

Das Kapital.

Kritik der politischen Oekonomie.

Von

Karl Marx.

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CAPITAL

A Critique of Political Economy

by **KARL MARX**

VOLUME I

THE PROCESS OF
CAPITALIST PRODUCTION

*TRANSLATED FROM THE THIRD GERMAN EDITION
BY SAMUEL MOORE AND EDWARD AVELING*

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In passing from form A to form B, and from the latter to form C, the changes are fundamental. On the other hand, there is no difference between forms C and D, except that, in the latter, gold has assumed the equivalent form in the place of linen. Gold is in form D, what linen was in form C—the universal equivalent. The progress consists in this alone, that the character of direct and universal exchangeability—in other words, that the universal equivalent form—has now, by social custom, become finally identified with the substance, gold.

Gold is now money with reference to all other commodities only because it was previously, with reference to them, a simple commodity. Like all other commodities, it was also capable of serving as an equivalent, either as simple equivalent in isolated exchanges, or as particular equivalent by the side of others. Gradually it began to serve, within varying limits, as universal equivalent. So soon as it monopolises this position in the expression of value for the world of commodities, it becomes the money commodity, and then, and not till then, does form D become distinct from form C, and the general form of value become changed into the money-form.

The elementary expression of the relative value of a single commodity, such as linen, in terms of the commodity, such as gold, that plays the part of money, is the price-form of that commodity. The price-form of the linen is therefore

20 yards of linen = 2 ounces of gold, or, if 2 ounces of gold when coined are £2, 20 yards of linen = £2.

The difficulty in forming a concept of the money-form, consists in clearly comprehending the universal equivalent form, and as a necessary corollary, the general form of value, form C. The latter is deducible from form B, the expanded form of value, the essential component element of which, we saw, is form A, 20 yards of linen = 1 coat or x commodity A = y commodity B. The simple commodity-form is therefore the germ of the money-form.

SECTION 4.—THE FETISHISM OF COMMODITIES
AND THE SECRET THEREOF

A commodity appears, at first sight, a very trivial thing, and easily understood. Its analysis shows that it is, in reality, a very queer thing, abounding in metaphysical subtleties and theological niceties. So far as it is a value in use, there is nothing mysterious about it, whether we consider it from the point of view that by its properties it is capable of satisfying human wants, or from the point that those properties are the product of human labour. It is as clear as noon-day, that man, by his industry, changes the forms of the materials furnished by Nature, in such a way as to make them useful to him. The form of wood, for instance, is altered, by making a table out of it. Yet, for all that, the table continues to be that common, every-day thing, wood. But, so soon as it steps forth as a commodity, it is changed into something transcendent. It not only stands with its feet on the ground, but, in relation to all other commodities, it stands on its head, and evolves out of its wooden brain grotesque ideas, far more wonderful than "table-turning" ever was.

The mystical character of commodities does not originate, therefore, in their use-value. Just as little does it proceed from the nature of the determining factors of value. For, in the first place, however varied the useful kinds of labour, or productive activities, may be, it is a physiological fact, that they are functions of the human organism, and that each such function, whatever may be its nature or form, is essentially the expenditure of human brain, nerves, muscles, &c. Secondly, with regard to that which forms the ground-work for the quantitative determination of value, namely, the duration of that expenditure, or the quantity of labour, it is quite clear that there is a palpable difference between its quantity and quality. In all states of society, the labour-time that it costs to produce the means of subsistence, must necessarily be an object of interest to mankind, though not of equal interest in different stages of development.¹ And lastly, from the moment that men in any way work for one another, their labour assumes a social form.

Whence, then, arises the enigmatical character of the product of labour, so soon as it assumes the form of commodities? Clearly

¹ Among the ancient Germans the unit for measuring land was what could be harvested in a day, and was called Tagwerk, Tagwanne (jurnale, or terra journalis, or diornalis), Mannsmaad, &c (See G. L. von Maurer, "Einführung zur Geschichte der Mark—, &c. Verfassung," München, 1854, p. 129 sq.)

from this form itself. The equality of all sorts of human labour is expressed objectively by their products all being equally values; the measure of the expenditure of labour-power by the duration of that expenditure, takes the form of the quantity of value of the products of labour; and finally, the mutual relations of the producers, within which the social character of their labour affirms itself, take the form of a social relation between the products.

A commodity is therefore a mysterious thing, simply because in it the social character of men's labour appears to them as an objective character stamped upon the product of that labour; because the relation of the producers to the sum total of their own labour is presented to them as a social relation, existing not between themselves, but between the products of their labour. This is the reason why the products of labour become commodities, social things whose qualities are at the same time perceptible and imperceptible by the senses. In the same way the light from an object is perceived by us not as the subjective excitation of our optic nerve, but as the objective form of something outside the eye itself. But, in the act of seeing, there is at all events, an actual passage of light from one thing to another, from the external object to the eye. There is a physical relation between physical things. But it is different with commodities. There, the existence of the things *quâ* commodities, and the value-relation between the products of labour which stamps them as commodities, have absolutely no connexion with their physical properties and with the material relations arising therefrom. There it is a definite social relation between men, that assumes, in their eyes, the fantastic form of a relation between things. In order, therefore, to find an analogy, we must have recourse to the mist-enveloped regions of the religious world. In that world the productions of the human brain appear as independent beings endowed with life, and entering into relation both with one another and the human race. So it is in the world of commodities with the products of men's hands. This I call the Fetishism which attaches itself to the products of labour, so soon as they are produced as commodities, and which is therefore inseparable from the production of commodities.

This Fetishism of commodities has its origin, as the foregoing analysis has already shown, in the peculiar social character of the labour that produces them.

As a general rule, articles of utility become commodities, only because they are products of the labour of private individuals

or groups of individuals who carry on their work independently of each other. The sum total of the labour of all these private individuals forms the aggregate labour of society. Since the producers do not come into social contact with each other until they exchange their products, the specific social character of each producer's labour does not show itself except in the act of exchange. In other words, the labour of the individual asserts itself as a part of the labour of society, only by means of the relations which the act of exchange establishes directly between the products, and indirectly, through them, between the producers. To the latter, therefore, the relations connecting the labour of one individual with that of the rest appear, not as direct social relations between individuals at work, but as what they really are, material relations between persons and social relations between things. It is only by being exchanged that the products of labour acquire, as values, one uniform social status, distinct from their varied forms of existence as objects of utility. This division of a product into a useful thing and a value becomes practically important, only when exchange has acquired such an extension that useful articles are produced for the purpose of being exchanged, and their character as values has therefore to be taken into account, beforehand, during production. From this moment the labour of the individual producer acquires socially a two-fold character. On the one hand, it must, as a definite useful kind of labour, satisfy a definite social want, and thus hold its place as part and parcel of the collective labour of all, as a branch of a social division of labour that has sprung up spontaneously. On the other hand, it can satisfy the manifold wants of the individual producer himself, only in so far as the mutual exchangeability of all kinds of useful private labour is an established social fact, and therefore the private useful labour of each producer ranks on an equality with that of all others. The equalisation of the most different kinds of labour can be the result only of an abstraction from their inequalities, or of reducing them to their common denominator, viz., expenditure of human labour-power or human labour in the abstract. The two-fold social character of the labour of the individual appears to him, when reflected in his brain, only under those forms which are impressed upon that labour in every-day practice by the exchange of products. In this way, the character that his own labour possesses of being socially useful takes the form of the condition, that the product must be not only useful, but useful for others, and the social character that his particular labour has of being the equal of all other particular

kinds of labour, takes the form that all the physically different articles that are the products of labour, have one common quality, viz., that of having value.

