


You Get What You Pay For: Response to a Plagiarized Online “Critique” of the TSSI

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by Andrew Kliman

An online “critique” of the temporal single-system interpretation (TSSI) of Marx’s value theory has been floating around the internet for a couple of years.^[1] I guess people read it and circulate it, instead of decent stuff, because it is free. But we live in a capitalist society. In such a society, you get what you pay for. Thus, readers of this “critique” have literally gotten nothing.

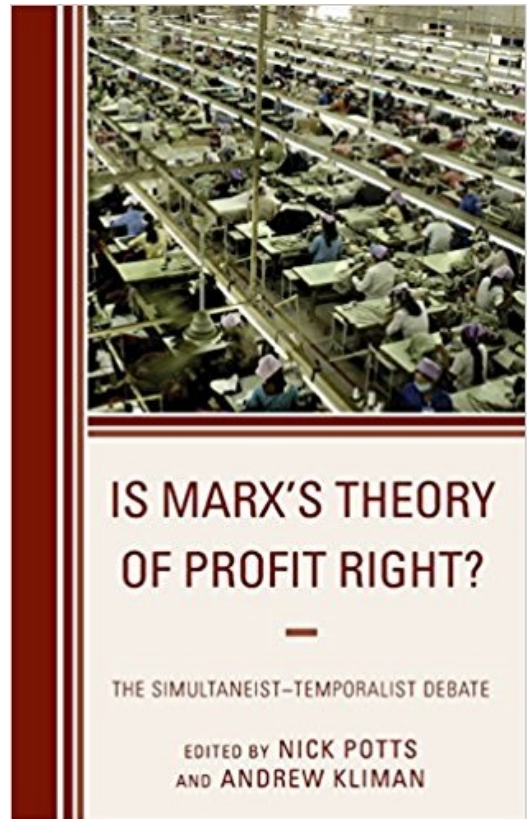
It is simply a quickly-slapped-together piece of plagiarism, based on claims that were disproven long ago and that certainly don’t merit being resuscitated by means of plagiarism. And it also fails to inform readers of the fact that these arguments were long ago challenged, much less that they were disproven. *Caveat Non Emptor!*

I have gotten numerous inquiries about that “critique.” I am publishing this response so that I can refer interested people to it instead of repeating myself each time I get an inquiry, and in order to warn people: don’t pay attention to that piece of garbage.

The “critique”—published without an author’s name in some versions, and by “Ice_Koll” in at least one version—gives every indication of being a term paper slapped together in a couple of hours through the magic of plagiarism. The term-paper part is speculation, but there is no doubt about the plagiarism part. The author has lifted his/her arguments nearly verbatim from essays by Simon Mohun and Roberto Veneziani, which appeared in various journals and have been republished in a collection entitled *Is Marx’s Theory of Profit Right?: The Simultaneist–Temporalist Debate* (2015), edited by Nick Potts and me.

Mohun and Veneziani's objections to the TSSI are not well-founded, as responses by Alan Freeman, Nick Potts, and me—which are included in the same collection—have shown time and again. As Freeman and I noted at the end of the long debate,

This reply to Simon Mohun and Roberto Veneziani ... points out that they have not addressed, much less overturned, our refutations of Veneziani's celebrated criticisms of Marx and the temporal single-system interpretation (TSSI) of Marx's value theory. Instead, they have filled their "response" with non-responsive irrelevancies. We argue that they do so in order to try to divert the debate without appearing to do so. Thus, the significance of their failure to respond is that the debate is over: Marx's critics have run out of arguments against the TSSI. [Is Marx's Theory of Profit Right?, p. 115]



While Mohun and Veneziani's arguments were very poor, the author of the online critique makes them even worse. S/he clearly doesn't know what s/he's talking about. For just one example, among the implications of the TSSI is the fact (quoted by Mohun and Veneziani on p. 101 of the collection) that

(g) labor-saving technical change can cause the profit rate to fall

Apparently thinking that changing a word acquits him/her of plagiarism (which it doesn't), or that s/he can fool the dimwitted professor who is trying to discover plagiarism by Googling phrases in the text, Ice_Koll (or whoever) writes,

G. Labor saving devices can cause the rate of profit to fall

Very clever! G instead of (g), and removal of the hyphen in "labor-saving," and replacement of "technical change" with "devices." But of course "technical change" is something quite different from "devices." No one who knew what they are talking about would have made such a substitution.

