

Common good production in capitalism: a critical reading through the public policies linked to social rights

Por uma crítica imanente sobre os limites das políticas públicas de direitos sociais e o Estado na produção do bem comum no modo de produção capitalista

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Abstract

We've learned that the state is responsible for the production of common good. Besides, it protects the collectivity and always acts according with public concerns - which, theoretically, would be convergent to the concerns of those who are under its empire. We will see that this is no more than a recurrent and indispensable illusion for consolidation of a bourgeois democracy. Nevertheless, it is indispensable to think about an immanent state analysis, in order to, later, understand the existing limits in its acting as a supposed most important producer of common good. Here is a recurrent illusion about the idea that the state, while promoting the collective interest, is the common good production pillar. Well, once capital is the process of money accumulation by extracting a surplus-value, the state takes its higher expression as an intrinsic relation with the capital logic. Once money is the universal equivalent, it is important that, for its circulation, a guarantee does exist, being an indispensable agent to promote such. Without commodities' production and circulation there is no capital. Without such guarantee agent which shall consolidate the daily exchange process through the universal equivalent (money), there is no capital. Without a guarantor of such production and circulation - the state - there is no capitalism. The common good production through the public policies is linked to social rights in their context

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and we need a critical Marxist reading to understand such an issue.

Keywords: Public Good; State; Marxism.

Resumo

Aprendemos que o estado é responsável pela produção do bem comum. Desta forma, ele protegeria a coletividade sempre agindo em conformidade com o interesse coletivo, no sentido de produção do bem comum. Veremos que esta forma de conceber as coisas é indispensável para a preservação da ilusória lógica de preservação da democracia burguesa. Desta forma, se faz indispensável conceber uma crítica imanente do estado, para que possamos entender os limites das ações estatais na produção deste bem comum. Aqui deve-se ressaltar que a produção do bem comum é uma ilusão recorrente. Uma vez que o capital é um processo de acumulação de dinheiro pela extração da mais-valia, o estado assume um papel estratégico na reprodução da lógica do capital. Sendo o dinheiro equivalente universal, é importante que exista garantia para a sua circulação, sendo indispensável um agente que a promova. Sem produção e a sua correspondente circulação, não há capital. Sem um agente que garanta o processo de troca, o estado, também não é possível a existência do capital. A produção do bem comum por meio das políticas públicas estatais referentes aos direitos sociais encontra-se intimamente ligada a este fenômeno e faz-se necessária uma crítica radical marxista para a sua compreensão.

Palavras-chave: Bem Comum; Estado; Marxismo.

The limited common good production institutionalist view

We've learned that the State is responsible for producing common good. This way, it also protects the community and always acts accordingly with public interest - which, in theory, would be convergent with all that make up those under its domain.

In an institutionalist view, we were learnt that, like any institution, the State consists of the following elements: a set of people who, under a regency, are directed to a single end. The common purpose is constantly highlighted to give everyone a sense of collective work to be done in the institutional perspective. The Catholic Church, for example, would be an institution. Catholics grant powers to the pope and other religious persons who are organized in a hierarchical way, and who are inducted from the task of carrying out the common purpose embodied in the consecration of dogmas of the faith they profess.

In this view, the State would be, for many, one of the most perfect examples of institution. The citizens deliver the pursuit of a common end, by means dictated by a legal way and consistent with the bourgeois democracy (the completion of public good). The collective good appears as an end to be achieved. It is not without reason that the Supreme Court decisions often accentuate the institutional character of state-owned shares of collective protection, as we can see, for example, with the demands involving social security. This is a good example, since even with the loss of thousands, it allows for the modification of social security protection systems in pejus. The reason put on trial is always the same: that is, firstly the sacrifice of those "few" than that of all the others. In general, when we are not directly affected, we wholeheartedly agree with these premises - until one day we are (and we will be) affected by the solutions in favor of what is usually called collective interest. Of course that on health's issue, we could also enjoy the same hypothesis.

It is not unknown to anyone that we should, yes, in certain cases, have our individual interests sacrificed on behalf of the collective. Nevertheless, the failure of the answers from the institutionalist theory is obvious.