Hence, when we bring the products of our labour into relation with each other as values, it is not because we see in these articles the material receptacles of homogeneous human labour. Quite the contrary: whenever, by an exchange, we equate as values our different products, by that very act, we also equate, as human labour, the different kinds of labour expended upon them. We are not aware of this, nevertheless we do it.¹ Value, therefore, does not stalk about with a label describing what it is. It is value, rather, that converts every product into a social hieroglyphic. Later on, we try to decipher the hieroglyphic, to get behind the secret of our own social products; for to stamp an object of utility as a value, is just as much a social product as language. The recent scientific discovery, that the products of labour, so far as they are values, are but material expressions of the human labour spent in their production, marks, indeed, an epoch in the history of the development of the human race, but, by no means, dissipates the mist through which the social character of labour appears to us to be an objective character of the products themselves. The fact, that in the particular form of production with which we are dealing, viz., the production of commodities, the specific social character of private labour carried on independently, consists in the equality of every kind of that labour, by virtue of its being human labour, which character, therefore, assumes in the product the form of value—this fact appears to the producers, notwithstanding the discovery above referred to, to be just as real and final, as the fact, that, after the discovery by science of the component gases of air, the atmosphere itself remained unaltered.

What, first of all, practically concerns producers when they make an exchange, is the question, how much of some other product they get for their own? in what proportions the products are exchangeable? When these proportions have, by custom, attained a certain stability, they appear to result from the nature of the products, so that, for instance, one ton of iron and two ounces of gold appear as naturally to be of equal value as a pound of

¹ When, therefore, Galiani says: Value is a relation between persons—"La Ricchezza è una ragione tra due persone,"—he ought to have added: a relation between persons expressed as a relation between things. (Galiani: *Della Moneta*, p. 221, V III of Custodi's collection of "Scrittori Classici Italiani di Economia Politica." Parte Moderna, Milano, 1803.)

gold and a pound of iron in spite of their different physical and chemical qualities appear to be of equal weight. The character of having value, when once impressed upon products, obtains fixity only by reason of their acting and re-acting upon each other as quantities of value. These quantities vary continually, independently of the will, foresight and action of the producers. To them, their own social action takes the form of the action of objects, which rule the producers instead of being ruled by them. It requires a fully developed production of commodities before, from accumulated experience alone, the scientific conviction springs up, that all the different kinds of private labour, which are carried on independently of each other, and yet as spontaneously developed branches of the social division of labour, are continually being reduced to the quantitative proportions in which society requires them. And why? Because, in the midst of all the accidental and ever fluctuating exchange-relations between the products, the labour-time socially necessary for their production forcibly asserts itself like an over-riding law of Nature. The law of gravity thus asserts itself when a house falls about our ears.¹ The determination of the magnitude of value by labour-time is therefore a secret, hidden under the apparent fluctuations in the relative values of commodities. Its discovery, while removing all appearance of mere accidentality from the determination of the magnitude of the values of products, yet in no way alters the mode in which that determination takes place.

Man's reflections on the forms of social life, and consequently, also, his scientific analysis of those forms, take a course directly opposite to that of their actual historical development. He begins, post festum, with the results of the process of development ready to hand before him. The characters that stamp products as commodities, and whose establishment is a necessary preliminary to the circulation of commodities, have already acquired the stability of natural, self-understood forms of social life, before man seeks to decipher, not their historical character, for in his eyes they are immutable, but their meaning. Consequently it was the analysis of the prices of commodities that alone led to the determination of the magnitude of value, and it was the common expression of all commodities in money that alone led

¹ "What are we to think of a law that asserts itself only by periodical revolutions? It is just nothing but a law of Nature, founded on the want of knowledge of those whose action is the subject of it." (Friedrich Engels: "Umriss zu einer Kritik der Nationalökonomie," in the "Deutsch-Französische Jahrbücher," edited by Arnold Ruge and Karl Marx. Paris, 1844.)

to the establishment of their characters as values. It is, however, just this ultimate money-form of the world of commodities that actually conceals, instead of disclosing, the social character of private labour, and the social relations between the individual producers. When I state that coats or boots stand in a relation to linen, because it is the universal incarnation of abstract human labour, the absurdity of the statement is self-evident. Nevertheless, when the producers of coats and boots compare those articles with linen, or, what is the same thing, with gold or silver, as the universal equivalent, they express the relation between their own private labour and the collective labour of society in the same absurd form.

The categories of bourgeois economy consist of such like forms. They are forms of thought expressing with social validity the conditions and relations of a definite, historically determined mode of production, viz., the production of commodities. The whole mystery of commodities, all the magic and necromancy that surrounds the products of labour as long as they take the form of commodities, vanishes therefore, so soon as we come to other forms of production.

Since Robinson Crusoe's experiences are a favourite theme with political economists,¹ let us take a look at him on his island. Moderate though he be, yet some few wants he has to satisfy, and must therefore do a little useful work of various sorts, such as making tools and furniture, taming goats, fishing and hunting. Of his prayers and the like we take no account, since they are a source of pleasure to him, and he looks upon them as so much recreation. In spite of the variety of his work, he knows that his labour, whatever its form, is but the activity of one and the same Robinson, and consequently, that it consists of nothing but different modes of human labour. Necessity itself compels him to apportion his time accurately between his different kinds of work. Whether one kind occupies a greater space in his general activity than another, depends on the difficulties, greater or less as the case may be, to be overcome in attaining the useful effect

¹ Even Ricardo has his stories à la Robinson. "He makes the primitive hunter and the primitive fisher straightway, as owners of commodities, exchange fish and game in the proportion in which labour-time is incorporated in these exchange-values. On this occasion he commits the anachronism of making these men apply to the calculation, so far as their implements have to be taken into account, the annuity tables in current use on the London Exchange in the year 1817. 'The parallelograms of Mr. Owen' appear to be the only form of society, besides the bourgeois form, with which he was acquainted." (Karl Marx: "Zur Kritik, &c.," pp. 38, 39.)

aimed at. This our friend Robinson soon learns by experience, and having rescued a watch, ledger, and pen and ink from the wreck, commences, like a true-born Briton, to keep a set of books. His stock-book contains a list of the objects of utility that belong to him, of the operations necessary for their production; and lastly, of the labour-time that definite quantities of those objects have, on an average, cost him. All the relations between Robinson and the objects that form this wealth of his own creation, are here so simple and clear as to be intelligible without exertion, even to Mr. Sedley Taylor. And yet those relations contain all that is essential to the determination of value.

Let us now transport ourselves from Robinson's island bathed in light to the European middle ages shrouded in darkness. Here, instead of the independent man, we find everyone dependent, serfs and lords, vassals and suzerains, laymen and clergy. Personal dependence here characterises the social relations of production just as much as it does the other spheres of life organised on the basis of that production. But for the very reason that personal dependence forms the ground-work of society, there is no necessity for labour and its products to assume a fantastic form different from their reality. They take the shape, in the transactions of society, of services in kind and payments in kind. Here the particular and natural form of labour, and not, as in a society based on production of commodities, its general abstract form is the immediate social form of labour. Compulsory labour is just as properly measured by time, as commodity-producing labour; but every serf knows that what he expends in the service of his lord, is a definite quantity of his own personal labour-power. The tithe to be rendered to the priest is more matter of fact than his blessing. No matter, then, what we may think of the parts played by the different classes of people themselves in this society, the social relations between individuals in the performance of their labour, appear at all events as their own mutual personal relations, and are not disguised under the shape of social relations between the products of labour.

For an example of labour in common or directly associated labour, we have no occasion to go back to that spontaneously developed form which we find on the threshold of the history of all civilised races.¹ We have one close at hand in the patriar-

¹ "A ridiculous presumption has latterly got abroad that common property in its primitive form is specifically a Slavonian, or even exclusively Russian form. It is the primitive form that we can prove to have existed amongst Romans, Teutons, and Celts, and even to this day we find numerous

chal industries of a peasant family, that produces corn, cattle, yarn, linen, and clothing for home use. These different articles are, as regards the family, so many products of its labour, but as between themselves, they are not commodities. The different kinds of labour, such as tillage, cattle tending, spinning, weaving and making clothes, which result in the various products, are in themselves, and such as they are, direct social functions, because functions of the family, which, just as much as a society based on the production of commodities, possesses a spontaneously developed system of division of labour. The distribution of the work within the family, and the regulation of the labour-time of the several members, depend as well upon differences of age and sex as upon natural conditions varying with the seasons. The labour-power of each individual, by its very nature, operates in this case merely as a definite portion of the whole labour-power of the family, and therefore, the measure of the expenditure of individual labour-power by its duration, appears here by its very nature as a social character of their labour.