Given that the claims contained in this "critique" were carefully and painstakingly refuted long ago, and given that these refutations are available in *Is Marx's Theory of Profit Right?* and elsewhere, there is no point in reinventing the wheel. So I shall instead just make a few brief comments on its claims.

Ice_Koll: "While this may seem like a valid criticism of Bortkiewicz's models it all falls apart when one realized the faults in its equilibrium theory. While the flaws of the TSSI framework will be addressed later the Simultaneism contention is false within the TSSI

framework itself. If Bortkiewicz was evaluating a *dynamic* equilibrium then these charges would hold weight but Bortkiewicz is looking at a *static* equilibrium which *by definition there is no change in value.*”

Response: What entitles him/her to impose stasis on the problem? S/he is supposedly trying to show that Marx was internally inconsistent. So s/he first has to prove that Marx posed a static-equilibrium problem. The fact that Steve Keen asserts that it is static doesn't make it so.

IK: 'If Bortkiewicz was evaluating a *dynamic* equilibrium then these charges would hold weight but Bortkiewicz is looking at a *static* equilibrium which *by definition there is no change in value.* Because of this if the economy is in static equilibrium the end price will also be the input price for that period due to the fact that values are static.’”

Response: The “choice” of dynamic vs. static situations wasn't Bortkiewicz's to make. He was trying to prove that Marx was internally inconsistent, so he was compelled to address the situation that Marx himself analyzed. And he claimed to have done so. Yet Ted McGlone and I proved that Marx's own procedure doesn't lead to a spurious breakdown of the economy, contrary to what Bortkiewicz claimed, precisely because it is “dynamic—its input and output prices differ (see chap. 9 of *Reclaiming Marx's "Capital."*) Therefore, there is no need to “correct” Marx's procedure by imposing simultaneous valuation on it, as Bortkiewicz went on to do.

IK: “The charges of Physicalism are also erroneous due to the lack of framework ...”

Response: I have no idea what this is supposed to mean. Probably s/he couldn't be bothered to type correctly what Mohun and Veneziani wrote.

IK: “... but within the TSSI framework it is also false. They also tend to be as follows;”

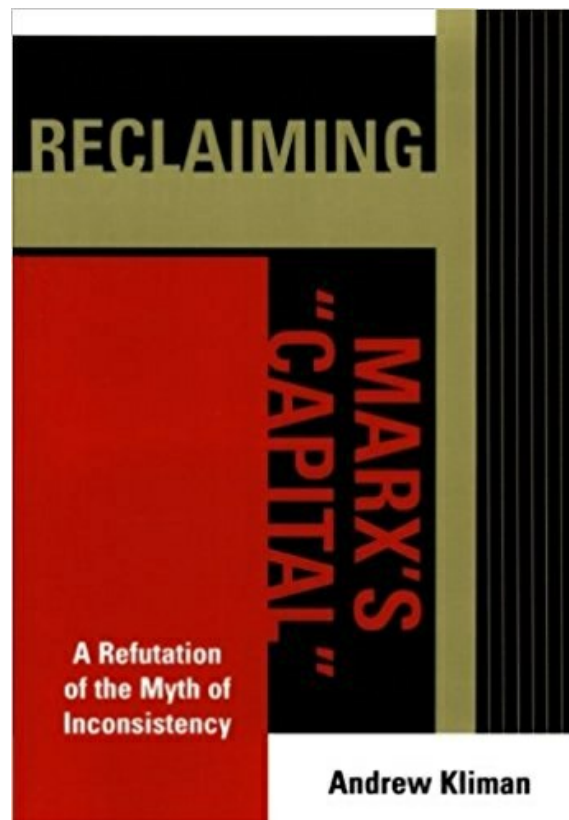
Response: I don't really follow the argumentation that follows this, but it's not important. Simultaneism leads inexorably to physicalism, as I have shown in detail in chap. 5 of *Reclaiming Marx's "Capital."*

IK: “The main issue of the TSSI attacks on Bortkiewicz is its lack of a clear equilibrium concept or distinction between dynamics and a static disequilibrium. The model also lacks coherent methodology for its equilibrium and disequilibrium models.”

Response: This is almost-verbatim plagiarism of Mohun and Veneziani.

IK: “Unless equilibrium is defined as static with market clearing disequilibrium has no bearing on the equations used to justify the TSSI because it could be described as a dynamic equilibrium where the market clears at every stage. This is what leads to the confusions in the attacks of Bortkiewicz.”

Response: I don't know what this is supposed to mean.



