil or the United States. It is a critical perspective in the face of the dominant theories with roots in Eurocentric ideas that spread from the centres of power since the 1980s and 90s in the midst of the capitalist crisis and the disintegration of the socialist bloc and that, today, are in a systemic crisis.

An example of this is the International Monetary Fund which, faced with the bankruptcy of the American firm Lehman Brothers in September 2008, logically, from its ultra-neoliberal perspective called for State intervention to "save capitalism" and overcome its difficulties. At the same time the most conspicuous representatives of international fictitious capital back away from their market laws and resort to state aid to save themselves from ruin and bankruptcy, while capitalism is restructured through "structural reforms" in Europe and throughout the world, which is on the verge of recession and the deepening of its difficulties in the economic, political, social and military orders.

In the words of Vasconcellos GF [3]: "the guru of monetarism, Milton Friedman, can be considered as the godfather of the current financial crisis. Yet, now he is not the economist of the moment, because what is taking place today on the stage of the imperialist right is the need to return to Keynes. Even Bill Gates and George Soros, facing the crisis of sub-prime mortgages, are stating that they are Keynesians

which does not mean that they are progressive and advanced, because Keynes himself wanted to make England a minor ally of the United States and since 1933 was dedicated to avoiding the collapse of capitalism." Now it is up to Donald Trump to try and avoid this collapse with supposed protectionist and interventionist state policy measures.

What Marini does in *Dialectic of Dependency* is to take up Marx, Lenin, Bukharin and other authors, such as Mandel, including Brazilians and Latin Americans, and build categories and apply them to the study of the development of the laws of the Latin American dependent capitalist social formation which on a concrete level makes it possible to chronicle the country and the region since:

"... capitalism penetrated Latin America at the national, regional and local levels. Planted by the metropolis, the capitalist structure is 'ubiquitous' throughout the geography of the satellite. With the arrival of colonialism what was a pre-capitalist geography became capitalist, so it would not make sense to designate it "pre-capitalist" [3].

Marini's thought is bold, deeply critical, objective, concrete and projective. He easily forges categories and concepts that allow you to erect suggestive hypotheses and create a specific theory: that of dependency. The basic categories touched upon for this are: labor-value, surplus value, super-exploitation, profit, land rent, reproduction pattern, unequal exchange, transfer of value, social classes, state (counterinsurgency, fourth power), sub-imperialism and antagonistic cooperation. Without these there is no dependency theory and there would only be a sociological-Weberian or other approach to dependency such as that of Cardoso FH, et al. [4] that privilege the mode of domination, class alliances and a dependency category that is just a *transitional* one that can be overcome without overcoming capitalism — which is what Marini rightly proposes. For this, he takes up Lenin's theory of imperialism and simultaneously incorporates Marx to build the formulation of "theory and only later integrates unequal exchange to then arrive at the definition of dependency:

"... understood as a relation of subordination between formally independent nations, in which the relations of production of subordinate nations are modified or recreated to ensure the expanded reproduction of dependence. The fruit of dependence cannot but reap more dependence, and its liquidation necessarily supposes the suppression of the relations of production that it touches [5].

In his Written Report, *Memoria* (no data), which was a requirement for his reincorporation to the University of

Brasilia, Marini himself considers that Dd is an "undeniably original" text that helped to open new paths for Marxist and Latin American studies in the region. It locates, using a different perspective, the study of the Latin American reality under the socio-historical specificities of our countries. It is also considered that there are other texts that are complementary and essential to the original: "The Cycle of Capital in the Dependent Economy" [6], "Extraordinary Capital Gain and Accumulation of Capital" [7], and "State and Crisis in Brazil" [8] which was material he prepared for an open competition to obtain a position as a professor at the Faculty of Economics of the National Autonomous University of Mexico.

These texts show that there was a logical and dialectical continuity in Marini's writings, articulated with the fundamental notions that he originally raised in *Dialectics of Dependency* and that, definitely, had nothing to do with structuralism or with the functionalist theories of modernization and underdevelopment. In my opinion this overlap updates the main point of the MTD in the general framework of Marxist thought in the twenty-first century as the only critical doctrine and methodology of capitalism in all its forms and extensions to the set of dominant paradigms.