Let us now picture to ourselves, by way of change, a community of free individuals, carrying on their work with the means of production in common, in which the labour-power of all the different individuals is consciously applied as the combined labour-power of the community. All the characteristics of Robinson's labour are here repeated, but with this difference, that they are social, instead of individual. Everything produced by him was exclusively the result of his own personal labour, and therefore simply an object of use for himself. The total product of our community is a social product. One portion serves as fresh means of production and remains social. But another portion is consumed by the members as means of subsistence. A distribution of this portion amongst them is consequently necessary. The mode of this distribution will vary with the productive organisation of the community, and the degree of historical development attained by the producers. We will assume, but merely for the sake of a parallel with the production of commodities, that the share of each individual producer in the means of subsistence is determined

examples, ruins though they be, in India. A more exhaustive study of Asiatic, and especially of Indian forms of common property, would show how from the different forms of primitive common property, different forms of its dissolution have been developed. Thus, for instance, the various original types of Roman and Teutonic private property are deducible from different forms of Indian common property." (Karl Marx, "Zur Kritik, &c.," p. 10.)

by his labour-time. Labour-time would, in that case, play a double part. Its apportionment in accordance with a definite social plan maintains the proper proportion between the different kinds of work to be done and the various wants of the community. On the other hand, it also serves as a measure of the portion of the common labour borne by each individual, and of his share in the part of the total product destined for individual consumption. The social relations of the individual producers, with regard both to their labour and to its products, are in this case perfectly simple and intelligible, and that with regard not only to production but also to distribution.

The religious world is but the reflex of the real world. And for a society based upon the production of commodities, in which the producers in general enter into social relations with one another by treating their products as commodities and values, whereby they reduce their individual private labour to the standard of homogeneous human labour—for such a society, Christianity with its *cultus* of abstract man, more especially in its bourgeois developments, Protestantism, Deism, &c., is the most fitting form of religion. In the ancient Asiatic and other ancient modes of production, we find that the conversion of products into commodities, and therefore the conversion of men into producers of commodities, holds a subordinate place, which, however, increases in importance as the primitive communities approach nearer and nearer to their dissolution. Trading nations, properly so called, exist in the ancient world only in its interstices, like the gods of Epicurus in the Intermundia, or like Jews in the pores of Polish society. Those ancient social organisms of production are, as compared with bourgeois society, extremely simple and transparent. But they are founded either on the immature development of man individually, who has not yet severed the umbilical cord that unites him with his fellowmen in a primitive tribal community, or upon direct relations of subjection. They can arise and exist only when the development of the productive power of labour has not risen beyond a low stage, and when, therefore, the social relations within the sphere of material life, between man and man, and between man and Nature, are correspondingly narrow. This narrowness is reflected in the ancient worship of Nature, and in the other elements of the popular religions. The religious reflex of the real world can, in any case, only then finally vanish, when the practical relations of every-day life offer to man none but perfectly intelligible and reasonable relations with regard to his fellowmen and to Nature.

The life-process of society, which is based on the process of material production, does not strip off its mystical veil until it is treated as production by freely associated men, and is consciously regulated by them in accordance with a settled plan. This, however, demands for society a certain material ground-work or set of conditions of existence which in their turn are the spontaneous product of a long and painful process of development.

Political Economy has indeed analysed, however incompletely,¹ value and its magnitude, and has discovered what lies beneath these forms. But it has never once asked the question why labour is represented by the value of its product and labour-time by the magnitude of that value.² These formulæ, which

¹ The insufficiency of Ricardo's analysis of the magnitude of value, and his analysis is by far the best, will appear from the 3rd and 4th books of this work. As regards value in general, it is the weak point of the classical school of Political Economy that it nowhere, expressly and with full consciousness, distinguishes between labour, as it appears in the value of a product and the same labour, as it appears in the use-value of that product. Of course the distinction is practically made, since this school treats labour, at one time under its quantitative aspect, at another under its qualitative aspect. But it has not the least idea, that when the difference between various kinds of labour is treated as purely quantitative, their qualitative unity or equality, and therefore their reduction to abstract human labour, is implied. For instance, Ricardo declares that he agrees with Destutt de Tracy in this proposition: "As it is certain that our physical and moral faculties are alone our original riches, the employment of those faculties, labour of some kind, is our only original treasure, and it is always from this employment that all those things are created, which we call riches.... It is certain, too, that all those things only represent the labour which has created them, and if they have a value, or even two distinct values, they can only derive them from that (the value) of the labour from which they emanate." (Ricardo, "The Principles of Pol. Econ.," 3 Ed. Lond. 1821, p. 334.) We would here only point out, that Ricardo puts his own more profound interpretation upon the words of Destutt. What the latter really says is, that on the one hand all things which constitute wealth represent the labour that creates them, but that on the other hand, they acquire their "two different values" (use-value and exchange-value) from "the value of labour." He thus falls into the commonplace error of the vulgar economists, who assume the value of one commodity (in this case labour) in order to determine the values of the rest. But Ricardo reads him as if he had said, that labour (not the value of labour) is embodied both in use-value and exchange-value. Nevertheless, Ricardo himself pays so little attention to the two-fold character of the labour which has a two-fold embodiment, that he devotes the whole of his chapter on "Value and Riches, Their Distinctive Properties," to a laborious examination of the trivialities of a J. B. Say. And at the finish he is quite astonished to find that Destutt on the one hand agrees with him as to labour being the source of value, and on the other hand with J. B. Say as to the notion of value.

² It is one of the chief failings of classical economy that it has never succeeded, by means of its analysis of commodities, and, in particular, of

bear it stamped upon them in unmistakable letters that they belong to a state of society, in which the process of production has the mastery over man, instead of being controlled by him, such formulæ appear to the bourgeois intellect to be as much a self-evident necessity imposed by Nature as productive labour itself. Hence forms of social production that preceded the bourgeois form, are treated by the bourgeoisie in much the same way as the Fathers of the Church treated pre-Christian religions.¹

their value, in discovering that form under which value becomes exchange-value. Even Adam Smith and Ricardo, the best representatives of the school, treat the form of value as a thing of no importance, as having no connexion with the inherent nature of commodities. The reason for this is not solely because their attention is entirely absorbed in the analysis of the magnitude of value. It lies deeper. The value-form of the product of labour is not only the most abstract, but is also the most universal form, taken by the product in bourgeois production, and stamps that production as a particular species of social production, and thereby gives it its special historical character. If then we treat this mode of production as one eternally fixed by Nature for every state of society, we necessarily overlook that which is the differentia specifica of the value-form, and consequently of the commodity-form, and of its further developments, money-form, capital-form, &c. We consequently find that economists, who are thoroughly agreed as to labour-time being the measure of the magnitude of value, have the most strange and contradictory ideas of money, the perfected form of the general equivalent. This is seen in a striking manner when they treat of banking, where the commonplace definitions of money will no longer hold water. This led to the rise of a restored mercantile system (Ganilh, &c.), which sees in value nothing but a social form, or rather the unsubstantial ghost of that form. Once for all I may here state, that by classical Political Economy, I understand that economy which, since the time of W. Petty, has investigated the real relations of production in bourgeois society, in contradistinction to vulgar economy, which deals with appearances only, ruminates without ceasing on the materials long since provided by scientific economy, and there seeks plausible explanations of the most obtrusive phenomena, for bourgeois daily use, but for the rest, confines itself to systematising in a pedantic way, and proclaiming for everlasting truths, the trite ideas held by the self-complacent bourgeoisie with regard to their own world, to them the best of all possible worlds.