Some issues remain which put us in daily difficulties: do we really are in a position to say that the produced common end is effectively collective? Does the common end is actually being sought? With the current conditions observed, would it be possible to effectively identify and distinguish collective good? Is there really a way to identify those who claim to be promoters of a collective good?

In conclusion , we are confused.

What is the meaning of immanent critique

In our view, the best way to address common good production draws from a Marxist reading. It deals with what we know as *immanent critique*. Which are, however, the elements for this type of critical analysis?

Two primary aspects are highlighted for the realization of such immanent critique: a) the use of historical and dialectical materialism (here we suggest readings, for example, *Anti-Düring and Luwig Feuerbach and the end of Classical German Philosophy*, both written by Friedrich Engels, and excerpts from works as the *Contribution to the Critique of Political Economy* and *Grundrisse*, of Karl Marx, beyond the proper reading of *The Capital*); b) the critical analysis on the *labor-value theory* in its various aspects (see, that even here, to carry out this critique is essential that the notion of *surplus value* is realized by using such a method, the dialectical-materialism history).

It is therefore an analysis method levied on certain topic studied.

Finally, *a priori* , if it is not possible to say exactly what are the results when performing such immanent critique, it is feasible to realize what is avoided with its use: a) the methodological individualism - the individualized solution in understanding the facts put under observation, in particular in way of science realization. This often appears in Marx, under the name "*robinsonada*" (referring to the solitary Robinson Crusoe's island where he was lost, to the extent that the solutions would be conceived in view of isolated individuals, not in a collectively way); b) it avoids the utopian

abstraction - that is, solutions that go back to an empty terminology and action, which, ultimately, nothing express and do not necessarily underlie the real. In fact, here, we start from the distinction between utopian socialists and scientific socialists to realize that the scientific elaboration of such immanent critique requires a historical-materialist dialectic construction from the surplus value theory, with which there will be no spaces for mus-ing constituting idealizations . Thus, for example, very opened determinations are avoided by solving everything from only terms like "*capitalism is bad*" and "*socialism is good*" - the requirements need to be more closed and based on historical facts and their dialectical constant.

These are some of the basic elements for immanent critique realization on how the common good production is understood in the current institutional logic.

The immanent critique to achieve common good from the role featured by the State in the capitalist mode of production

As we highlighted from the beginning hereof, there is a recurring illusion around the idea that the State, while the collective interest promoter, is the common good production pillar. We will see that this is just a recurring and indispensable illusion to the consolidation of the bourgeois democracy. However, it is essential to think about a Marxist state theory for later than, understand the existing limits on such performance while supposed to be the most important common good producer.

In his greatest work's original plan, *The Capital*, Marx wanted to bequeath a state specific analysis (Rosdolsky, 2001). However, as he had not made his mind, it is an indispensable task that has been consolidated by many Marxists. Within the limits of this work, we just give some contributions to the subject, without intending to, obviously, exhaust it. Our intention is to only suggest some State forms of analysis in the capitalist mode of production, for the purposes of understanding its role in the realization of what is meant by collective good.

The first mention to the State in *The Capital*¹ (2013) is given on page 198, when Marx says: “As to the standard price settlement, also the coinage is a task for the State.” And, again, it appears the same function on page 201, in which the State throws in the circulation coins process such coins made by it. This State’s role is noticed by David Harvey when, after highlighting the above passages, he says: “Therefore, the State plays a vital role in replacing metal commodity-money by metal forms” (Harvey, 2013, p. 74).

Moreover, as noted by Luiz Gonzaga Belluzzo:

It is rarely mentioned that, as in the chapters which takes care of the simple circulation of commodities and money, Marx presents the modern state as an inseparable companion of general commoditization. In chapters on the genesis of money in its market formatting, Marx presents the State as guarantor of the currency and guarantor of producers’ confidence in the result of their toil. The liberal legal system - particularly the encodings of civil and commercial law - is designed to allow the seamless movement of goods and money and at the same time contain the individual pulses of wishing to scratch the illusions of equivalence and equality. In essence, the monetary sovereignty rests in the legal architecture that supports free individuals in their capacity as commodities producers, only subject to the rules of contracts guaranteed by the State (2013, p. 62).

