KARL MARX' 'CAPITAL' IN LITHOGRAPHS

HUGO GELLERT

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Workers of all

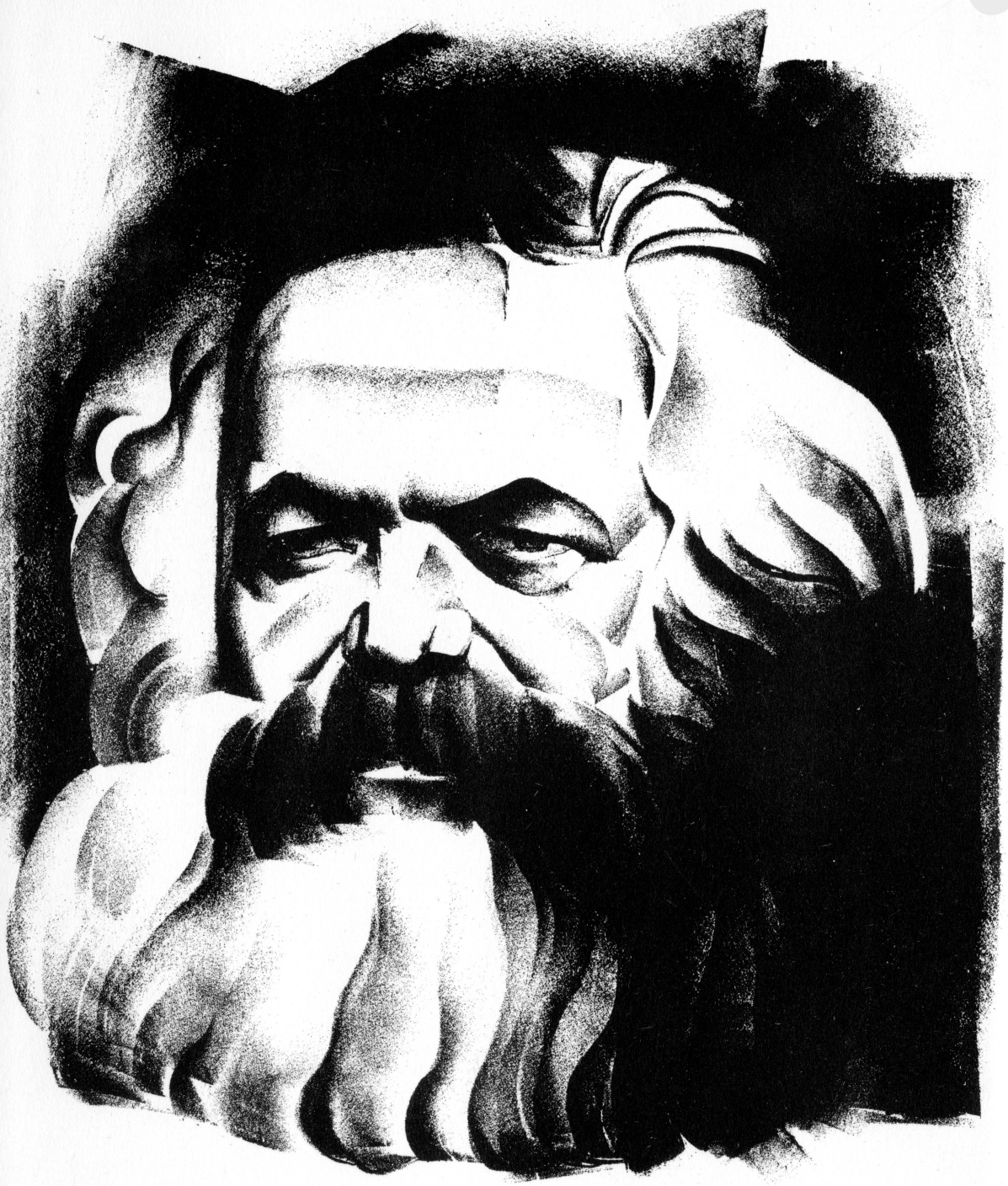


lands unite!





Workers of all lands unite!



KARL MARX' 'CAPITAL' IN LITHOGRAPHS

HVGO GELLERT

RAY LONG & RICHARD R. SMITH
NEW YORK

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TO

THE MEMORY OF MY VERY DEAR BROTHER

ERNEST GELLERT

BRAVE AND FAITHFUL SOLDIER OF THE PROLETARIAN CAUSE

Born at Budapest on January 12, 1896

Died in military confinement at Fort Hancock, N. J. on March 8, 1918

FOREWORD

The use of the pyre, chamber of inquisition and the ax of the executioner are frantic efforts of a bankrupt society "to turn the wheels of history backwards". The outrages of the Masters of the "New" Germany evidence the extent of the decay of a run-down system. Italy, Hungary, Jugo-Slavia, Roumania, Poland, Japan, Nanking and Canton of China, suffer Governments the like of which existed only in the Dark Ages. The Corporate State (a carcass of the Corporate Town of the Middle Ages) is resurrected, and with it Feudal land decrees, religious persecution, serfdom.

In the "Democratic" countries—U. S. A., England, France, etc.,—police clubs force the jobless millions to submit to starvation. In our America we live in a period of the greatest expropriation in history since we took the land from the Indian possessors. (Brave pioneers risked their lives for this land; now crafty bankers grab it, risking nothing.) Throughout our Southern states our black brothers have always known slavery. Under the N. R. A. President Roosevelt makes slaves of all workers with the aid of strike proof "labor unions," after the pattern of Mussolini. Our last vestige of protection against the rapacious Trusts is being removed.

"Savants" seriously talk of scrapping machines. They advocate a curb on inventions and scientific experiments. Cotton is destroyed. (Even the plow becomes an instrument of destruction.) Wheat is burned. Fruit is dumped into the ocean. Milk is poured into sewers, and hogs are slaughtered for fertilizer, while thousands of human beings die of hunger. The instruments of War are made ready to deal death and destruction.

Yesterday threatens to devour to-morrow.

But out of the East rises a new Prometheus. And all the Gods in the World cannot chain him! The great disciple of Karl Marx, Lenin, led the Russian workers and peasants who created the Union of Socialist Soviet Republics. And these workers and peasants became the Masters of their own destiny. The Young Giant with his mighty hands builds the future of mankind and bright lights flare up in his wake. . . .

The disinherited of the Earth are inspired by his example. They gain strength and courage and strike out for that higher form of society—the New World: plenty for all, a place in the Sun for everybody. But no place will remain for Masters in a World where no one is priveleged to despoil his fellowmen. Fascism is the Master's last desperate effort to retain power, to chain us to the past, to rob us of our birthright to the future, to bar us from creating a World worthy of Man.