¹ "Les économistes ont une singulière manière de procéder. Il n'y a pour eux que deux sortes d'institutions, celles de l'art et celles de la nature. Les institutions de la féodalité sont des institutions artificielles, celles de la bourgeoisie sont des institutions naturelles. Ils ressemblent en ceci aux théologiens, qui eux aussi établissent deux sortes de religions. Toute religion qui n'est pas la leur, est une invention des hommes, tandis que leur propre religion est une émanation de Dieu—Ainsi il y a eu de l'histoire, mais il n'y en a plus." (Karl Marx. Misère de la Philosophie. Réponse à la Philosophie de la Misère par M. Proudhon, 1847, p. 113.) Truly comical is M. Bastiat, who imagines that the ancient Greeks and Romans lived by plunder alone. But when people plunder for centuries, there must always be something at hand for them to seize, the objects of plunder must be continually reproduced. It would thus appear that even Greeks and Romans had some process of production, consequently,

To what extent some economists are misled by the Fetishism inherent in commodities, or by the objective appearance of the social characteristics of labour, is shown, amongst other ways, by the dull and tedious quarrel over the part played by Nature in the formation of exchange-value. Since exchange-value is a definite social manner of expressing the amount of labour bestowed upon an object, Nature has no more to do with it, than it has in fixing the course of exchange.

The mode of production in which the product takes the form of a commodity, or is produced directly for exchange, is the most general and most embryonic form of bourgeois production. It therefore makes its appearance at an early date in history, though not in the same predominating and characteristic manner as now-a-days. Hence its Fetish character is comparatively easy to be seen through. But when we come to more concrete forms, even this appearance of simplicity vanishes. Whence arose the illusions of the monetary system? To it gold and silver, when serving as money, did not represent a social relation between producers, but were natural objects with strange social properties. And modern economy, which looks down with such disdain on the monetary

an economy, which just as much constituted the material basis of their world, as bourgeois economy constitutes that of our modern world. Or perhaps Bastiat means, that a mode of production based on slavery is based on a system of plunder. In that case he treads on dangerous ground. If a giant thinker like Aristotle erred in his appreciation of slave labour, why should a dwarf economist like Bastiat be right in his appreciation of wage-labour?—I seize this opportunity of shortly answering an objection taken by a German paper in America, to my work, "Zur Kritik der Pol. Oekonomie, 1859." In the estimation of that paper, my view that each special mode of production and the social relations corresponding to it, in short, that the economic structure of society, is the real basis on which the juridical and political superstructure is raised, and to which definite social forms of thought correspond; that the mode of production determines the character of the social, political, and intellectual life generally, all this is very true for our own times, in which material interests preponderate, but not for the middle ages, in which Catholicism, nor for Athens and Rome, where politics, reigned supreme. In the first place it strikes one as an odd thing for any one to suppose that these well-worn phrases about the middle ages and the ancient world are unknown to anyone else. This much, however, is clear, that the middle ages could not live on Catholicism, nor the ancient world on politics. On the contrary, it is the mode in which they gained a livelihood that explains why here politics, and there Catholicism, played the chief part. For the rest, it requires but a slight acquaintance with the history of the Roman republic, for example, to be aware that its secret history is the history of its landed property. On the other hand, Don Quixote long ago paid the penalty for wrongly imagining that knight errantry was compatible with all economic forms of society.

system, does not its superstition come out as clear as noon-day, whenever it treats of capital? How long is it since economy discarded the physiocratic illusion, that rents grow out of the soil and not out of society?

But not to anticipate, we will content ourselves with yet another example relating to the commodity-form. Could commodities themselves speak, they would say: Our use-value may be a thing that interests men. It is no part of us as objects. What, however, does belong to us as objects, is our value. Our natural intercourse as commodities proves it. In the eyes of each other we are nothing but exchange-values. Now listen how those commodities speak through the mouth of the economist. "Value"—(*i.e.*, exchange-value) "is a property of things, riches"—(*i.e.*, use-value) "of man. Value, in this sense, necessarily implies exchanges, riches do not."¹ "Riches" (use-value) "are the attribute of men, value is the attribute of commodities. A man or a community is rich, a pearl or a diamond is valuable... A pearl or a diamond is valuable" as a pearl or diamond.² So far no chemist has ever discovered exchange-value either in a pearl or a diamond. The economic discoverers of this chemical element, who by-the-by lay special claim to critical acumen, find however that the use-value of objects belongs to them independently of their material properties, while their value, on the other hand, forms a part of them as objects. What confirms them in this view, is the peculiar circumstance that the use-value of objects is realised without exchange, by means of a direct relation between the objects and man, while, on the other hand, their value is realised only by exchange, that is, by means of a social process. Who fails here to call to mind our good friend, Dogberry, who informs neighbour Seacoal, that, "To be a well-favoured man is the gift of fortune; but reading and writing comes by Nature."³

¹ "Observations on certain verbal disputes in Pol. Econ., particularly relating to value and to demand and supply." Lond., 1821, p. 16.

² S. Bailey, l. c., p. 165.

³ The author of "Observations" and S. Bailey accuse Ricardo of converting exchange-value from something relative into something absolute. The opposite is the fact. He has explained the apparent relation between objects, such as diamonds and pearls, in which relation they appear as exchange-values, and disclosed the true relation hidden behind the appearances, namely, their relation to each other as mere expressions of human labour. If the followers of Ricardo answer Bailey somewhat rudely, and by no means convincingly, the reason is to be sought in this, that they were unable to find in Ricardo's own works any key to the hidden relations existing between value and its form, exchange-value.

Like all good things in this bad world, this profitable method has its drawbacks. With the accumulation of rents in Ireland, the accumulation of the Irish in America keeps pace. The Irishman, banished by sheep and ox, re-appears on the other side of the ocean as a Fenian, and face to face with the old queen of the seas rises, threatening and more threatening, the young giant Republic:

*Acerba fata Romanos agunt
Scelusque fraternae necis.*

in his posthumous work, "Journals, Conversations and Essays relating to Ireland." 2 vols. London 1868; Vol. II., p. 282. "Well," said Dr. G., "we have got our Poor Law and it is a great instrument for giving the victory to the landlords. Another, and a still more powerful instrument is emigration. ... No friend to Ireland can wish the war to be prolonged [between the landlords and the small Celtic farmers]—still less, that it should end by the victory of the tenants. The sooner it is over—the sooner Ireland becomes a grazing country, with the comparatively thin population which a grazing country requires, the better for all classes." The English Corn Laws of 1815 secured Ireland the monopoly of the free importation of corn into Great Britain. They favoured artificially, therefore, the cultivation of corn. With the abolition of the Corn Laws in 1846, this monopoly was suddenly removed. Apart from all other circumstances, this event alone was sufficient to give a great impulse to the turning of Irish arable into pasture land, to the concentration of farms, and to the eviction of small cultivators. After the fruitfulness of the Irish soil had been praised from 1815 to 1846, and proclaimed loudly as by Nature herself destined for the cultivation of wheat, English agronomists, economists, politicians, discover suddenly that it is good for nothing but to produce forage. M. Léonce de Lavergne has hastened to repeat this on the other side of the Channel. It takes a "serious" man, à la Lavergne, to be caught by such childishness.

PART VIII

THE SO-CALLED PRIMITIVE ACCUMULATION

CHAPTER XXVI

THE SECRET OF PRIMITIVE ACCUMULATION

WE have seen how money is changed into capital; how through capital surplus-value is made, and from surplus-value more capital. But the accumulation of capital presupposes surplus-value; surplus-value pre-supposes capitalistic production; capitalistic production pre-supposes the pre-existence of considerable masses of capital and of labour-power in the hands of producers of commodities. The whole movement, therefore, seems to turn in a vicious circle, out of which we can only get by supposing a primitive accumulation (previous accumulation of Adam Smith) preceding capitalistic accumulation; an accumulation not the result of the capitalist mode of production but its starting-point.