And, on the fiduciary currency and the State’s role in the preservation of that trust, Belluzzo says in the same work:

Ultimately, the reproduction of society based on private enrichment depends on the State’s ability to maintain the integrity of social convention which serves as a standard to independent producers’ acts. The monetary order is inseparable from the State sovereignty, and its survival assumes that private owners abide by the currency with a necessary agreement for repetition of the process of circulation of goods, settlement of debts and evaluation of possessions (p. 63).

Now, as we shall see, with the money capital accumulation process through the extraction of a surplus value, the first time where the State emerges in the Marxian text is already to evidence its intrinsic relationship with the logic of capital. Being the money the universal equivalent, it is important to have guarantees of its existence and its circulation, making itself an indispensable agent promoting them. Without production and movement of goods, there is no capital; without the guarantee that these will be consolidated on the daily exchange process, from the universal equivalent (money), there is no capital. Without a guarantor agent of such production and circulation, the State, there is no capitalism.

However, to better understand the State and its intrinsic commitment to the capital process, it is essential to understand how, in the Marxist theory, the logic of that method of production materializes itself.

It would be very simple to reduce the State to a reality that was only materialized because of the capitalist society advent. However, as the law, the State, although only materialized to its fullness within capitalism, has been woven with the very gradual transformation of relations of production and the full realization of this method of production. Thus, for example, until reaching law in its current form, there are several proto-forms, which cannot be neglected for its understanding as a specific form of capitalism. The same is true with the State - notwithstanding, its most immediate interpenetration with politics, the question is immensely complex.

In like manner, let’s observe, for example, the slow passage of craftsmanship which characterized feudalism, for the manufactured work and then to the work of the industrial era with the introduction of machinery (Marx, 2013²). The transformation is slow and does not take place instantaneously. In the case of the State, that also occurs. Until the advent of capitalism, earlier forms to the State were important, as noted, even if indirectly, of chapter 24 from *The Capital*, which describes “The so-called primitive accumulation” (p. 785). However, we do not disagree on the conclusion that, in its most evolved

¹ Here we will base the research on Book I. The following edition was utilized: MARX, K. *O capital - Livro I: o processo de produção do capital*. Trad. Rubens Enderle. São Paulo: Boitempo Editorial, 2013.

² Book I, chapters X to XIII.

expression, the rule is a specific form of capitalism.

Only this finding makes possible to understand the capture of common good production by the capital rationality. Or rather, in capitalism some kind of magic takes place where we see the State as the only way of expressing the collective interests satisfaction and more, one as the eternal expression of these interests. This is what, in Marx, appears under the name of *the commodity fetish* (item 4, Chapter I of *The Capital Book*). To understand such proposition, it is necessary that we remember the processed change and the transformation on the mode of production to feature it as capitalist.

Beginning with Marx himself, according to whom “[...] all science would be superfluous if there were immediate coincidence between the appearance and the essence of things [...]” (2008, p. 1080). This inference is important in that: capitalism’s prosperity is presented (i.e. only appears) as a huge collection of goods. However, behind this appearance, there is the essence: capitalism’s prosperity does not express these lines (but the work value). However, it is important that people do not notice that the work is a value that makes up capitalism’s prosperity. Even though, it is essential that they do not present themselves as an illusion (appearance) of such capital opulence, as it is attributable to the goods. This illusory character is not perceived by the classical political economy, which, while departing from the value of work for constructing their theories (albeit with a few key differences that we cannot identify in this work), even before Marx, they do not operate with such a category from the relationship between *essence and appearance* - and even more do not care about the *commodity fetish character*.

In addition, to the capital logic, it is important that the individual commodity presents its elemental form. However, capitalist society basic form is not composed of individual goods, but its consideration as a social phenomenon that has, in its collectivization (or rather its dissemination), the most appropriate way to understand the phenomenon of capitalism.

This game of *essence and appearance* hides the relationship between the use value and the

exchange value of goods and will culminate at the end of Chapter I of *The Capital*, as Marx called the “the commodity fetishistic character.” This is a key concept for construction of the Marxist thought or, as noted by David Harvey:

In the of *The Capital*, as we shall see, the concept of fetishism appears several times (often more implicit than explicit) as an essential tool to unravel the mysteries of capitalist political economy. For this reason, I consider the fetishism concept as being fundamental to both the political economy as to Marx’s argument as a whole. (2013, p. 46)

In the dialectic between use value and exchange value, Marx built his own method, while not neglecting the Hegelian dialectic, and unveils the first capital great mystery: the goods are not the source of the capital’s prosperity, which seeks to hide the place of where it really comes from, that is, the exploitation of wage labor. The capital cannot be explained by the particular commodity, but the totality of goods. Not mainly as concrete work, but for its passage to the abstract work.