"We are many—they are few". . . .

Das Kapital is our guide. Like the X-ray, it discloses the depths below the surface. It is my hope that in this abbreviated form the immortal work of Karl Marx will become accessible to the Masses: To the huge army of workers without jobs and farmers without land; to the workers in mills and mines, to all who toil with brain or brawn. This book is made for them. For my existence—and yours, depends upon *them*: "Labor is a necessary condition of all human existence, and one which is independent of the forms of society. It is through all the ages a necessity imposed by nature itself, for without it there can be no interchange of material between man and nature—in a word, no life."

The translation into graphic form of the revolutionary concepts of *Das Kapital* was a source of inspiration and stimulus. Other revolutionary artists will find in the works of our great working-class leaders – Marx, Engels, Lenin and Stalin – a wealth of material for their best creative efforts.

The heroism of the American revolutionary vanguard, the dogged struggles of the workers and farmers in spite of jail, tear-gas and bullets are the source of a new, vigorous art movement in America worthy of the tradition of John Reed—poet and brilliant journalist—a pioneer in American working class culture, a hero and a martyr of the victorious Russian worker's revolution.

In this book only the most essential parts of the original text are given. But with the aid of the drawings the necessary material for the understanding of the fundamentals of Marxism is included.

HUGO GELLERT

White Plains, N. Y., November 7, 1933.

CAPITAL IN PICTURES

FROM PREFACE TO THE FIRST GERMAN EDITION

. . . The subject of study in the present work is the capitalist method of production and the relations of production and exchange appropriate to that method. The country in which these relations have hitherto assumed their most tyical aspects is England. That is why English conditions have been mainly drawn upon for illustration of my theories. Should the reader, however, be disposed to shrug his shoulders pharisaically when he contemplates the conditions under which English industrial and agricultural workers live and perform their daily tasks, or if he should be inclined optimistically to console himself with the belief that things are far from being so bad in [his own country], I must assure him "De te fabula narratur" [The story is told about you; i.e., the cap fits you].

. . . *Perseus wore a magic cap which made him invisible when he was hunting down monsters. We draw a cap tightly over our own eyes and ears, that we may have warrant for denying even the existence of any monsters.*

One word more, to avert misunderstandings. Individual capitalists and landowners are not, in my book, depicted in rose-tinted colors; but if I speak of individuals, it is only in so far as they are personifications of economic categories, representatives of special class relations and class interests. Inasmuch as I conceive the development of the economic structure of society to be a natural process, I should be the last one to hold the individual responsible for conditions whose creature he himself is, socially considered, however much he may raise himself above them subjectively. . . .

KARL MARX

London, July, 25, 1867.



PRIMARY ACCUMULATION

SECRET OF PRIMARY ACCUMULATION

. . . In political economy . . . primary accumulation plays much the same part which is played by original sin in theology. Sin came into the world because Adam ate the forbidden fruit. The origin of sin is supposed to be explained by a folk-tale. In like manner we are told, as regards primary accumulation, that in times long past there were two kinds of people: some of them, the chosen few, were industrious, intelligent, and, above all, thrifty; the others, lazy rascals who wasted their substance in riotous living. But there is a difference. The theological legend of the Fall tells us this much, at least: why man has been condemned to eat his bread in the sweat of his brow. On the other hand, the economic history of the Fall reveals to us why there are persons who need do nothing of the kind. No matter! It is this economic Fall which accounts for the poverty of the masses, who, however hard they may work, will for all time have nothing to sell but themselves; and thence, likewise, dates the wealth of the few, which is continually growing, although the few have long since ceased to work. People still chew the cud of this childish imbecility . . . . As soon as the question of property crops up, it becomes a sacred duty to declare that the spelling book should be the only reading of persons of all ages and stages of mental development. In the history of the real world, as every one knows, conquest, subjugation, robbery, murder—in a word, force—play leading roles. But the gentle science of political economy has always clung to idyllic notions. "Right and labor", say the economists, "have ever been the sole means of enrichment, our own times alone excepted." As a matter of fact, the methods of primary accumulation were anything but idyllic!





SECRET OF PRIMARY ACCUMULATION

Money and commodities are no more capital from the first than are the means of production and the means of subsistence. They have to be transformed into capital. But this transformation can take place only under definite conditions, of which the following are the essentials. Two very different kinds of commodity owners must confront each other and enter into a mutual relationship. On the one hand, there must be the owners of money, of the means of production and of the means of subsistence, who desire by the purchase of others' labor power to increase the sum of the values they own. On the other hand, there must be free workers, the sellers of their own labor power, and therefore the sellers of labor. They must be "free" workers in a double sense. First of all, they must not themselves form a direct part of the means of production, must not belong to the means of production, as do slaves, serfs, etc. Secondly, the means of production must not belong to them, as the means of production belong to peasant proprietors. Free workers are free from, unencumbered by, any means of production of their own. With this polarization of the commodity market the fundamental conditions requisite for capitalist production exist. The capitalist system presupposes a divorce between the workers and the ownership of the property through which alone their labor can become effective. As soon as capitalist production is able to stand on its own feet, it does not merely receive this divorce between labor and the means of labor as a legacy from the past, but reproduces it upon a continually increasing scale. The process which clears the way for the capitalist system, therefore, can be nothing else than the process whereby the worker is divorced from ownership of the means of labor; a process which, on the one hand, transforms the social means of subsistence and the social means of production into capital; and, on the other, transforms the actual producers into wage workers. *The so-called primary accumulation, therefore, is nothing other than the historical process whereby the producer is divorced from the means of production.* It assumes a "primary" aspect because it belongs to the primary phase that is traversed immediately before the history of capitalism begins, immediately before the establishment of the method of production proper to capitalism.



PRIMARY ACCUMULATION

SECRET OF PRIMARY ACCUMULATION

The economic structure of capitalist society rose out of the economic structure of feudal society. The break-up of feudal society set free the elements for the formation of capitalist society.

The immediate producer, the worker, could not dispose of his own person until he had ceased to be bound to the soil, had ceased to be the slave, serf, or bondman of another person. To become a free seller of labor power, a person able to carry his wares to any market, he must, furthermore, have escaped from the dominion of the guilds, have emancipated himself from the rules and regulations whereby the guilds restricted the working activities of their apprentices and journeymen. From this aspect, the historical movement which tranforms the producers into wage workers, is seen to be, on the one hand, a movement for the liberation of these producers from serfdom and from the restrictions of the guilds. That is the only side of the matter which exists for bourgeois historians. But, on the other hand, these newly liberated persons do not come to market to sell themselves before they have been robbed of all the means of production and of all the safeguards of existence which the old feudal institutions provided for them. The history of this expropriation is written in the annals of mankind in letters of blood and fire. . . .