This primitive accumulation plays in Political Economy about the same part as original sin in theology. Adam bit the apple, and thereupon sin fell on the human race. Its origin is supposed to be explained when it is told as an anecdote of the past. In times long gone by there were two sorts of people; one, the diligent, intelligent, and, above all, frugal élite; the other, lazy rascals, spending their substance, and more, in riotous living. The legend of theological original sin tells us certainly how man came to be condemned to eat his bread in the sweat of his brow; but the history of economic original sin reveals to us that there are people to whom this is by no means essential. Never mind! Thus it came to pass that the former sort accumulated wealth, and the latter sort had at last nothing to sell except their own skins. And from this original sin dates the poverty of the great majority that, despite all its labour, has up to now nothing to sell but itself, and the wealth of the few that increases constantly although they have long ceased to work. Such insipid childishness is every

day preached to us in the defence of property. M. Thiers, *e.g.*, had the assurance to repeat it with all the solemnity of a statesman, to the French people, once so *spirituel*. But as soon as the question of property crops up, it becomes a sacred duty to proclaim the intellectual food of the infant as the one thing fit for all ages and for all stages of development. In actual history it is notorious that conquest, enslavement, robbery, murder, briefly force, play the great part. In the tender annals of Political Economy, the idyllic reigns from time immemorial. Right and "labour" were from all time the sole means of enrichment, the present year of course always excepted. As a matter of fact, the methods of primitive accumulation are anything but idyllic.

In themselves money and commodities are no more capital than are the means of production and of subsistence. They want transforming into capital. But this transformation itself can only take place under certain circumstances that centre in this, *viz.*, that two very different kinds of commodity-possessors must come face to face and into contact; on the one hand, the owners of money, means of production, means of subsistence, who are eager to increase the sum of values they possess, by buying other people's labour-power; on the other hand, free labourers, the sellers of their own labour-power, and therefore the sellers of labour. Free labourers, in the double sense that neither they themselves form part and parcel of the means of production, as in the case of slaves, bondsmen, &c., nor do the means of production belong to them, as in the case of peasant-proprietors; they are, therefore, free from, unencumbered by, any means of production of their own. With this polarisation of the market for commodities, the fundamental conditions of capitalist production are given. The capitalist system pre-supposes the complete separation of the labourers from all property in the means by which they can realise their labour. As soon as capitalist production is once on its own legs, it not only maintains this separation, but reproduces it on a continually extending scale. The process, therefore, that clears the way for the capitalist system, can be none other than the process which takes away from the labourer the possession of his means of production; a process that transforms, on the one hand, the social means of subsistence and of production into capital, on the other, the immediate producers into wage-labourers. The so-called primitive accumulation, therefore, is nothing else than the historical process of divorcing the producer from the means of production. It appears as primitive, because

it forms the pre-historic stage of capital and of the mode of production corresponding with it.

The economic structure of capitalistic society has grown out of the economic structure of feudal society. The dissolution of the latter set free the elements of the former.

The immediate producer, the labourer, could only dispose of his own person after he had ceased to be attached to the soil and ceased to be the slave, serf, or bondman of another. To become a free seller of labour-power, who carries his commodity wherever he finds a market, he must further have escaped from the regime of the guilds, their rules for apprentices and journey-men, and the impediments of their labour regulations. Hence, the historical movement which changes the producers into wage-workers, appears, on the one hand, as their emancipation from serfdom and from the fetters of the guilds, and this side alone exists for our bourgeois historians. But, on the other hand, these new freedmen became sellers of themselves only after they had been robbed of all their own means of production, and of all the guarantees of existence afforded by the old feudal arrangements. And the history of this, their expropriation, is written in the annals of mankind in letters of blood and fire.

The industrial capitalists, these new potentates, had on their part not only to displace the guild masters of handicrafts, but also the feudal lords, the possessors of the sources of wealth. In this respect their conquest of social power appears as the fruit of a victorious struggle both against feudal lordship and its revolting prerogatives, and against the guilds and the fetters they laid on the free development of production and the free exploitation of man by man. The chevaliers d'industrie, however, only succeeded in supplanting the chevaliers of the sword by making use of events of which they themselves were wholly innocent. They have risen by means as vile as those by which the Roman freedman once on a time made himself the master of his *patronus*.

The starting-point of the development that gave rise to the wage-labourer as well as to the capitalist, was the servitude of the labourer. The advance consisted in a change of form of this servitude, in the transformation of feudal exploitation into capitalist exploitation. To understand its march, we need not go back very far. Although we come across the first beginnings of capitalist production as early as the 14th or 15th century, sporadically, in certain towns of the Mediterranean, the capitalistic era dates from the 16th century. Wherever it appears, the abolition of serfdom has been long effected, and the highest

development of the middle ages, the existence of sovereign towns, has been long on the wane.

In the history of primitive accumulation, all revolutions are epoch-making that act as levers for the capitalist class in course of formation; but, above all, those moments when great masses of men are suddenly and forcibly torn from their means of subsistence, and hurled as free and "unattached" proletarians on the labour-market. The expropriation of the agricultural producer, of the peasant, from the soil, is the basis of the whole process. The history of this expropriation, in different countries, assumes different aspects, and runs through its various phases in different orders of succession, and at different periods. In England alone, which we take as our example, has it the classic form.¹

¹ In Italy, where capitalistic production developed earliest, the dissolution of serfdom also took place earlier than elsewhere. The serf was emancipated in that country before he had acquired any prescriptive right to the soil. His emancipation at once transformed him into a free proletarian, who, moreover, found his master ready waiting for him in the towns, for the most part handed down as legacies from the Roman time. When the revolution of the world-market, about the end of the 15th century, annihilated Northern Italy's commercial supremacy, a movement in the reverse direction set in. The labourers of the towns were driven *en masse* into the country, and gave an impulse, never before seen, to the *petite culture*, carried on in the form of gardening.

CHAPTER XXVII EXPROPRIATION OF THE AGRICULTURAL POPULATION FROM THE LAND

In England, serfdom had practically disappeared in the last part of the 14th century. The immense majority of the population¹ consisted then, and to a still larger extent, in the 15th century, of free peasant proprietors, whatever was the feudal title under which their right of property was hidden. In the larger seignorial domains, the old bailiff, himself a serf, was displaced by the free farmer. The wage-labourers of agriculture consisted partly of peasants, who utilised their leisure time by working on the large estates, partly of an independent special class of wage-labourers, relatively and absolutely few in numbers. The latter also were practically at the same time peasant farmers, since, besides their wages, they had allotted to them arable land to the extent of 4 or more acres, together with their cottages. Besides they, with the rest of the peasants, enjoyed the usufruct of the common land, which gave pasture to their cattle, furnished them with timber, fire-wood, turf, &c.² In all countries of Europe,

¹ "The petty proprietors who cultivated their own fields with their own hands, and enjoyed a modest competence.... then formed a much more important part of the nation than at present. If we may trust the best statistical writers of that age, not less than 160,000 proprietors who, with their families, must have made up more than a seventh of the whole population, derived their subsistence from little freehold estates. The average income of these small landlords... was estimated at between £60 and £70 a year. It was computed that the number of persons who tilled their own land was greater than the number of those who farmed the land of others." Macaulay: "History of England," 10th ed., 1854, I. pp. 333, 334. Even in the last third of the 17th century, $\frac{4}{5}$ of the English people were agricultural. (I. c., p. 413.) I quote Macaulay, because as systematic falsifier of history he minimises as much as possible facts of this kind.

² We must never forget that even the serf was not only the owner, but a tribute-paying owner, of the piece of land attached to his house, but

CHAPTER XXXI

GENESIS OF THE INDUSTRIAL CAPITALIST

The genesis of the industrial¹ capitalist did not proceed in such a gradual way as that of the farmer. Doubtless many small guild-masters, and yet more independent small artisans, or even wage-labourers, transformed themselves into small capitalists, and (by gradually extending exploitation of wage-labour and corresponding accumulation) into full-blown capitalists. In the infancy of capitalist production, things often happened as in the infancy of mediæval towns, where the question, which of the escaped serfs should be master and which servant, was in great part decided by the earlier or later date of their flight. The snail's pace of this method corresponded in no wise with the commercial requirements of the new world-market that the great discoveries of the end of the 15th century created. But the middle ages had handed down two distinct forms of capital, which mature in the most different economic social formations, and which, before the era of the capitalist mode of production, are considered as capital *quand même*—usurer's capital and merchant's capital.

