sell his Bible, and only because the latter already has the water of everlasting life is the distiller able to sell his **eau-de-vie**. And so it goes on.

The process of circulation, therefore, unlike the direct exchange of products, does not disappear from view once the use-values have changed places and changed hands. The money does not vanish when it finally drops out of the series of metamorphoses undergone by a commodity. It always leaves behind a precipitate at a point in the arena of circulation vacated by the commodities. In the complete metamorphosis of the linen, for example, linen-money-Bible, the linen first falls out of circulation, and money steps into its place. Then the Bible falls out of circulation, and again money takes its place. When one commodity replaces another, the money commodity always sticks to the hands of some third person. **Circulation swallows money from everybody.**

Nothing could be more foolish than the dogma that because every sale is a purchase, and every purchase a sale, the circulation of commodities necessarily implies an equilibrium between sales and purchases. If this means that the number of actual sales accomplished is equal to the number of purchases; it is a flat tautology. But its real intention is to show that every seller brings his own buyer to market with him. Sale and purchase are one identical act, considered as the alternating relation between two persons who are in polar opposition to each other, the commodity-owner and the money-owner. They constitute two acts, of polar and opposite character, considered as the transactions of one and the same person. Hence the identity of sale and purchase implies that the commodity is useless if, when it is thrown into the alchemist’s retort of circulation, it does not come out again as money; if, in other words, it cannot be sold by its owner, and therefore bought by the owner of the money. This identity further implies that the process, if it reaches fruition, constitutes a point of rest, an interval, long or short, in the life of the commodity. Since the first metamorphosis of a commodity is at once a sale and a purchase, this partial process is at the same time an independent process in itself. The buyer has the commodity, the seller has the money, i.e. a commodity which remains in a form capable of circulating, whether it reappears on the market at an earlier or later date. No one can sell unless someone else purchases. But no one directly needs to purchase because he has just sold. Circulation bursts through all the temporal, spatial and personal barriers imposed by the direct exchange of products, and it does this by splitting up the direct identity present in this case between the exchange of one’s own product and the acquisition of someone else’s into the two antithetical segments of sale and purchase. To say that these mutually independent and antithetical processes form an internal unity is to say also that their internal unity moves forward through external antitheses. These two processes lack internal independence because they complement each other. Hence, if the assertion of their independent identity (äußere Verselbständigung) proceeds to a certain critical point, their unity violently makes itself felt by producing — a crisis. There is an antithesis, immanent in the commodity, between use-value and value, between private labour which must simultaneously manifest itself as directly social labour, and a particular concrete kind of labour which simultaneously counts as merely abstract universal labour, between the conversion of things into persons and the conversion of persons into things*; the antithetical phases of the metamorphosis of the commodity are the developed forms of motion of this immanent contradiction. These forms therefore imply the possibility of crises, though no more than the possibility. For the development of this possibility into a reality a whole series of conditions is required, which do not yet even exist from the standpoint of the simple circulation of commodities.  

24. See my observations on James Mill in Zur Kritik etc., pp. 74-8 [English translation, pp. 96-9]. There are two points here which are characteristic of the method of the bourgeoisie’s economic apologists. The first is the identification of the circulation of commodities with the direct exchange of products, achieved simply by abstracting from their differences. The second is the attempt to explain away the contradictions of the capitalist process of production by dissolving the relations between persons engaged in that process of production into the simple relations arising out of the circulation of commodities. The production and circulation of commodities are however phenomena which are to be found in the most diverse modes of production, even if they vary in extent and importance. If we are only familiar with the abstract categories of circulation, which are common to all of them, we cannot know anything of their *differentia specifica*, and we cannot therefore pronounce judgment on them. In no science other than political economy does there prevail such a combina-

23. This phenomenon may be self-evident, but it is in most cases overlooked by political economists, especially by the average free-trader.


[The text continues on the next page.]
have to be made in gold or in credit-money, such as bank-notes.\footnote{52}

If we now consider the total amount of money in circulation during a given period, we find that, for any given turnover rate of the medium of circulation and the means of payment, it is equal to the sum of prices to be realized, plus the sum of the payments falling due, minus the payments which balance each other out, and, finally, minus the number of circuits in which the same piece of coin serves alternately as medium of circulation and means of payment. The farmer, for example, sells his wheat for £2, and this money serves thus as the medium of circulation. On the day when the payment falls due, he uses it to pay for linen which the weaver has delivered. The same £2 now serves as the means of payment. The weaver now buys a Bible for cash. This serves again as the medium of circulation, and so on. Therefore, even when prices, speed of monetary circulation and economies in the use of the means of payment are given, the quantity of money in circulation no longer corresponds with the mass of commodities in circulation during a given period, such as a day. Money which represents commodities long since withdrawn from circulation continues to circulate. Commodities circulate, but their equivalents in money does not appear until some future date. Moreover, the debts contracted each day, and the payments falling due on the same day, are entirely incommensurable magnitudes.\footnote{53}

\footnote{52} The following shows how such occasions are exploited by the 'friends of commerce': 'On one occasion (1839) an old, grasping banker (in the city) in his private room raised the lid of the desk he sat over, and displayed to a friend rolls of bank-notes, saying with intense glee there were £600,000 of them, they were held to make money tight, and would all be let out after three o'clock on the same day' (\textit{The Theory of Exchange. The Bank Charter Act of 1844}, London, 1846, p. 81) [by H. Rey]. The Observer, a semi-official government organ, remarked on 24 April 1864: 'Some very curious rumours are current of the means which have been resorted to in order to create a scarcity of bank-notes ... Questionable as it would seem, to suppose that any trick of the kind would be adopted, the report has been so universal that it really deserves mention.'

\footnote{53} 'The amount of purchases or contracts entered upon during the course of any given day, will not affect the quantity of money in circulation on that particular day, but, in the vast majority of cases, will resolve themselves into multifarious drafts upon the quantity of money which may be afforded at subsequent dates more or less distant ... The bills granted or credits opened, today, need have no resemblance whatever, either in quantity, amount, or duration, to those granted or entered upon tomorrow or next day; nay, many of today's bills, and credits, when due, fall in with a mass of liabilities whose origins traverse a range of antecedent dates altogether indefinite, bills at 12, 6, 3