The starting-point of the development which gave rise both to the wage worker and to the capitalist was the servitude of the worker; the advance consisting in a change in the form of this servitude, in the transformation of feudalist exploitation into capitalist exploitation. . . .

In the history of primary accumulation we must regard as epoch-making all revolutions which act as stepping-stones for the capitalist class in the course of formation. This applies above all to those moments when great masses of human beings were suddenly and forcibly torn away from the means of subsistence and hurled into the labor market as masterless proletarians. The expropriation of the agricultural producers, the peasants, their severance from the soil, was the basis of the whole process. In different countries this expropriation assumes different forms, running through its various phases in different orders of succession and at different historical periods. Only in England may it be said to have had a typical development; that is why we take England as our example.



PRIMARY ACCUMULATION

THE EXPROPRIATION WHEREBY THE COUNTRYFOLK WERE DIVORCED FROM THE LAND

In England serfdom had practically disappeared by the latter part of the fourteenth century. Then, and to a still greater extent in the fifteenth century, the great majority of the population consisted of free peasant proprietors—no matter what may have been the feudal title under which their proprietary right was masked. In the larger seigneurial domains the former bailiff, himself a serf, was replaced by a free farmer. The agricultural laborers, wage earners, consisted, in part, of peasants who devoted their leisure time to work on the estates of the great landowners, and, in part, of an independent class of real wage earners which was small in number both relatively and absolutely. Even the members of this class of wage earners were, in fact, also independent peasants, inasmuch as, besides their wages, they were given cottages and arable land to the extent of four acres or more. Like the peasants properly so-called, they had the usufruct of the common land, on which they pastured their cattle, and from which, likewise, they obtained fuel, wood, peat, etc. . . .

The prelude to the revolution which laid the foundations of the capitalist method of production occurred during the last third of the fifteenth century and the first decades of the sixteenth. Great numbers of masterless proletarians were thrown into the labor market by the break-up of the bands of feudal retainers. . . . Although the royal power (itself a product of bourgeois development), in its endeavor to make sovereignity absolute, forcibly hastened the break-up of these bands, this was by no means the only cause of the phenomenon. What happened was that the great feudal lords, in defiant opposition to king and parliament, created a still larger, a much larger, proletariat by forcibly hunting the peasant off the land (although the peasant had the same feudal title as the baron himself), and by usurpation of the common lands. The immediate impetus to this was given in England by the rise of Flemish wool manufacture and the corresponding increase in the price of wool. The great feudal wars had destroyed the old feudal nobility, and the new nobles were children of their own age to whom money was the power of all powers. *Their motto was the transformation of arable land into sheep-walks. . . .*

The legislative authorities were terrified by the spectacle of this revolution. They had not yet reached that pinnacle of civilization from which the "wealth of nations", that is to say, the formation of capital and the ruthless exploitation and impoverishment of the masses of the people, is regarded as the last word of statesmanlike wisdom. . . . Popular complaints, and the legislation against the expropriation of the small farmers and the peasants (legislation which went on for a century and a half), were fruitless. Bacon unwittingly solves the riddle of the failure. In the twenty-ninth of his *Essays* he writes: "The device of King Henry VII was profound and admirable: in making farms and houses of husbandry of a standard; that is, maintained with such a proportion of land unto them as may breed a subject to live in convenient plenty, and no servile condition, and to keep the plough in the hands of the owners, and not mere hirelings." What the capitalist system required, on the other hand, was that the masses should be in a servile condition, should become the hirelings of capital; and that their means of labor should be transformed into capital. . . . Even in the first half of the eighteenth century there were complaints when an agricultural laborer's cottage was without an appurtenance of from one to two acres. To-day the cottager is fortunate if his cottage has a tiny plot of garden, or if he can rent one or two roods at a considerable distance from his dwelling. "Landlords and farmers", says Dr. Hunter, "work here hand-in-hand. A few acres to the cottage would make the laborers too independent."



PRIMARY ACCUMULATION

THE EXPROPRIATION WHEREBY THE COUNTRYFOLK WERE DIVORCED FROM THE LAND

A new and terrible impetus was given to the forcible expropriation of the masses of the people during the sixteenth century by the Reformation and by its sequel, the pillaging of the ecclesiastical domains. At the time of the Reformation the Catholic Church, under feudal tenure, was the owner of a very large proportion of English soil. The suppression of the monasteries and the associated measures forced their inmates into the proletariat. The estates of the Church were, in large measure, given to rapacious royal favorites or were sold at ridiculous prices to speculative farmers and townsmen who hunted the copyholders off the land and compacted their holdings into large estates. The legally guaranteed right of impoverished countryfolk to a share of the tithes was tacitly confiscated. "There are paupers everywhere!" exclaimed Queen Elizabeth after a journey through her kingdom. In the forty-third year of her reign it was at length found necessary to recognize pauperism officially by the levying of a poor rate. . . . Ecclesiastical property had been the religious bulwark of the traditional system of land ownership. With the disappearance of the former the latter became untenable.

As late as the last decades of the seventeenth century the yeomanry, an independent peasantry, formed a more numerous class than the farmers. Yeomen had been the main strength of Cromwell's supporters, and, as even Macaulay admits, they contrasted favorably with the drunken country squires and the squires' servants, the country clergymen, who had to marry their masters' cast-off mistresses. By about 1750 the yeomen had disappeared; in the closing decades of the eighteenth century, the last traces of communal ownership of the land followed in their train. We are not concerned here with the purely economic causes of the agricultural revolution. Our present interest is in the forcible means which were used to bring about the change. . . .

The "glorious revolution" installed in power not only William of Orange but also the territorial and capitalist appropriators of surplus value. These gentry inaugurated the new era by a vast extension of the scale on which the robbery of State lands had hitherto been conducted. Domains were given away, sold at knock-down prices, or even annexed to private estates by direct usurpation. All this was done without the slightest regard for legal etiquette. The princely estates of the modern English oligarchy consist of the crown lands thus fraudulently appropriated, together with the stolen ecclesiastical domains (in so far as these were not lost once more during the republican revolution). Bourgeois capitalists facilitated the operation; their reasons for this were that they wanted land to become an ordinary article of commerce, wanted the field of large-scale agriculture to be extended, wanted the supply of masterless proletarians to be increased, and so on. Furthermore, the new landed aristocracy was the natural ally of the new bankocracy, of the recently-hatched high finance, and of the great industrialists (who at this time were ardent supporters of protective tariffs). . . . *The forcible seizure of the common lands, accompanied for the most part by the transformation of arable land into pasture, began in the fifteenth century and lasted on into the sixteenth. But at that time the process was effected by individual acts of violence against which the legislature fought, though vainly, for a hundred and fifty years. The advance made in the eighteenth century is shown in this, that the law itself now became the instrument by which the theft of the people's land was achieved, although the great farmers continued to apply their petty private methods in addition.*

The parliamentary form of this robbery was to pass Acts for the enclosure of commons, decrees whereby the great landowners made a present to themselves of the people's land which thus became their own private property. . . .