"At present, all the wealth of society goes first into the possession of the capitalist . . . he pays the landowner his rent, the labourer his wages, the tax and tithe gatherer their claims, and keeps a large, indeed the largest, and a continually augmenting share, of the annual produce of labour for himself. The capitalist may now be said to be the first owner of all the wealth of the community, though no law has conferred on him the right to this property . . . this change has been effected by the taking of interest on capital . . . and it is not a little curious that all the law-givers of Europe endeavoured to prevent this by statutes, viz., statutes against usury. . . . The power of the capitalist over all the

¹ Industrial here in contradistinction to agricultural. In the "categorical" sense the farmer is an industrial capitalist as much as the manufacturer.

wealth of the country is a complete change in the right of property, and by what law, or series of laws, was it effected?"¹ The author should have remembered that revolutions are not made by laws.

The money capital formed by means of usury and commerce was prevented from turning into industrial capital, in the country by the feudal constitution, in the towns by the guild organisation.² These fetters vanished with the dissolution of feudal society, with the expropriation and partial eviction of the country population. The new manufactures were established at sea-ports, or at inland points beyond the control of the old municipalities and their guilds. Hence in England an embittered struggle of the corporate towns against these new industrial nurseries.

The discovery of gold and silver in America, the extirpation, enslavement and entombment in mines of the aboriginal population, the beginning of the conquest and looting of the East Indies, the turning of Africa into a warren for the commercial hunting of black-skins, signalised the rosy dawn of the era of capitalist production. These idyllic proceedings are the chief momenta of primitive accumulation. On their heels treads the commercial war of the European nations, with the globe for a theatre. It begins with the revolt of the Netherlands from Spain, assumes giant dimensions in England's Anti-Jacobin War, and is still going on in the opium wars against China, &c.

The different momenta of primitive accumulation distribute themselves now, more or less in chronological order, particularly over Spain, Portugal, Holland, France, and England. In England at the end of the 17th century, they arrive at a systematical combination, embracing the colonies, the national debt, the modern mode of taxation, and the protectionist system. These methods depend in part on brute force, *e.g.*, the colonial system. But they all employ the power of the State, the concentrated and organised force of society, to hasten, hothouse fashion, the process of transformation of the feudal mode of production into the capitalist mode, and to shorten the transition. Force is the midwife of every old society pregnant with a new one. It is itself an economic power.

Of the Christian colonial system, W. Howitt, a man who makes a speciality of Christianity, says: "The barbarities and

¹ "The Natural and Artificial Rights of Property Contrasted." Lond., 1832, pp. 98-99. Author of the anonymous work: "Th. Hodgskin."

² Even as late as 1794, the small cloth-makers of Leeds sent a deputation to Parliament, with a petition for a law to forbid any merchant from becoming a manufacturer. (Dr. Aikin, l. c.)

desperate outrages of the so-called Christian race, throughout every region of the world, and upon every people they have been able to subdue, are not to be paralleled by those of any other race, however fierce, however untaught, and however reckless of mercy and of shame, in any age of the earth."¹ The history of the colonial administration of Holland—and Holland was the head capitalistic nation of the 17th century—"is one of the most extraordinary relations of treachery, bribery, massacre, and meanness."² Nothing is more characteristic than their system of stealing men, to get slaves for Java. The men stealers were trained for this purpose. The thief, the interpreter, and the seller, were the chief agents in this trade, native princes the chief sellers. The young people stolen, were thrown into the secret dungeons of Celebes, until they were ready for sending to the slave-ships. An official report says: "This one town of Macassar, *e.g.*, is full of secret prisons, one more horrible than the other, crammed with unfortunates, victims of greed and tyranny fettered in chains, forcibly torn from their families." To secure Malacca, the Dutch corrupted the Portuguese governor. He let them into the town in 1641. They hurried at once to his house and assassinated him, to "abstain" from the payment of £21,875, the price of his treason. Wherever they set foot, devastation and depopulation followed. Banjuwangi, a province of Java, in 1750 numbered over 80,000 inhabitants, in 1811 only 18,000. Sweet commerce!

The English East India Company, as is well known, obtained, besides the political rule in India, the exclusive monopoly of the tea-trade, as well as of the Chinese trade in general, and of the transport of goods to and from Europe. But the coasting trade of India and between the islands, as well as the internal trade of India, were the monopoly of the higher employés of the company. The monopolies of salt, opium, betel and other commodities, were inexhaustible mines of wealth. The employés themselves fixed the price and plundered at will the unhappy Hindus. The Governor-General took part in this private traffic. His favourites received contracts under conditions whereby they, cleverer than

¹ William Howitt: "Colonisation and Christianity: A Popular History of the Treatment of the Natives by the Europeans in all their Colonies." London, 1838, p. 9. On the treatment of the slaves there is a good compilation in Charles Comte, "Traité de la Législation." 3me éd. Bruxelles, 1837. This subject one must study in detail, to see what the bourgeoisie makes of itself and of the labourer, wherever it can, without restraint, model the world after its own image.

² Thomas Stamford Raffles, late Lieut.-Gov. of that island; "The History of Java," Lond., 1817.

the alchemists, made gold out of nothing. Great fortunes sprang up like mushrooms in a day; primitive accumulation went on without the advance of a shilling. The trial of Warren Hastings swarms with such cases. Here is an instance. A contract for opium was given to a certain Sullivan at the moment of his departure on an official mission to a part of India far removed from the opium district. Sullivan sold his contract to one Binn for £40,000; Binn sold it the same day for £60,000, and the ultimate purchaser who carried out the contract declared that after all he realised an enormous gain. According to one of the lists laid before Parliament, the Company and its employés from 1757-1766 got £6,000,000 from the Indians as gifts. Between 1769 and 1770, the English manufactured a famine by buying up all the rice and refusing to sell it again, except at fabulous prices.¹

The treatment of the aborigines was, naturally, most frightful in plantation-colonies destined for export trade only, such as the West Indies, and in rich and well-populated countries, such as Mexico and India, that were given over to plunder. But even in the colonies properly so called, the Christian character of primitive accumulation did not belie itself. Those sober virtuosi of Protestantism, the Puritans of New England, in 1703, by decrees of their assembly set a premium of £40 on every Indian scalp and every captured red-skin: in 1720 a premium of £100 on every scalp; in 1744, after Massachusetts-Bay had proclaimed a certain tribe as rebels, the following prices: for a male scalp of 12 years and upwards £100 (new currency), for a male prisoner £105, for women and children prisoners £50, for scalps of women and children £50. Some decades later, the colonial system took its revenge on the descendants of the pious pilgrim fathers, who had grown seditious in the meantime. At English instigation and for English pay they were tomahawked by red-skins. The British Parliament proclaimed blood-hounds and scalping as "means that God and Nature had given into its hand."

The colonial system ripened, like a hot-house, trade and navigation. The "societies Monopolia" of Luther were powerful levers for concentration of capital. The colonies secured a market for the budding manufactures, and, through the monopoly of the market, an increased accumulation. The treasures captured outside Europe by undisguised looting, enslave-

¹ In the year 1866 more than a million Hindus died of hunger in the province of Orissa alone. Nevertheless, the attempt was made to enrich the Indian treasury by the price at which the necessaries of life were sold to the starving people.

ment, and murder, floated back to the mother-country and were there turned into capital. Holland, which first fully developed the colonial system, in 1648 stood already in the acme of its commercial greatness. It was "in almost exclusive possession of the East Indian trade and the commerce between the south-east and north-west of Europe. Its fisheries, marine, manufactures, surpassed those of any other country. The total capital of the Republic was probably more important than that of all the rest of Europe put together." Gülich forgets to add that by 1648, the people of Holland were more over-worked, poorer and more brutally oppressed than those of all the rest of Europe put together.

To-day industrial supremacy implies commercial supremacy. In the period of manufacture properly so called, it is, on the other hand, the commercial supremacy that gives industrial predominance. Hence the preponderant rôle that the colonial system plays at that time. It was "the strange God" who perched himself on the altar cheek by jowl with the old Gods of Europe, and one fine day with a shove and a kick chucked them all of a heap. It proclaimed surplus-value making as the sole end and aim of humanity.

