

Demand, Values and Prices in Marx: Reconciling Simultaneous and Temporal Approaches. *Rethinking Marxism*, 29:4, 2017. pp. 538-55.

**Abstract:** In this article I briefly contrast two single-system approaches to the integration of demand with a diachronic approach that integrates two meanings Marx develops for the term “socially necessary labor-time. I develop a one-commodity model of simple reproduction and use the model to illustrate how a change in aggregate demand from one period to the next affects the determination of value and exchange-value. I use the model to contrast the simultaneous single-system interpretation of the relationship between values and prices, which distinguishes market prices from prices of production, with the temporal single-system interpretation, which argues that market prices from the previous period determine values in the current period. I argue that the simultaneous approach is correct to claim that value and exchange-value are determined with reference to production and exchange in the current period; the temporal approach is correct to argue that in order to develop a *dynamic* theory of price adjustment using value categories, it is necessary to refer to value magnitudes from the previous period and to theorize how value is transferred temporally between periods. I show that by utilizing a diachronic approach and introducing demand in the manner Marx suggests in Chapter 10 of Volume III of *Capital*, it is possible consistently to model the relationship between value and exchange-value over time with variations in the level of demand. I conclude by identifying further conceptual developments needed to assess the three alternative approaches. Key Words: Value, Demand, Price Determination, Marx, Single-system