PRIMARY ACCUMULATION

THE EXPROPRIATION WHEREBY THE COUNTRYFOLK WERE DIVORCED FROM THE LAND

While the place of the independent yeoman was taken by tenants-at-will (small farmers subject to one year's notice, a servile crowd dependent upon the arbitrary whims of their landlords), a systematic seizure of communal landed property helped, side by side with the theft of the State domains, to swell the size of those great farms which, in the eighteenth century, were called "capital farms" or "merchant farms", and to "set the countryfolk at liberty" as a proletariat for the uses of industry.

Nevertheless, the eighteenth century was not yet prepared to accept as wholeheartedly as did the nineteenth, the idea that in such a system national wealth must be based upon the poverty of the people. For this reason we find in the economic literature of the day a vigorous polemic against the "enclosure of commons". . . .

Price speaks of "a multitude of little proprietors and tenants who maintain themselves and families by the produce of the ground they occupy, by sheep kept on a common, by poultry, hogs, etc., and who therefore will have little occasion to purchase any of the means of subsistence". Such are the "little farmers" to which he refers in the next quotation. "When this land gets into the hands of a few great farmers, the consequence must be that the little farmers will be converted into a body of men who earn their subsistence by working for others, and who will be under a necessity of going to market for all they want. . . . There will, perhaps, be more labor, because there will be more compulsion to it. . . . Towns and manufacturers will increase, because more will be driven to them in quest of places and emloyment. . . . In fact *the usurpation of the common lands and the accompanying revolution in agriculture had so disastrous an effect upon the agricultural laborers that, as Eden himself tells us, between 1765 and 1780 their wages began to fall below the minimum necessary for subsistence, so that a supplement had to be given them in the form of Poor Law relief*. Their wages, he writes, "were not more than enough for the absolute necessaries of life". . . .

In the nineteenth century the mere memory of the connection between the landworkers and communal property had, of course, faded away. To say nothing of more recent times, did the countryfolk ever get a farthing's worth of compensation for the 3,511,770 acres of common land stolen from them between 1801 and 1831, and, in due form of law, presented by the landlords to the landlords?

The last great act of expropriation, the last stage in the divorce of the agricultural population from the soil, has taken the form of what is called the clearing of estates, that is to say, the sweeping of men off them. All the English methods hitherto considered culminated in this "clearing". . . . *What the "clearing of estates" really signifies can be fully realized only by a study of the promised land of modern romantic literature, the Highlands of Scotland. There the process is distinguished by its systematic character, by the grand scale on which it is carried out. Whereas in Ireland the landlords have gone so far as to sweep away several villages at a time, in Scotland areas as large as German principalities are dealt with at one blow.* Another special characteristic of the "clearing of estates" in Scotland is constituted by the peculiar form of property under which the embezzled lands used to be held.



PRIMARY ACCUMULATION

THE EXPROPRIATION WHEREBY THE COUNTRYFOLK WERE DIVORCED FROM THE LAND

The Highland Gaels were organized in clans, each of which was the owner of the land on which it was settled. The representative of the clan, the chief or "great man", was but the titular owner of this land, just as the reigning Queen of England is the titular owner of all the national soil. It must not be supposed that when the English government succeeded in putting an end to the continual internecine wars waged by these "great men" against one another, and in stopping their perpetual inroads into the Lowlands, the chiefs thereupon abandoned their time-honored trade of robbery. The trade continued, though in a changed form. On their own authority they converted their titular ownership into an absolute right of private property; as this procedure encountered resistance from the clansmen, the chiefs decided to drive the latter out by open force. "A king of England might as well claim to drive his subjects into the sea", says Professor Newman. This revolution, which began in Scotland after the last attempt of the Stuart Pretender, may be followed in its early phases in the writings of Sir James Steuart and James Anderson. *In the eighteenth century the Gaels who were hunted off the land were simultaneously forbidden to emigrate, the object being to drive them by force into Glasgow and other manufacturing towns.*

For an example of the methods that prevailed in the nineteenth century, it will be enough to describe the "clearings" made by the duchess of Sutherland. This person, being well informed regarding matters economic, determined, immediately upon entering into her government, to effect a radical cure and to convert into a sheep-walk the whole county whose population, by the application of similar methods in the past, had already been reduced to 15,000. During the years 1814-1820 these 15,000 inhabitants, about 3000 families in all, were systematically hunted and rooted out. All their villages were destroyed and burned, all their tilled fields were converted into pasture. British soldiers were placed at Her Grace's disposal for carrying out these measures, and the redcoats came to blows with the natives. One old woman perished in the flames of her cottage, refusing to leave it. Thus did the duchess gain possession of 794,000 acres of land which had from time immemorial belonged to the clan. She assigned to the evicted inhabitants about 6000 acres by the seashore, this amounting to two acres per family. The area in question had hitherto lain waste, bringing in no return to the inhabitants. The duchess, in the goodness of her heart, actually went so far as to let this land to the clansmen at an average rental of 2s. 6d. per acre, payable by those who for centuries had shed their blood for her family. The stolen clanlands she divided into 29 huge sheep-farms, each inhabited by one family, usually consisting of imported English farm servants. By the year 1825, the 15,000 Gaels had been replaced by 131,000 sheep. The remnant of the aborigines, outcasts on the seashore, were trying to earn a living as fishermen. They had become amphibians, living, as an English writer says, half on land and half on the water, and withal only half living on both.

But the brave Gaels had to pay even dearer for their romantic idolization of the "great men" of the clan. The smell of the fish reached the nostrils of these great men. They scented profit, and leased the seashore to the wholesale fish dealers of London. For the second time the Gaels were hunted out. . . .

The spoliation of the property of the Church, the fraudulent alienation of the State domains, the theft of the common lands, the transformation of feudal property and clan property into modern private property (a usurpation effected by a system of ruthless terrorism)—these were the idyllic methods of primary accumulation. They cleared the ground for capitalist agriculture, made the land part and parcel of capital, while providing for the needs of urban industry the requisite supply of masterless proletarians.