The system of public credit, *i.e.*, of national debts, whose origin we discover in Genoa and Venice as early as the middle ages, took possession of Europe generally during the manufacturing period. The colonial system with its maritime trade and commercial wars served as a forcing-house for it. Thus it first took root in Holland. National debts, *i.e.*, the alienation of the state—whether despotic, constitutional or republican—marked with its stamp the capitalistic era. The only part of the so-called national wealth that actually enters into the collective possessions of modern peoples is — their national debt.¹ Hence, as a necessary consequence, the modern doctrine that a nation becomes the richer the more deeply it is in debt. Public credit becomes the *credo* of capital. And with the rise of national debt-making, want of faith in the national debt takes the place of the blasphemy against the Holy Ghost, which may not be forgiven.

The public debt becomes one of the most powerful levers of primitive accumulation. As with the stroke of an enchanter's wand, it endows barren money with the power of breeding and thus turns it into capital, without the necessity of its exposing itself to the troubles and risks inseparable from its employment

¹ William Cobbett remarks that in England all public institutions are designated "royal"; as compensation for this, however, there is the "national" debt.

in industry or even in usury. The state-creditors actually give nothing away, for the sum lent is transformed into public bonds, easily negotiable, which go on functioning in their hands just as so much hard cash would. But further, apart from the class of lazy annuitants thus created, and from the improvised wealth of the financiers, middlemen between the government and the nation—as also apart from the tax-farmers, merchants, private manufacturers, to whom a good part of every national loan renders the service of a capital fallen from heaven—the national debt has given rise to joint-stock companies, to dealings in negotiable effects of all kinds, and to agiotage, in a word to stock-exchange gambling and the modern bankocracy.

At their birth the great banks, decorated with national titles, were only associations of private speculators, who placed themselves by the side of governments, and, thanks to the privileges they received, were in a position to advance money to the State. Hence the accumulation of the national debt has no more infallible measure than the successive rise in the stock of these banks, whose full development dates from the founding of the Bank of England in 1694. The Bank of England began with lending its money to the Government at 8%; at the same time it was empowered by Parliament to coin money out of the same capital, by lending it again to the public in the form of bank-notes. It was allowed to use these notes for discounting bills, making advances on commodities, and for buying the precious metals. It was not long ere this credit-money, made by the bank itself, became the coin in which the Bank of England made its loans to the State, and paid, on account of the State, the interest on the public debt. It was not enough that the bank gave with one hand and took back more with the other; it remained, even whilst receiving, the eternal creditor of the nation down to the last shilling advanced. Gradually it became inevitably the receptacle of the metallic hoard of the country, and the centre of gravity of all commercial credit. What effect was produced on their contemporaries by the sudden uprising of this brood of bankocrats, financiers, rentiers, brokers, stock-jobbers, &c., is proved by the writings of that time, *e.g.*, by Bolingbroke's.¹

With the national debt arose an international credit system, which often conceals one of the sources of primitive accumulation in this or that people. Thus the villainies of the Venetian

¹ "Si les Tartares inondaient l'Europe aujourd'hui, il faudrait bien des affaires pour leur faire entendre ce que c'est qu'un financier parmi nous." Montesquieu, "Esprit des lois," t. iv., p. 33, ed. Londres, 1769.

thieving system formed one of the secret bases of the capital-wealth of Holland to whom Venice in her decadence lent large sums of money. So also was it with Holland and England. By the beginning of the 18th century the Dutch manufactures were far outstripped. Holland had ceased to be the nation preponderant in commerce and industry. One of its main lines of business, therefore, from 1701-1776, is the lending out of enormous amounts of capital, especially to its great rival England. The same thing is going on to-day between England and the United States. A great deal of capital, which appears to-day in the United States without any certificate of birth, was yesterday, in England, the capitalised blood of children.

As the national debt finds its support in the public revenue, which must cover the yearly payments for interest, &c., the modern system of taxation was the necessary complement of the system of national loans. The loans enable the government to meet extraordinary expenses, without the tax-payers feeling it immediately, but they necessitate, as a consequence, increased taxes. On the other hand, the raising of taxation caused by the accumulation of debts contracted one after another, compels the government always to have recourse to new loans for new extraordinary expenses. Modern fiscality, whose pivot is formed by taxes on the most necessary means of subsistence (thereby increasing their price), thus contains within itself the germ of automatic progression. Over-taxation is not an incident, but rather a principle. In Holland, therefore, where this system was first inaugurated, the great patriot, De Witt, has in his "Maxims" extolled it as the best system for making the wage-labourer submissive, frugal, industrious, and overburdened with labour. The destructive influence that it exercises on the condition of the wage-labourer concerns us less however, here, than the forcible expropriation, resulting from it, of peasants, artisans, and in a word, all elements of the lower middle-class. On this there are not two opinions, even among the bourgeois economists. Its expropriating efficacy is still further heightened by the system of protection, which forms one of its integral parts.

The great part that the public debt, and the fiscal system corresponding with it, has played in the capitalisation of wealth and the expropriation of the masses, has led many writers, like Cobbett, Doubleday and others, to seek in this, incorrectly, the fundamental cause of the misery of the modern peoples.

The system of protection was an artificial means of manufacturing manufacturers, of expropriating independent labourers, of

capitalising the national means of production and subsistence, of forcibly abbreviating the transition from the mediæval to the modern mode of production. The European states tore one another to pieces about the patent of this invention, and, once entered into the service of the surplus-value makers, did not merely lay under contribution in the pursuit of this purpose their own people, indirectly through protective duties, directly through export premiums. They also forcibly rooted out, in their dependent countries, all industry, as, *e.g.*, England did with the Irish woollen manufacture. On the continent of Europe, after Colbert's example, the process was much simplified. The primitive industrial capital, here, came in part directly out of the state treasury. "Why," cries Mirabeau, "why go so far to seek the cause of the manufacturing glory of Saxony before the war? 180,000,000 of debts contracted by the sovereigns!"¹

Colonial system, public debts, heavy taxes, protection, commercial wars, &c., these children of the true manufacturing period, increase gigantically during the infancy of Modern Industry. The birth of the latter is heralded by a great slaughter of the innocents. Like the royal navy, the factories were recruited by means of the press-gang. Blasé as Sir F. M. Eden is as to the horrors of the expropriation of the agricultural population from the soil, from the last third of the 15th century to his own time; with all the self-satisfaction with which he rejoices in this process, "essential" for establishing capitalistic agriculture and "the due proportion between arable and pasture land" —he does not show, however, the same economic insight in respect to the necessity of child-stealing and child-slavery for the transformation of manufacturing exploitation into factory exploitation, and the establishment of the "true relation" between capital and labour-power. He says: "It may, perhaps, be worthy the attention of the public to consider, whether any manufacture, which, in order to be carried on successfully, requires that cottages and workhouses should be ransacked for poor children; that they should be employed by turns during the greater part of the night and robbed of that rest which, though indispensable to all, is most required by the young; and that numbers of both sexes, of different ages and dispositions, should be collected together in such a manner that the contagion of example cannot but lead to profligacy and debauchery; will add to the sum of individual or national felicity?"²

¹ Mirabeau, l. c., t. vi., p. 101.

² Eden, l. c., Vol. I., Book II., Ch. I., p. 421.