All this will only be clear from the relationship established in duality between use value and exchange value. This duality that communicates itself with two windows. Marx passes from one window to another and will establish the dialectical relationship, the perspective not of ideas, but in terms of social factors as essential for constructing his thought.

Therefore, we must understand that: a) the capital is a **process** in which the capitalist seeks accumulation of money in his power, and b) it is essential to capture the surplus aiming to process such accumulation, (the surplus realization).

It appears that *The Capital* book only seeks to explain how the capitalism can be proceeded, being a scientific finding of this text. Marx notes how the conception of use value and exchange value in the logic of capital goes, and the importance of money accumulation and the extraction of surplus value for the capitalist mode of production. He does not create the production relations and nor indicates the dynamics of such productive forces, as they are simply noted by Marx from the

capital drive. There is no way to be attributed to The Capital the ills of capitalism, that there are only dissected.

It is also realized that in Book I, money and movement of goods are only ordered to indicate how the capital production process occurs. The specific process of movement of goods, after explained how the capital is produced, is the subject of reflection of Book II from *The Capital* ("The process of circulation of goods" in which Marx analyzes *things* like the cycles of this movement and their rotations, for example). Finally, in Book III, already knowing how to handle the formation of capital and how the movement of goods is, inside it, the author dedicated to comprehensively understand what was already explained in its genesis: the goods' production global process, discussing topics such as the way in which capitalist accumulation processes by the gain in the commercial or financial capital, for example, or the analysis of phenomena such as competition.

In a brief summary, Marx seeks to show in Book I that, for that capitalist accumulation process, the simple circulation is not enough (commodity-money-commodity - M- D- M), and the ideal environment for such concentration is the gateway to the complex movement, where money plays a fundamental role: where money -commodity- -money (D- M- D) flows to money -commodity- -money plus any value - D-M-D'. Note that Marx is not specifically here taking care of the merchandise circulation process, which will be done in Book II of *The Capital*, but as such movement carries out the capital production. Therefore, circulation and production, in this compass, are two sides of the same coin, and one comes from the other and the other dependent on the former. It is a Hegelian development which, to succeed, observing the Marx own method, must be analyzed in the material and historical process.

Also in a brief summary, it would be not enough, in order to produce the capital that the goods were exchanged for money and then changed again for merchandise (M-D-M). This is a rudimentary exchange of goods, which would make that the equivalent logic was preserved and there is no typical capitalism accumulation. It is

necessary to make that money up to universalize as a commodity, as a universal equivalent, and then someone seeks its accumulation with the appropriation of the surplus value. I.e. , in D-M-D, so there is the capital accumulation process, the second D must come from some added value (D'): "The value is, therefore, beyond the equivalent value" (Marx, 2011 , p. 255). And this added value cannot be something contingent, but must qualify the capital. Otherwise, we would have an exchange of equivalents, no one would have advantages: "The equivalent, according to its determination, is only the identity of the value itself. The surplus value as consequent can never sprout equivalent; therefore, can either originally spring from circulation; it must spring from the production process equity (Marx, 2011, p. 255).

To give someone advantages to earn money, it is required to discover that merchandise is the former of all other values. Anyway, if equivalence is treated from the abstract labor necessary for designing goods, the only value able to generate value is the workforce. Therefore only appropriating it someone can achieve D':

The *thing* can also be expressed as follows: if the worker needs only half a day to live an entire day, then he needs only to work half a day to perpetuate his existence as a worker. The second half of the working day is forced labor, *surplus labor*. What appears on the capital's point of view as a surplus value appears on the worker's point of view just as most work-up over his immediate need for conservation of his vitality. The great capital's historic role is to create such surplus labor, superfluous work from the point of view of simple surplus value [...] (Marx, 2011, p. 255)

