

(higher than the one he could afford if the cost of reproduction were done otherwise).

This explanation is, however, inadequate. It does not take into consideration anything except determinants inherent in the cost of reproduction on a generational basis. It also treats the determinants of the rate of exploitation unilaterally, not in the context of overlapping arrangements in the social formation, the site of production, consumption and reproduction. By overlapping arrangements, we refer to the facts that foreign capital is associated predominantly not only with European-American immigrants, but also with metropolitan habitat, high level of skill, high technology industries distinguished by final levels of production for the export market and, therefore, with minimal "Forward Linkages".

Considering these associations reveals far deeper dynamics and provides for a more adequate explanation. This simultaneous rise in wages and profits is then explainable partially by the resulting increase in productivity, and partially by the following fact: that the basic consumer goods (housing, food, clothing) in urban and metropolitan centers are mainly produced by labor from settlements with lower standards of living, or more precisely, whose labor power is less costly to reproduce. This, in turn, lowers the price of those commodities that determine subsistence cost of urban workers. Consequently, the latter can be kept down at the expense of worker-producers of these subsistence commodities, not at the expense of the high technology producer. This is to say, by means of over-exploitation of workers engaged in the mass consumer goods production, not only the foreign employer of those workers is guaranteed greater realization of profit (the sale of goods under conditions in which all surplus value produced by the worker is actually paid for by their purchasers), but also the