IK: “On top of this the vector p_{t+1} is a uniform rate of profit, which is a long run aspect of the economy but the TSSI approach claims that p_{t+1} applies *outside* of the equilibrium by assuming the rate of profit is equal to the average.”

Response: False. First of all, it's a price vector, not a rate of profit. Second, prices of production always exist, even if goods sell at prices that differ from the prices of production. Third, the TSSI interpretation is precisely that prices of production are long-run prices, in the sense that market prices—on average, over time—tend to equal prices of production, because they fluctuate around them. Fourth, implicit in the criticism is a common confusion/conflation about two meanings of equilibrium, one referring to an equal rate of profit, the other referring to the absence of changes in prices over time. The first doesn't require the second.

IK: “The TSSI approach claims to have proven all of the following;

- A. All of Marx's aggregate value-price equalities are true
- B. Values cannot be negative
- C. Profit cannot be positive unless surplus value is positive
- D. Value production is no longer irrelevant to price and profit determination
- E. The profit rate is invariant to the distribution of profit
- F. Productivity in luxury industries affects the rate of profit
- G. Labor saving devices can cause the rate of profit to fall”

Response: Completely false; there is no such claim. The falsehood is straight out of Mohun and Veneziani. Alan Freeman and I have repeatedly protested against it and have made clear what we actually say. See, e.g., section 2 of the “Truthiness” paper here: <http://akliman.squarespace.com/writings/> .

IK: “The justifications of claims a-g lack a real backing and tautologically follow from the equations, instead of proving a-g Kliman is able to merely restate them in a mathematical form thanks to arbitrary assumptions.”

Response: This is plagiarized almost verbatim from Veneziani. I’ll quote my response from section 2 of the “Truthiness” paper:

One cannot prove that conclusions are true simply by showing that they follow from the premises. Yet we have continually stressed that our demonstrations are not efforts to prove that Marx’s theory is true, but efforts to prove that the theory can be interpreted in a manner that renders it logically consistent. For instance, in a paper that *Veneziani cites in his text and references*, Alan Freeman and I stated:

“We have never said that Marx’s contested insights are necessarily true We simply say the claims that his value theory is *necessarily wrong*, because it is logically invalid, are false” (Freeman and Kliman 2000: 260, emphasis in original).

And the way in which one proves that Marx’s theory can be understood to be logically valid is *precisely* by showing that his conclusions follow from his premises (as we interpret them). Once this is understood, Veneziani’s revelation that the TSSI arrives at Marx’s conclusions by deducing them from (our interpretation of) his premises no longer reads like an exposé of trickery or failure. His statement now seems to be what it actually is—an admission that the TSSI demonstrations have succeeded in refuting the century-old ‘proofs’ of Marx’s logical inconsistency.

IK: “Kliman also argued that TSSI isn’t a theory but an interpretation of Marx, thus whether Marx is correct or not has no bearing on TSSI. This is false because if it were shown that Marx was empirically incorrect then TSSI as an interpretation is also false because it rests on Marx’s theory.”

Response: This is nuts. If you say “there’s a bird on the window ledge,” and I interpret you as having said that there’s a bird on the window ledge, then my interpretation is correct, even if your statement is “empirically incorrect” because there’s no bird on the window ledge.

IK: “Kliman fails to put forward a coherent definition without contradicting it later.”

Response: Where’s the evidence?

IK: Even if the definition of the MELT was consistent the assumption that $\tau_t = 1$ is imposed without explanation.

Response: False. The phrases that accompany the introduction of the assumption, such as “for simplicity” and “without loss of generality,” are explanations.

IK: “However Kliman put forward this definition of the MELT; “the ratio of a unit of money to the amount of labor commanded by a unit of money”, in mathematical terms;

- $T_{t+1} = (p_{t+1}X_t)/(\lambda_{t+1}X_t)$

“However this is just a fancy way to put forward equations 1-3, it’s by no means a coherent definition like Kliman implies.”

Response: Why, exactly, and how, exactly, does the fact that it is implicit in equations 1-2 make it “by no means a coherent definition”? The fact that it is implicit just means that the treatment of the MELT in the equations is consistent with the meaning (definition) of the MELT.

This is a garbage allegation cribbed from Mohun and Veneziani. Our responses to it go unmentioned.

IK: “On top of the fact that the ratio Kliman puts forward is by no means a definition it assumes that liquidity preference is nil”

Response: That’s nuts. It implies no such thing. It has nothing to do with liquidity preference. The author clearly doesn’t understand what the MELT is.