The synthetic approach of Marini in *Dialectics of Dependency* articulates the "of labor with the development of productivity (this is also linked to relative surplus value) in the dependent countries, thus discovering their intimate correlation and structural differences with developed countries. Marini highlights that "... influencing a productive structure based on the greater exploitation of workers technical progress made it possible for the capitalist to intensify the pace of work of the worker, raise their productivity and, simultaneously, sustain the trend to remunerate them in a proportion inferior to its real value".

And in another essay, he says: "... but once an economic process has been launched on the basis of super-exploitation, a monstrous mechanism is launched, whose perversity, far from being mitigated, is accentuated by the dependent economy's technical progress which increases productivity" [9].

Marini thus demonstrates that the "of labor restricts the internal markets of consumption of the majority of the population, especially the salaried, so the dependent system tends to turn to the outside to solve its problems and ensure its cost effectiveness. Thus, for example, the unfolding of the Latin American export economy is a phenomenon that was projected from the mid-nineteenth century to the mid-twentieth century; something that has been fully documented

by the historians of the region.¹ Again, as Marini warned, Latin America's economy, today is in crisis, unfolding abroad after 1982 in an incessant search to try to alleviate its difficulties of production of goods through productive specialization for the world market. In regard to this, Marini's approach is as follows:

"The unbalanced configuration of the Latin American economies, with a marked preponderance of the sumptuary goods industry, and the restriction of their markets, determined primarily by the «of labor and expressed in a growing concentration of income, actually pushed them towards the crisis, leaving them no other alternative than to — parallel to the attempt to open new fields to foreign investment, which reproduced in an expanded way the initial contradiction-try and achieve preferential external markets...".

It is not by chance, therefore, that today most of the Latin American countries, progressive or neoliberal, rest in two patterns of accumulation and reproduction of capital sustained in mono-exporting economies, although with a certain degree of technological development with respect to the basic characteristics that they developed during the 19th and the first half of the 20th centuries. On the other hand, since the 1950s-when industrialization in Latin America was carried out, particularly in the largest countries of the region, Argentina, Brazil and Mexico-absolute and relative surplus value began to be articulated in the field of emerging industries. Particularly, transnational companies began to import their investments, their technological patterns and their methods of business management and workforce, as it occurred, for example, in the automotive industry with the Ford-Taylorist system of mass production in the long post-war period. Thus, a dogma was created which stated that the full development of capitalism under the leadership of transnational monopolistic companies and of foreign capital in dependent countries was finally possible.

With the advent of capitalist development over "national bases" through industrialization, it was thought, in effect, that dependence was definitively "overcome". But in reality "... when many believed that this transition "extinguished" dependency and the theory that sustained it, Marini's thesis on the «of labor, was superimposed on the economic-social reality of the region and was redefined according to its structural features" [10]. In support of the verification of this hypothesis, in the course of the 1960s, the largest dependent countries in the region, particularly Brazil, began to experience recurring structural crises and merchandise

production, but operating, unlike in the past, on an industrial base and not only on the old export economy of raw materials and food [10].

In the course of the seventies, this situation would push the economies of the region in countries such as Chile, Argentina or Brazil to embark on the path of productive restructuring to adjust their economies according to the world market. An approach that in the MTD was developed under the concept of capital reproduction pattern which implies dialectical articulation between production, distribution, exchange and consumption.

For Marini, the basis of this pattern is the «of labor which, as a production and exploitation *regime* articulates the intensification, the prolongation of the working day and the expropriation of part of the labor necessary for the worker to replace his labor force, defined as "... a *mode of production* founded exclusively on the greater exploitation of the worker, and not on the development of his productive capacity".

For Marini this mode of production-in contrast to what his critics affirm-does not annul, in the dependent economies, the relative surplus value. On the contrary, it develops in a restricted manner. It does not generalize, it does not impose its logic, nor its hegemony in the production and accumulation of capital — as it does in advanced economies — even in periods of intense industrialization as occurred in Latin American countries in the last quarter of the twentieth century. Particularly, in Mexico, Brazil and Argentina, which significantly increased their industrialization coefficients in the postwar period until the end of the seventies.