PRIMARY ACCUMULATION

SAVAGE LEGISLATION AGAINST THE EXPROPRIATED FROM THE END OF THE FIFTEENTH CENTURY ONWARDS

ACTS OF PARLIAMENT TO FORCE DOWN WAGES

A masterless proletariat had been created by the breaking-up of the bands of feudal retainers, and by successive acts of forcible expropriation of the land. But it was impossible for those who had been thus driven off the land to be absorbed by the rising system of manufacture as quickly as they were "set free". Nor could those who were suddenly removed from their customary surroundings and hurled into new ones be expected, all in a moment, to submit to the discipline of their new conditions. Large numbers of them became beggars, thieves, and vagabonds; in part, from inclination; but far more often from the pressure of circumstances. At the end of the fifteenth century, and throughout the sixteenth, there were enacted all over western Europe cruel laws against vagrancy. *The ancestors of the present working class were punished for becoming vagabonds and paupers, although the condition of vagabondage and pauperism had been forced on them. The legislature treated them as "voluntary" criminals, on the assumption that it rested with them to go on working under conditions which had ceased to exist.*

In England this sort of legislation began during the reign of Henry VII.

Then, under Henry VIII, came the Act of 1530. Beggars who were old and were unable to work were to be granted a beggar's licence. On the other hand, *there were whipping and imprisonment for sturdy vagabonds. They were to be tied to a cart-tail and whipped until the blood streamed from their bodies; then they had to swear to go back to their birthplace or to where they had lived during the last three years and "to put themselves to labor"*. What grim irony! By the Act of 27 Henry VIII the former statute was renewed, being strengthened by additional clauses. *In case of a second arrest for vagrancy, the whipping was to be repeated, and half of one of the offender's ears to be sliced off. A person convicted of a third offence was to be executed as a hardened criminal and an enemy of the commonweal.*

Then Edward VI came to the throne. A statute passed in 1547, the first year of his reign, declares that if any one refuses to work he will be assigned as a slave to the person who has denounced him as an idler. The master shall feed his slave on bread and water, weak broth, and such refuse meat as he thinks fit. He is entitled to force the slave to do any work, no matter how disgusting, under penalty of the whip and chain. Should a slave absent himself for a fortnight without leave, the offender is to be condemned to slavery for life, and is to be branded on the forehead or on the back with the letter S. If he should run away thrice, he is to be executed as a felon. The master can sell him, bequeath him, hire him out as a slave, like any other personal chattel or brute beast. If slaves conspire against their masters, they are to be executed. Justices of the peace, on information, are to hunt the rascals down. If it happens that a vagabond has been idling anywhere for three days, he is to be sent to his birthplace, then branded on the chest with a V, and thereafter he is to be set to work in chains upon the roads, or at some other labor. Should a vagrant give a false birthplace, then he is to become the life-long slave of this place, its inhabitants, or its corporation, and to be branded with an S. All persons have the right to take away a vagabond's children and to keep them as apprentices, the lads until the age of 24, the girls until the age of 20. Should they run away, these young persons are to become the slaves of their masters until the attainment of the before-mentioned age. The masters may put them in irons or whip them, etc., if they please. Every master may have an iron ring welded round the neck, the arms, or the legs of his slave for better recognition and for safekeeping. . . .

Next take an Act passed in 1572, during the reign of Elizabeth. Unlicensed beggars over 14 years of age are to be severely flogged, and branded on the left ear, unless someone will take them into service for two years. In case of a repetition of the offense, if they are over 18, they are to be executed, unless some one will take them into service for two years. For a third offense, they are to be executed without mercy as felons. . . .

Thus was the agricultural population forcibly expropriated from the soil, driven from home, coerced into vagrancy, and then whipped, branded, and tortured by grotesque and terrible laws—constrained to accept the discipline required by the wage system.