"In the counties of Derbyshire, Nottinghamshire, and more particularly in Lancashire," says Fielden, "the newly-invented machinery was used in large factories built on the sides of streams capable of turning the water-wheel. Thousands of hands were suddenly required in these places, remote from towns; and Lancashire, in particular, being, till then, comparatively thinly populated and barren, a population was all that she now wanted. The small and nimble fingers of little children being by very far the most in request, the custom instantly sprang up of procuring *apprentices* from the different parish workhouses of London, Birmingham, and elsewhere. Many, many thousands of these little, hapless creatures were sent down into the north, being from the age of 7 to the age of 13 or 14 years old. The custom was for the master to clothe his apprentices and to feed and lodge them in an "apprentice house" near the factory; overseers were appointed to see to the works, whose interest it was to work the children to the utmost, because their pay was in proportion to the quantity of work that they could exact. Cruelty was, of course, the consequence. . . . In many of the manufacturing districts, but particularly, I am afraid, in the guilty county to which I belong [Lancashire], cruelties the most heart-rending were practised upon the offending and friendless creatures who were thus consigned to the charge of master-manufacturers; they were harassed to the brink of death by excess of labour . . . were flogged, fettered and tortured in the most exquisite refinement of cruelty; . . . they were in many cases starved to the bone while flogged to their work and . . . even in some instances . . . were driven to commit suicide . . . The beautiful and romantic valleys of Derbyshire, Nottinghamshire and Lancashire, secluded from the public eye, became the dismal solitudes of torture, and of many a murder. The profits of manufacturers were enormous; but this only whetted the appetite that it should have satisfied, and therefore the manufacturers had recourse to an expedient that seemed to secure to them those profits without any possibility of limit; they began the practice of what is termed "night-working," that is, having tired one set of hands, by working them throughout the day, they had another set ready to go on working throughout the night; the day-set getting into the beds that the night-set had just quitted, and in their turn again, the night-set getting into the beds that the day-set quitted in the morning. It is a common tradition in Lancashire, that the beds *never get cold.*"¹

¹ John Fielden, l. c., pp. 5, 6. On the earlier infamies of the factory system, cf. Dr. Aikin (1795) l. c., p. 219, and Gisborne: "Enquiry into the Duties

With the development of capitalist production during the manufacturing period, the public opinion of Europe had lost the last remnant of shame and conscience. The nations bragged cynically of every infamy that served them as a means to capitalistic accumulation. Read, *e.g.*, the naïve *Annals of Commerce* of the worthy A. Anderson. Here it is trumpeted forth as a triumph of English statecraft that at the Peace of Utrecht, England extorted from the Spaniards by the Asiento Treaty the privilege of being allowed to ply the negro-trade, until then only carried on between Africa and the English West Indies, between Africa and Spanish America as well. England thereby acquired the right of supplying Spanish America until 1743 with 4,800 negroes yearly. This threw, at the same time, an official cloak over British smuggling. Liverpool waxed fat on the slave-trade. This was its method of primitive accumulation. And, even to the present day, Liverpool "respectability" is the Pindar of the slave-trade which—compare the work of Aikin [1795] already quoted—"has coincided with that spirit of bold adventure which has characterised the trade of Liverpool and rapidly carried it to its present state of prosperity; has occasioned vast employment for shipping and sailors, and greatly augmented the demand for the manufactures of the country" (p. 339). Liverpool employed in the slave-trade, in 1730, 15 ships; in 1751, 53; in 1760, 74; in 1770, 96; and in 1792, 132.

Whilst the cotton industry introduced child-slavery in England, it gave in the United States a stimulus to the transformation of the earlier, more or less patriarchal slavery, into a system of commercial exploitation. In fact, the veiled slavery

of Men," 1795, Vol. II. When the steam-engine transplanted the factories from the country waterfalls to the middle of towns, the "abstemious" surplus-value maker found the child-material ready to his hand, without being forced to seek slaves from the workhouses. When Sir R. Peel (father of the "minister of plausibility"), brought in his bill for the protection of children, in 1815, Francis Horner, lumen of the Bullion Committee and intimate friend of Ricardo, said in the House of Commons: "It is notorious, that with a bankrupt's effects, a gang, if he might use the word, of these children had been put up to sale, and were advertised publicly as part of the property. A most atrocious instance had been brought before the Court of King's Bench two years before, in which a number of these boys, apprenticed by a parish in London to one manufacturer, had been transferred to another, and had been found by some benevolent persons in a state of absolute famine. Another case more horrible had come to his knowledge while on a [Parliamentary] Committee . . . that not many years ago, an agreement had been made between a London parish and a Lancashire manufacturer, by which it was stipulated, that with every 20 sound children one idiot should be taken."

of the wage-workers in Europe needed, for its pedestal, slavery pure and simple in the new world.¹

Tantæ molis erat, to establish the "eternal laws of Nature" of the capitalist mode of production, to complete the process of separation between labourers and conditions of labour, to transform, at one pole, the social means of production and subsistence into capital, at the opposite pole, the mass of the population into wage-labourers, into "free labouring poor," that artificial product of modern society.² If money, according to Augier,³ "comes into the world with a congenital blood-stain on one cheek," capital comes dripping from head to foot, from every pore, with blood and dirt.⁴

¹ In 1790, there were in the English West Indies ten slaves for one free man, in the French fourteen for one, in the Dutch twenty-three for one. (Henry Brougham: "An Inquiry into the Colonial Policy of the European Powers," Edin. 1803, vol. II., p. 74.)

² The phrase, "labouring poor," is found in English legislation from the moment when the class of wage-labourers becomes noticeable. This term is used in opposition, on the one hand, to the "idle poor," beggars, etc., on the other to those labourers, who, pigeons not yet plucked, are still possessors of their own means of labour. From the Statute Book it passed into Political Economy, and was handed down by Culpeper, J. Child, etc., to Adam Smith and Eden. After this, one can judge of the good faith of the "execrable political cant-monger," Edmund Burke, when he called the expression, "labouring poor,"— "execrable political cant." This sycophant who, in the pay of the English oligarchy, played the romantic laudator temporis acti against the French Revolution, just as, in the pay of the North American Colonies, at the beginning of the American troubles, he had played the Liberal against the English oligarchy, was an out and out vulgar bourgeois. "The laws of commerce are the laws of Nature, and therefore the laws of God." (E. Burke, I. c., pp. 31, 32.) No wonder that, true to the laws of God and of Nature, he always sold himself in the best market. A very good portrait of this Edmund Burke, during his liberal time, is to be found in the writings of the Rev. Mr. Tucker. Tucker was a parson and a Tory, but, for the rest, an honourable man and a competent political economist. In face of the infamous cowardice of character that reigns to-day, and believes most devoutly in "the laws of commerce," it is our bounden duty again and again to brand the Burkes, who only differ from their successors in one thing—talent.

³ Marie Augier: "Du Crédit Public." Paris, 1842.

⁴ "Capital is said by a Quarterly Reviewer to fly turbulence and strife, and to be timid, which is very true; but this is very incompletely stating the question. Capital eschews no profit, or very small profit, just as Nature was formerly said to abhor a vacuum. With adequate profit, capital is very bold. A certain 10 per cent. will ensure its employment anywhere; 20 per cent. certain will produce eagerness; 50 per cent., positive audacity; 100 per cent. will make it ready to trample on all human laws; 300 per cent., and there is not a crime at which it will scruple, nor a risk it will not run, even to the chance of its owner being hanged. If turbulence and strife will bring a profit, it will freely encourage both. Smuggling and the slave-trade have amply proved all that is here stated." (T. J. Dunning, I. c., pp. 35, 36.)

CHAPTER XXXII

HISTORICAL TENDENCY OF CAPITALIST ACCUMULATION

What does the primitive accumulation of capital, *i.e.*, its historical genesis, resolve itself into? In so far as it is not immediate transformation of slaves and serfs into wage-labourers, and therefore a mere change of form, it only means the expropriation of the immediate producers, *i.e.*, the dissolution of private property based on the labour of its owner. Private property, as the antithesis to social, collective property, exists only where the means of labour and the external conditions of labour belong to private individuals. But according as these private individuals are labourers or not labourers, private property has a different character. The numberless shades, that it at first sight presents, correspond to the intermediate stages lying between these two extremes. The private property of the labourer in his means of production is the foundation of petty industry, whether agricultural, manufacturing, or both; petty industry, again, is an essential condition for the development of social production and of the free individuality of the labourer himself. Of course, this petty mode of production exists also under slavery, serfdom, and other states of dependence. But it flourishes, it lets loose its whole energy, it attains its adequate classical form, only where the labourer is the private owner of his own means of labour set in action by himself: the peasant of the land which he cultivates, the artisan of the tool which he handles as a virtuoso. This mode of production pre-supposes parcelling of the soil, and scattering of the other means of production. As it excludes the concentration of these