
Decomposing Surplus-Value: An Analysis of the UK Economy, 1992-2018

Eleni Papagiannaki*¹, Bruce Philp*¹, and Daniel Wheatley²

¹Birmingham City University – United Kingdom

²University of Birmingham [Birmingham] – United Kingdom

Abstract

This paper examines the trajectory in the surplus-value rate in the UK economy in the period 1992–2018, using ONS (Blue Book) and *Understanding Society* data. In doing so, we examine the percentage point change, year-on-year, and decompose this change into the constituent drivers associated with absolute and relative surplus-value production. In this context we consider "immiseration" as a particular form of relative surplus-value production. The model is situated within the framework of a new interpretation framework (eg Mohun 1994), and we start out in the surplus rate as a whole, using the methodology applied by Gouverneur (1990)) and Philp et al (2015). Thereafter, we will be able to calculate the value of the surplus value. The residual element is assumed to be included in the rate of surplus-value emerging from productivity increase and labor intensification.

Preliminary analysis indicates that changes in the surplus-rate impact of the surplus-value rate in the period from 1995 to 2007. However, the stagnating real wages of the onset of the Global Financial Crisis resulted in a reversal of this trend with relative surplus-value production. (in the immiseration form) manifest in this later period. Working time is relatively stable, but *ceteris paribus*, there were gains for workers from 1998-2009. However, the productivity and intensification component was more volatile. Increases in exploitation from this element of relative surplus-value was particularly pronounced in the period 1998-2008, which supports the hypothesis that it is more important than that of surplus-value production.

Keywords: Surplus Value, Absolute, Relative, Immiseration, Productivity, Intensification

*Speaker