PRIMARY ACCUMULATION

SAVAGE LEGISLATION AGAINST THE EXPROPRIATED FROM THE END OF THE FIFTEENTH CENTURY ONWARDS

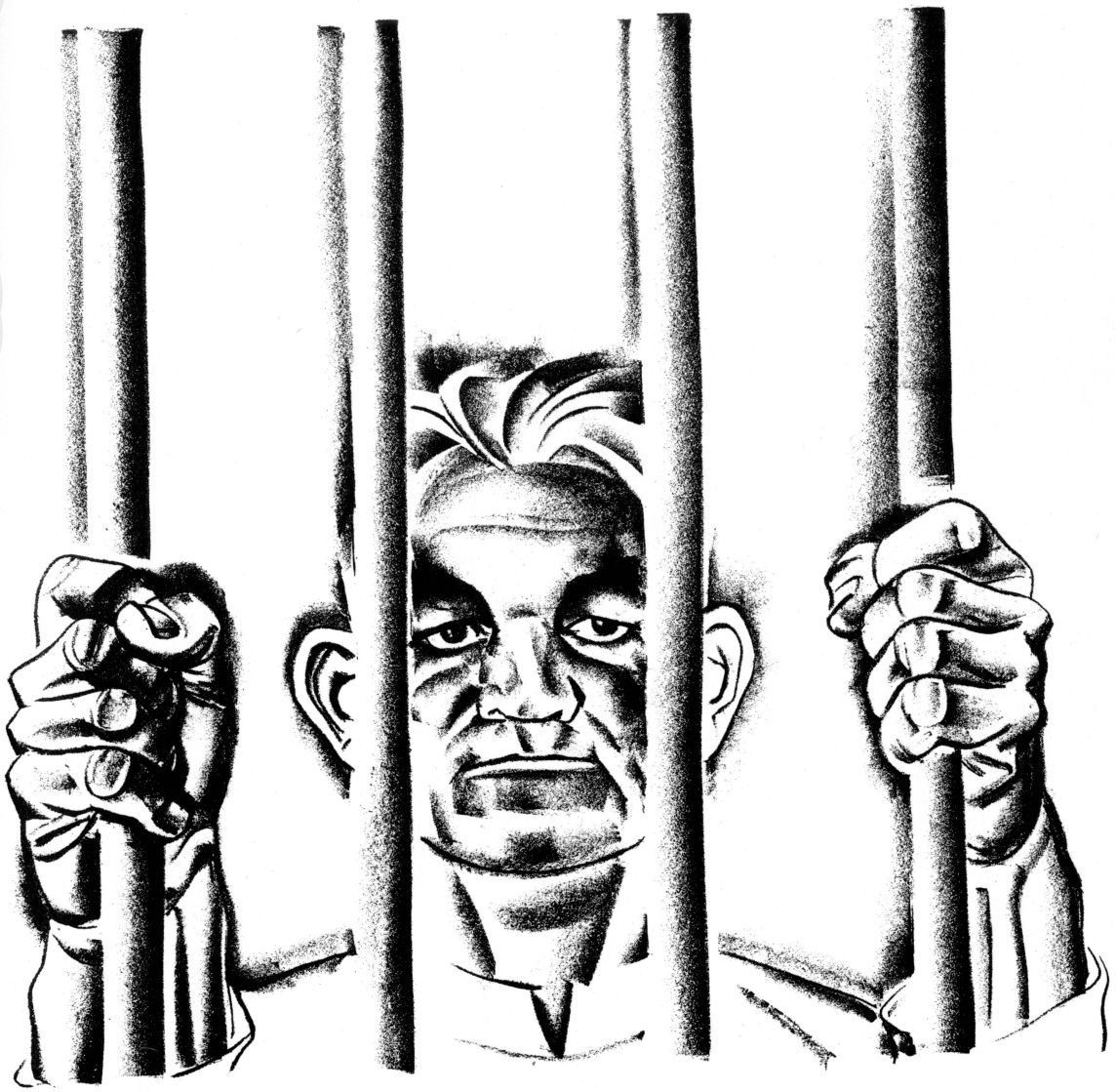
ACTS OF PARLIAMENT TO FORCE DOWN WAGES

It does not suffice that the conditions rendering labor possible shall be concentrated at one pole of society in the shape of capital, while at the other pole are grouped masses of persons who have nothing to sell but their labor power. It does not suffice that these masses shall be forced to sell themselves "voluntarily". *In the course of capitalist production, there comes into existence a working class which, by education, tradition, and custom, is induced to regard the demands of this method of production as self-evident laws of nature. The organization of the fully developed capitalist process of production breaks down all resistance.* The continuous formation of a relative surplus population keeps the law of the supply and demand of labor, and therefore the wages of labor, in a rut which is accordant with capital's need for self-expansion. Finally, the daily compulsion of economic relations completes the subjugation of the worker to the capitalist. The direct use of force, apart from economic conditions, goes on, of course, from time to time, but has now become exceptional. In the ordinary course of events, the worker can be left to the "natural laws of production", this meaning that he can be left to his dependence on capital—a dependence arising out of, and guaranteed in perpetuity by, the conditions of production themselves. It is otherwise in the early days of capitalist production. Then the rising bourgeoisie needs and uses the State authority to "regulate" wages, to restrict them within the limits suitable for the making of surplus value, to lengthen the working day, and to keep the worker in a proper condition of dependence. This is an essential element of what is termed primary accumulation.

The class of wage workers, which came into existence during the latter half of the fourteenth century, formed at that time and during the next century only a very small part of the population, a part whose position was safeguarded by the existence of independent peasant agriculture in the rural districts, and by that of the craft guilds in the towns. Neither in the towns nor in the countryside was there a marked social difference between master and man. The subordination of labor to capital was purely formal, this meaning that the method of production had not yet assumed a specifically capitalist character. The variable element of capital predominated greatly over the constant element. The demand for wage labor, therefore, grew quickly whenever accumulation of capital occurred, whereas the supply of wage labor grew but slowly to satisfy this demand. A considerable proportion of the national product, which at a later date became transformed into the fund for capitalist accumulation, still passed, in those early days, into the fund for the consumption of the workers.

Legislation concerning wage labor, primarily designed to favor the exploitation of the worker, and, as time passed, remaining invariably hostile towards him, was inaugurated in England by the Statute of Laborers passed in 1349, during the reign of Edward III. . . .

The Statute of Laborers was passed at the urgent instance of the House of Commons. A tory writer says naively: "Formerly the poor demanded such high wages as to threaten industry and wealth. Next, their wages are so low as to threaten industry and wealth equally, and perhaps more, but in another way." *A tariff of wages was fixed by law* for town and country, for piece-work and day-work. Agricultural laborers were to hire themselves out by the year; urban workers were to make their arrangements "in open market". *It was forbidden under pain of imprisonment to pay higher wages than those prescribed by statute, and the acceptance of higher wages was punished still more severely.* [So also in Sections 18 and 19 of the Statute of Apprentices passed in the reign of Elizabeth, ten days' imprisonment is to be the punishment of one who pays higher wages, but twenty-one days of one who receives them.] *By the statute of 1360, the penalties were increased, and the master was actually empowered to force wages down to the legal limit by the infliction of corporal punishment. All combinations, agreements, oaths, etc., by which masons and carpenters respectively bound themselves, were declared null and void. From the fourteenth century till well on into the nineteenth, combination among the workers was treated as a heinous crime. . . . The spirit of the Statute of Laborers passed in 1349 and that of succeeding enactments of the same kind is clearly shown by the fact that, whereas a maximum of wages was prescribed, there was absolutely no mention of a minimum.*