This thesis marks the *substantial difference* between industrialized and dependent capitalism. In the first, the increase in the productive force, where the hegemonic regime that is imposed, particularly after the industrial revolution in England, is commanded by relative surplus value, particularly when it helps to reduce the amount of socially necessary work time for the production of the value of the work force and, consequently, the necessary working time, which results in an increase in the mass of surplus value and, therefore, in the *quota*. In addition, *relative surplus value* governs the reproduction of capital as a priority and it also overdetermines the process of constitution and the concrete varieties assumed by the «of labor in the context of its historical-structural specificities.

On the other hand, in dependent economies, things happen differently, although within the process of capitalist production. Here, the «of labor is the hegemonic category that subordinates relative surplus value that is developed

¹ For example, Halperin, 1993, Cardoso and Brignoly, 1979, from the perspective of the MTD, Vitale, 2011

restrictively along with other mechanisms of exploitation of labor from archaic forms of exploitation and production such as absolute surplus value, servitude or slavery, but completely subordinated to the logic of super-exploitation.

In this regard, Marini's conclusion is clear:

"... The conditions created by the "of labor in the dependent capitalist economy tend to hinder its transition from the production of absolute surplus value to that of relative surplus value, as the dominant form in the relations between capital and labor. The disproportionate gravitation that takes place in the dependent system of extraordinary surplus value is a result of this and corresponds to the expansion of the industrial reserve army and to the relative strangulation of the capacity of production. Rather than mere accidents in the course of dependent development or elements of transitional order, these phenomena are manifestations of the *particular way in which the general law of capital accumulation affects the dependent economy*. In the end, it is the "of the work that we have to refer to in order to analyze them".²

From this thesis it follows that dependent capitalism *develops* in function of super-exploitation, *without stagnation* — as critics unfoundedly claimed — and reinforces it at the same time as it hinders the generalization in the productive system of relative surplus value that in the advanced capitalist countries is hegemonic and overdetermines the other forms of exploitation, in particular, absolute surplus value. The most important conclusion we can draw from above is the one that indicates that, as a result of both forms of exploitation and of the various regimes of production of surplus value, integrated economies are constituted and these are the advanced capitalist ones and those not integrated into their territorial-national spaces (dependent and underdeveloped):

"... the developed countries have two triumphs in hand: the first is their immense superiority in terms of research and development, which is what makes technical innovation possible; there is a real technological monopoly that aggravates the dependent condition of other countries. The second is the control exercised in the transfer of industrial activities to the most backward countries, both for their technological capacity and investment, a control that acts in two ways: one, prioritising the transfer of industries less intensive in knowledge to the most backward countries. Two, dispersing the stages of merchandise production between

different nations, thus *preventing the emergence of nationally integrated economies* ... These two faculties, which are the privilege of the developed centres, have an impact, as they have always done, on the international division of the work in the plane of the production".

In order to eradicate the erroneous characterization of Marini's thought as being "economic reductionism" it is necessary to emphasize its indication—that many of its critics have omitted, sometimes deliberately—particularly on "... the implications of "go beyond the plane of economic analysis and must also be studied from the sociological and political point of view". Taken together, the essence of Marini's thought exposed in his works in terms of the theory of dependence³ is the "of labor, which consists of remunerating work force below its value, the structural basis of the cycle of capital of the dependent economy that develops and reproduces, even with the development of labor productivity and relative surplus value, to the extent that the latter fails to become hegemonic in the economy and society, being partly responsible—together with the action of the State and private capital—of underdevelopment and the backwardness that characterize our societies in general. From which it is inferred that the expanded reproduction of dependence extends and intensifies as global capitalism develops at the same time that strong movements of extension of the "of labor are manifested in the economies and in the productive systems of the advanced capitalist countries and in the international economy.

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² The emphasis highlights that Marini worked with the general laws of capitalism, but focusing on the particular forms assumed in a dependent economy: the super-exploitation of labor.

³ See: Marini, Memoria, without a date, in: internet: https://marini-escritos.unam.mx/?page_id=348, where the author exposes the intellectual biography of the theory of dependence and its fundamental contributions.

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