It is not enough to increase the price of such a commodity to get a D', since anybody could do it and, in the end, the system would be just a great game with more or less skilled players. This fact, which does not cease to exist in the capitalism, is not the foundation of the advantages obtained by the capitalist - as in the mutual advantages big game, someone lose here, but win there. What underlies the capitalist accumulation is the ac-

accumulation of money for extraction of such a surplus value (D’):

[...]the development of labor productive powers of which the capital continuously insist on its boundless enrichment mania and the conditions in which only it can accomplish with, has advanced to the point that the possession and the preservation of universal prosperity, on the one hand, only requires a working time of the whole society and, on the other hand, the working society scientifically behaves with the process of reproduction in a constantly greater abundance; which, therefore the work ceased to exist in which the human being does what it can and let things do it for him. Consequently, capital and labor behave here as money and goods; the first is the universal form of prosperity, and the second is only the substance aimed at immediate consumption (...) So the capital is productive, i.e., an essential relationship for development of social productive forces. It only ceases to be so when the development of these productive forces faces a limit on equity (Marx, 2011, p. 255-256).

By this reason, it is important that the workforce introduces itself as a commodity like any other. Hence the worker relevance to be considered free and equal, for as the owner, sells the only commodity that he owns: his workforce. This does not always occurred in the human history, the conditions were historically created. The historic passage to the abstraction of the work was essential, as seen, for the exchange value to fruition and, with all this, would have consolidated the capitalism phenomenon. On the one hand the owner of money, with the ability to organize the means of production, which now depends on him to be ordered - as the money, the universal equivalent and unique way in this society to take ownership of means of production -; on the other hand, the worker, that only owns his labor power as a commodity. Or, according with Marx: “The former owner of money is now presented as the capitalist, and the possessor of such a workforce, as a worker. The first, with an air of importance, confident and eager for business; the second, shy and hesitant, as someone who brought his own

skin to the market and now has nothing to expect beyond ... to skin” (Marx, 2008, p. 251).

From all this, it follows the capital concept: “Until now the capital was considered, according to its material aspect, as simple production process. But such a process, from the aspect of formal ascertainability, is a valorization process. The self-worth includes both continuing value assumptions as multiplication” (Marx, 2011, p. 243).

When Harvey speaks on the D-M-D relationship, he stresses that:

At this point we see the capital movement in *The Capital* for the first time crystallizing from the movement of goods, mediated by the money form contradictions. There is a big difference between the circulation of money as a mediator of any commodity exchange and the money used as capital. Not all money is capital. A monetized society is not necessarily a capitalist society. If all matters can be resolved by the M-D-M circulation process, the money would be a simple mediator and nothing else. The capital comes when money is put into circulation in order to get more money” (2013, p. 80).

And to get more money, a way to capture that value is needed and which is not equivalent to the money itself - since money is not the value generator, but the work. The money, in a capitalist society, creates prosperity, but not value. In order to generate the concentrated capital prosperity, it is necessary to seize the value which generates all values: the workforce.

The idea of the movement from the production, based on the surplus value and the circulation as its implementation is a jump from the classics of political economy:

Nevertheless, this capital definition as a process is extremely important. It marks a radical departure in relation to the definition found in the classical political economy, in which the capital was traditionally understood as a stock of resources (machines, money etc.), as well as in relation to the prevailing definition in conventional science, in which the capital is seen as something, a “*factor of production*”. In practice,

the conventional economics has a great difficulty for measuring (valuing) the production factor which is the capital. So they just label K and inserted it into their equations. But in reality, if you ask “What is K and how do we get a measure of such?”, the question is far from simple. The economists resort to all kinds of measures, but cannot reach a consensus on what capital really “is”. It does exist, in effect, in the form of money, but also exists as machinery, factories and means of production; and how to assign an independent monetary value to the means of production, regardless of the value of goods which helps to produce? As evidenced in the so-called controversy over the capital at the beginning of the 1970s, all contemporary economic theory runs the dangerous risk of being based on a tautology: the K monetary value in the physical form of prosperity is determined by what which should explain, namely, the value of produced goods. (Harvey, 2013, p. 80)

Thus, “[...] capital is money used in a certain way. The capital definition cannot be divorced from the choice to launch the money-power into such a circulation mode” (Harvey, 2013, p. 80). The capitalist purpose would be the constant production of surplus value and concentrate prosperity. Here, one should be wary of the capitalist intentionality level, since the process as a whole puts this position regardless of a firm intention. This is not a mere individual act, even if common to many individuals, to make money and accumulate. This is the process in which people meet themselves therein to make more money from the extraction of surplus value, and concentrate prosperity.