PRIMARY ACCUMULATION

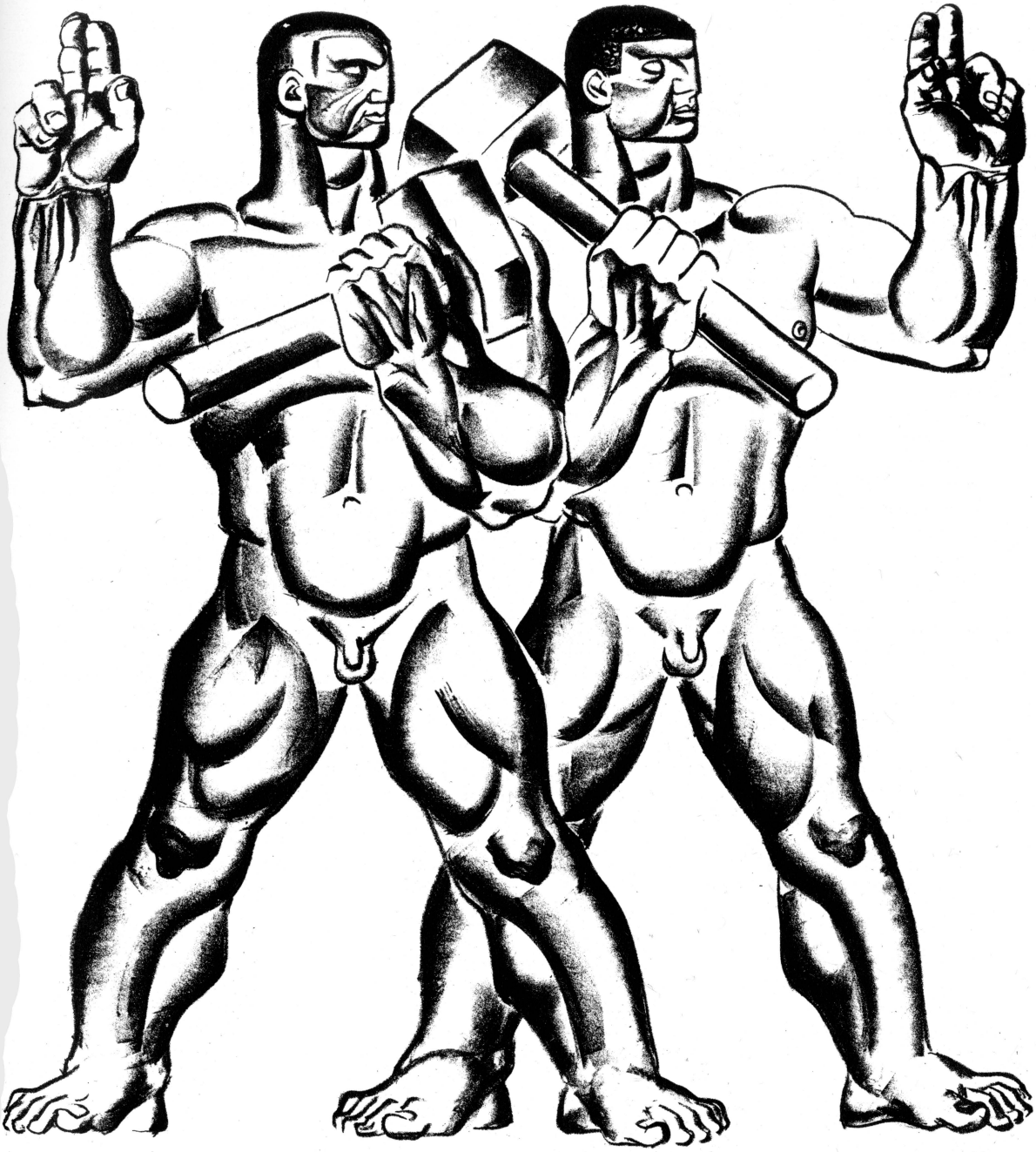
SAVAGE LEGISLATION AGAINST THE EXPROPRIATED FROM THE END OF THE FIFTEENTH CENTURY ONWARDS

ACTS OF PARLIAMENT TO FORCE DOWN WAGES

By the sixteenth century the position of the workers had become much worse than in the fourteenth. Money wages had risen, but not proportionally to the depreciation of the currency and the corresponding rise in the prices of commodities. Real wages, therefore, had fallen. Nevertheless the laws for keeping wages down remained in force, together with the prescription of ear-clipping and branding for those "whom no one is willing to take into service". By chapter 3 of the Statute of Apprentices, passed in the fifth year of Elizabeth, justices of the peace had been empowered to fix wages and to modify them according to the season of the year and the price of commodities. Under James I these labor regulations were extended to weavers, spinners, and workers of all kinds. In the reign of George II the laws against combinations of workers were made applicable to all manufactures.

In the manufacturing period, properly so-called, the capitalist method of production had made so much headway that legal regulation of wages had become impracticable and superfluous; still, it was thought advisable to keep the old weapons in the arsenal for use should necessity arise. . . . How completely circumstances had changed meanwhile is shown by something quite unprecedented that happened in the Lower House. Although for more than four hundred years that assembly had been passing laws prescribing a maximum beyond which wages must on no account rise, we now find, in 1796, Whitbread advocating the legal fixation of a minimum wage for agricultural workers. . . . At length, in 1813, the laws for the regulation of wages were repealed. They had become a ridiculous anomaly now that the capitalists ruled their factories by private legislation; and now that, through the instrumentality of the poor rate, the wages of the landworkers were supplemented to reach an indispensable minimum. The provisions of the labor statutes regarding contracts between masters and wage workers, concerning notice and the like, which allow a worker to bring proceedings in a civil court only when a master breaks his contract, while permitting criminal proceedings to be taken against a worker who does the same thing, are in force.

The barbarous laws against combination were abolished in 1825, thanks to the threatening attitude of the proletariat. Nevertheless, the abolition was incomplete. . . . At length parliament, by the Act of June 29, 1871, made a pretense of removing the last traces of this class legislation by the legal recognition of trade unions. But an Act of the same date, entitled An Act to Amend the Criminal Law relating to Violence, Threats, and Molestation, substantially reestablished the old state of affairs in a new form. By this parliamentary sleight of hand, the means available to the workers during a strike or a lock-out were withdrawn from the field of the laws applying to citizens in general, and subjected to exceptional penal legislation, the interpretation of which was placed in the hands of the factory owners, in their capacity of justices of the peace. . . . *We see that only with reluctance, and under pressure from the masses, did the English parliament repeal the laws against strikes and trade unions, after having for five centuries, with unblushing selfishness, itself played the part of a permanent trade union of capitalists directed against the workers.* . . .