IK: “Kliman put forward another definition of the MELT, which is

- Price = MELT × Labor commanded

“However this mystical ‘labor commanded’ isn’t defined by any writings on TSSI ... ”

Response: There’s nothing mystical about it, and it is indeed defined. And this “another definition” is basically implicit in the one above. If $T_{t+1} = p_{t+1}/\lambda_{t+1}$ (which it does, because the x ’s cancel), then $p_{t+1} = T_{t+1} \times (1/\lambda_{t+1})$, i.e., Price = MELT × Labor commanded. So labor commanded is $1/\lambda_{t+1}$. Definitional enough for you?

This bogus line of criticism, cribbed from Mohun and Veneziani, is just a disguised restatement of their stupid “infinite regress” argument. (Temporal output prices depend on input prices, which depend on last period’s output prices, which in turn come from that period’s input prices, and so on.) They pretend that this is some kind of logical problem, hence the use of the term “infinite regress,” but that’s garbage. As I’ve pointed out again and again: to be consistent, they have to cease their practice of taking physical quantities as given, since where do their physical inputs come from? The physical outputs of the previous period. But those physical outputs come from the physical inputs of the previous period, which in turn come from the physical outputs of the preceding period, and so on ... Infinite regress! There has **never** been a response to this counterargument.

IK: “this is just another rewrite of previous equations, not a coherent definition of the MELT.”

Response: Once again, why, exactly, and how, exactly, does the fact that it’s implicit in previous equations make it “not a coherent definition”? The fact that it is implicit just means that the treatment of the MELT in the equations is consistent with the meaning (definition) of the MELT. This is a garbage allegation cribbed from Mohun and Veneziani. Our responses to it go unmentioned.

IK: “In all of Klimans definitions of the MELT the words may seem correct but he fails to provide a definition of the MELT that isn’t rewriting previous equations ...”

Response: Why should I? See comment above on section 2 of the “Truthiness” paper. This complaint *might* be valid if we were trying to prove that Marx’s theory is true. But we’re “just” proving that it’s internally consistent. The fact that the definition of the MELT is implicit in the “total price = total value” equation is a mark of internal consistency!

IK: “... leading to circular definitions.”

Response: No, the definitions aren’t circular. Each thing means what it means and not something else. This criticism, again plagiarized from Mohun and Veneziani, is a dishonest way of stating the fact that the TSSI equations don’t constitute a “complete system.” For example, they don’t deal with how the level of *nominal* prices is determined. (These equations do specify how the prices’ labor-time equivalents—the nominal prices divided by the MELT—are determined in Marx’s theory.) No value theory determines that. Marx was explicit that his value theory didn’t deal with that. One needs a distinct theory of inflation to do so.

IK: “But this distinction between the determination and expression doesn’t solve anything because there is no adequate way to determine the MELT at $t=0$.”

Response: Again lifted without attribution from Mohun and Veneziani—but at least, at long last, some reference to our responses to bogus criticisms! The substantive claim here is the garbage “infinite regress” argument. My response is: “there is no adequate way to determine” your physical inputs at $t = 0$, either. So I forbid you to use them to determine your physical outputs.

IK: While Kliman tries to avoid this by saying that the MELT isn’t physically observable

Response: I don’t recall ever making such an argument. In any case, my actual response is the one above: the “infinite regress” critique is garbage that is based on a double standard.

IK: “As seen above the TSSI model lacks coherent equilibrium models, and has severe methodological and logical problems, which leads to the conclusion that because the TSSI is unfaithful to the original Marxist project it should be rejected as an interpretation of Marxist thought.”

Response: No. All that's been seen above is amateurish plagiarism of claims that have long since been refuted and that certainly don't merit being resuscitated by means of plagiarism. Plus the fact that Ice_Koll (or whoever) dishonestly fails to inform readers that the claims s/he is plagiarizing were long ago challenged and disproven.

Enough of this nonsense. I have better things to do. Once again: *Caveat Non Emptor!*

[1] There are versions unfortunately available at <https://docs.google.com/document/d/1AzH4xeT41ZkJlwl28iWPrpKA0VRbp7h3eCid6qKjWg/edit>, at https://ifunny.co/fun/aLcLR1d64?gallery=user&query=TheRedsMenace_2016, at <https://www.revleft.space/vb/threads/197148-Essay-on-the-TSSI>, and at <https://pastebin.com/EyF66iLG>. Not all of these are identical.