
The Labor Theory of Value

Videos:

“Richard Wolff: How You Are Being Exploited”

https://www.youtube.com/watch?v=2mI_RMQEulw (5:26 minutes)

“Yaron Answers: What's Wrong with the Labor Theory of Value?”

<https://www.youtube.com/watch?v=qTIEsHuvJpw> (4:35 minutes)

Guide:

The questions below will help students achieve a better understanding of the arguments made on either side of a contentious topic. Because these questions often touch upon statements made briefly in the videos, we recommend reading the questions before watching each video.

Students are encouraged to take notes during the videos, and it may be helpful for students to break into groups, each taking responsibility for only a few questions, before coming together for discussion.

Analysis Questions:

1. What are the opposing ideas in these two videos?
2. Should one of the arguments we heard carry more weight than the other? If so, which one? Why?
3. What is the labor theory of value?
4. Yaron Brook said the labor theory of value is based on the idea that “all value is created by physical labor.” What did he mean by this?
5. Richard Wolff said, “Every day, when you check into work for your boss, you are being taken advantage of and stolen from. You are being deprived of the full value of what you contribute.” What did he mean by this?
6. Yaron Brook said there was more plausibility to the labor theory of value back when most work was physical. Why has that changed?
7. How does Richard Wolff define a “capitalist”?
8. Yaron Brook said, “Particularly with technology, you can see that it’s not the assembly in China that is providing the value that is an iPhone.” What did he mean by this?
9. What did Richard Wolff say is the “single impulse of capitalism”?
10. Yaron Brook pointed out that a lot of physical labor today is done by robots and machines through automation. How does that impact the labor theory of value? If we were to adopt a labor theory of value today, who should be paid for automated labor?
11. What does Richard Wolff describe as “the jungle law of the market”?

12. Yaron Brook said, “[O]nce the industrial revolution happens, it becomes obvious that the real source of value is the human mind.” What did he mean by this?
13. Can you find any flaws in Richard Wolff’s thought experiment involving an employer (Harold) hiring someone to make burgers? Does Harold deserve to keep any of the profits? Why/Why not?
14. Yaron Brook argued that figuring things out is the true source of value. Do you agree with this argument? Why/Why not? How can this be applied to Richard Wolff’s thought experiment involving selling burgers?
15. Richard Wolff said, “At any job you work at, the condition of your employment is that you produce more by your labor than you get paid.” What did he mean by this? Is this fair? Why/Why not?
16. Did you have an opinion of the labor theory of value before watching these videos? If so, what was it? Has your opinion changed? If so, how? What did you learn from either video that affects your views on this topic?
17. What could you learn about the labor theory of value that might affect your view of this debate?
18. What else would you like to learn about the labor theory of value?