By analyzing the surplus value from the equivalent exchange, Marx narrows the focus to show that one can not only dwell on the purely individual relationships:

Individuals may deceive each other by selling a higher value and, in fact, it happens all the time. But when considered in a systematic way, in social terms, the result is just stealing from Peter to pay Paul. A capitalist can fully circumvent the other, but in that case the first gain is equal to the second loss and no further value is

added. We must therefore find a way in which all capitalist gain a surplus value. A healthy or properly functioning economy is one in which all capitalists have a constant gain and cost rate. (Harvey, 2013, p. 100)

For such surplus value production, “[...] the worker must already be deprived of access to the means of production” (Harvey, 2013, p. 102) [...] the labor force is a peculiar, special commodity, unlike any other. First of all, it is the only commodity that has the capacity to create value. It is the working time incorporated in goods, and the workers sell their labor power to the capitalist. This, in turn, uses this force to organize the production of surplus value (...) So, the worker, remember, is always in a M-D-M circuit, whereas the capitalist operates in D-M-D’ circuit. There is, therefore, different rules for either think in its position. The worker can settle for the exchange of equivalents, because what matters him are use values. The capitalist, on the other hand, has to solve the problem of getting surplus value from exchanging equivalents. (Harvey, 2013, p. 105)

Thus, as noted by Marx in *The Capital*:

The sphere of circulation or exchange of goods, in the limits of which the purchase and sale of labor power move, is, in fact, a true Eden of the innate man’s rights. It is the exclusive realm of freedom, equality, property and Bentham. Freedom, as buyers and sellers of goods, for example, the workforce, are only moved by free will. They hire with free people, with the same rights. The contract is the result, in which their wills receive a common legal expression to both parties. Equality, as they relate to each other just like goods’ holders and exchange equivalent per equivalent. Property because each one has only what is his own. Bentham, because each one looks at himself. The only force that unites and puts them into mutual relationship is to their own use, personal advantage of their private interests. And it is precisely because each one is only concerned with himself and no worries with each other all as a result of a pre-established harmony of things or under the auspices of an all-shrewd providence,

they carry out together the work of their mutual advantage, the common good, the public interest (2008, p. 251).

The State enters into this process. There is a need for a neutral entity making us believe that the relationship effectively established between free and equal individuals, who act as owners, finally an agent who processes the “work of the mutual advantage, the common good, the public interest”. Otherwise, the capitalist himself would have to promote what the capital meant by public interest and, of course, would be easier to doubt his neutrality, as an interested party directly in the wealth accumulation process.

So if the principles of equality and freedom are breached, it is necessary that there are legal mechanisms for them to be reinstated. In this legal process, but also social, there is a neutral producer of the standard rule for equal and free subjects (legislative). There is a neutral agent (the executive) that puts them in progress in our daily lives. There is one last agent that, when clauses of equality and freedom are unfulfilled, it enforces or imposes sanctions for such noncompliance (the judiciary).

Regarding the theme Pasukanis has already talked about:

That is why, in a society of commodity owners and within the exchange act, coercion function may not appear as a social function, given that it is impersonal and abstract. Tying a man as such as a concrete individual, means subordination to the will in the commercial production society, as this means the subordination of a goods producer to another. So, coercion cannot arise under its unmasked form as a simple act of opportunity. It should appear as a coercion from an abstract collective person and who is not pursued in the interest of such individual from whom comes - because each man is a selfish man in the goods- production society, but in the interest of all participant members of the legal relations . The power of one man over another man is transposed into reality as the power in an objective, impartial manner. (1989, p. 119).

Or, even,

The legal State is a mirage, but a very convenient mirage for the bourgeoisie, because it replaces the religious ideology in decomposition and hides, from the mass' eyes, the reality of bourgeois rule. The legal State ideology should be more than the religious reality, because it does not reflect the objective reality, though rests on it. The authority as a “general will” as “force of law”, takes place in the bourgeois society to the extent that this is a market. From this point of view, the regulations issued by the police may also appear as the embodiment of the Kantian idea of freedom limited by the freedom of others” (Pasukanis, 1989, p. 122).

The author finally adds, that

The free and equal owners of goods, who are on the market are not as the abstract relation of appropriation and alienation. In real life, they are bound by all kinds of mutual dependence relations; as, for example, the small trader and wholesaler, the peasant and the land owner, the ruined debtor and his creditor, the proletarian and the capitalist. All these numerous dependence concrete relations are the real foundation of the State organization” (1989, p. 122).

Therefore, from a historical-dialectical materialism perspective,

“All further refinement of the bourgeois State [...] can be referred to a single principle where any of the two exchangers can, in the market, regulate the terms of trade for their own authority; in this case, a third party is required to embody the mutual guarantee that the goods' holders mutually agree, due to their capacity as owners, and that embodies, in consequence, the rules of trade between the owners of such goods” (1989, p. 125).

And so the bourgeoisie “[...] in the name of historical purity, never lost sight of the other aspect of the question, namely, that the class society is not only a market in which they are independent owners goods, but is also a battlefield of a fierce war of classes, in which the State is a very power-

ful weapon” (Pasukanis, 1989, p. 125-126), being that

The more the bourgeoisie is threatened, these corrections become more engaging and soon the “legal State” turns into a material shadow until the extraordinary aggravation of the class struggle force; the bourgeoisie to completely tear the mask of the rule of law and to reveal the essence of State power as violence of a social class against another (Pasukanis, 1989, p. 126).

This is the essential reading of Chapter 2 of Book I of *The Capital* (“The exchange process”). In it, it is clear that the transition to wage labor is indispensable to the capital logic realization. Being the capital focused on more value production and constant process of self-worth by their extraction, nothing more correct to think that it can only be given through free and equal availability of a single commodity which the worker has: work force. Here the logic is that the worker cannot be thought of as a slave or servant, having to be seen as an owner who has freedom and equality in the provision of a single commodity.

The legal dimension - and therefore the State - is essential, as seen, for all this to happen. The presence of an agent, the State, is essential, **making it look** that, in a neutral manner, it performs the promotion of equality and freedom, not individually considered, but across the board. Therefore, the universal appearance of freedom and equality, as a prerequisite to the logic of production and capital circulation does not take place without the presence of the State. The State is, therefore, in its most complete structure, a typical form of capitalism. Therefore, State or law evolved over time and have incipient features in the previous modes of production. However, the most well-finished manifestation of both can only be given in capitalism. They deserve to be considered as a typical form of capitalism in this sense. In another moment of humanity, other figures appeared, who should not be confused with the current State or law. However, for the universal figure of the subject of law and its related discourses of equality and freedom, the State and legal form coincide and are indispensable to the advent and progress

of capitalism. When it comes to historical forms, they did not exist before (even if there were their proto-forms) and will not exist forever, making another mode of production. Therefore, they are only transitional forms, as should be in the light of historical and dialectical materialism. It is not transcendental, eternal forms - that would have always existed and that inexorably always exist.

Now the limitations of institutionalist theory have become quite clear, in the sense that the State is the common good major producer. The clearest limitation emerges, as seen, in its inexorable connection with capital as a specific facet of capital itself. There is no way that, through the view of this connection, the one who binds inexorably to capital valorization logic will produce the common good fully and unselfishly.

Consequently, more than saying that health, welfare, care, education began with capitalism, to be treated as an exchange value (and actually were), we must understand the public policy inherent limitation corresponding to them in the way of capitalist production. Being the State the promoter of such public policies, it is limited by its specific position in the capital logic denuded before. Therefore, it is not a question that can be glimpsed individually - in the sense that if the manager is good, the public policy will be good or the like - but of a theme that should be thought in the capitalist logic structure, especially from the State’s position in the typical reproduction of capital. The State is indispensable for production of both the absolute surplus value and the relative one.

Finally, there is no way, with the capital logic, to desire that the State is the disinterested producer of common good. It urges that society, and only it, takes account of time to solve such State limitation - evidenced, day and night, and in a more recent form, by the State authorities’ inertia even after June 2013 journeys.

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