PRIMARY ACCUMULATION

ORIGIN OF THE CAPITALIST FARMER

REPERCUSSION OF THE AGRARIAN REVOLUTION ON INDUSTRY

CREATION OF THE HOME MARKET FOR INDUSTRIAL CAPITAL

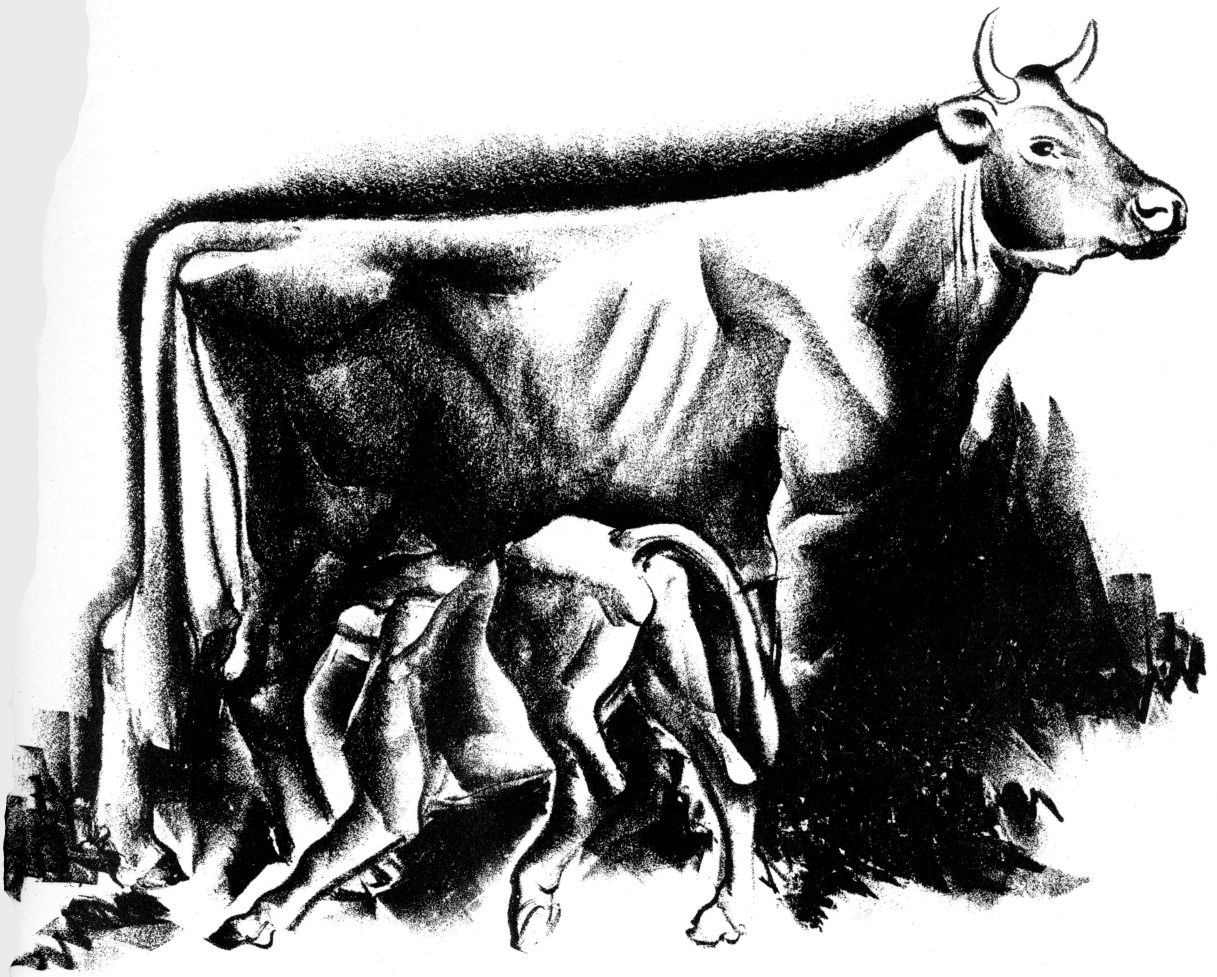
Now that we have recorded the forcible means by which masterless proletarians were created, have studied the barbarous discipline which transformed them into wage workers, have taken note of the disgraceful activities on the part of the State which turned its policemen to account in order to increase the accumulation of capital by increasing the degree of exploitation of labor, we can return to the question, whence the capital originally came. The expropriation of the rural population, as far as its direct effects are concerned, could only create great landowners. But the origin of the capitalist farmer is a matter upon which we can, so to say, put our fingers, for it was a slow process, continuing through many centuries. The serfs, like the free petty proprietors, held land under varying tenures, and were therefore emancipated under multiform economic conditions. . . .

As long as, during the fifteenth century, the independent peasant, and the farm laborer who worked part of his time on his own account, were able to enrich themselves by their own labor, the circumstances of the farmer remained mediocre, and his field of production was restricted. But the agricultural revolution during the last third of the fifteenth century and the greater part of the sixteenth century enriched the farmer as rapidly as it impoverished the mass of the rural population. The usurpation of the common lands, etc., enabled him to effect a notable augmentation of his stock of cattle almost without cost, and the cattle provided him with abundant manure for the enrichment of his arable land.

In the sixteenth century a decisive factor was super-added. In those days farming leases were made for long terms, often for ninety-nine years. The continued fall in the value of the precious metals, and therefore in the value of money, bore golden fruit for the farmer. The depreciation of the currency reinforced the before-mentioned causes of a fall in wages. Part of what had been wages, therefore, now came to supplement the profits of the farm. The persistent rise in the price of grain, wool, meat, and, in a word, all agricultural produce, increased the money capital of the farmer without any action on his part, while the rent he had to pay, being measured in depreciated currency, steadily fell. Thus the farmer was enriched at the expense alike of his laborers and his landlord. No wonder, therefore, that, at the close of the sixteenth century, England had a class of "capitalist farmers", men who were wealthy, as wealth was figured in those days.

. . . Although the number of the tillers of the soil was decreased, the land produced as much fruit as before, or even more, for the revolution in property relations was accompanied by improved methods of cultivation, by more cooperation, by more concentration of the means of production, and so on; and also because the agricultural laborers were not only spurred on to more intensive work, but were also to an ever increasing extent deprived of the field of production in which they could work on their own account. *When, therefore, part of the rural population was set free from the land, the means of subsistence with which they had been nourished as landworkers were likewise set free.* Such means of subsistence were transformed into the material elements of variable capital. *The peasant, expropriated and cast adrift, had to buy the value of these means, in the form of wages, from his new master, the industrial capitalist.* As had happened with the means of subsistence, so did it happen with the raw materials that were agricultural means of production. These were transformed into an element of constant capital.

. . . The spindles and the looms, which formerly were distributed all over the countryside, are now assembled in a few large working barracks, and there likewise are the workers and the raw material assembled. Thenceforward, spindles and looms and raw material, which of yore were means of independent existence for spinners and weavers, are transformed into means for controlling these spinners and weavers, and for extracting unpaid labor from them.



REPERCUSSION OF THE AGRARIAN REVOLUTION ON INDUSTRY
CREATION OF THE HOME MARKET FOR INDUSTRIAL CAPITAL

It is not obvious on the face of the matter that the great manufactories, any more than it is obvious that the great farms, have been compacted out of a very large number of lesser foci of production and that they owe their existence to the expropriation of many small independent producers. Yet no unprejudiced observer can fail to recognize the fact. In the days of Mirabeau, the lion of the revolution, the great manufactories still passed by the name of "manufactures réunies", united workshops—just as we speak of fields thrown into one. Says Mirabeau: "People pay attention only to the great manufactories, where hundreds of persons work under one manager, these being commonly spoken of as united manufactories. Those, on the other hand, where a great many workers labor separately, each on his own account, are hardly thought worth considering; they are put quite in the background. This is a great mistake, for it is only these which constitute a really important constituent of national wealth. . . . The united workshop will provide immense wealth for one or two entrepreneurs; but the workers are only wage earners, better paid or worse, and do not share in the least in the entrepreneurs' prosperity. In the separate workshop, on the other hand, no one grows rich, but a great number of workers enjoy a measure of prosperity. . . . The number of diligent and thrifty workers will increase, because they will see in good behavior, in activity, a means for effecting a notable improvement in their position, instead of merely securing a moderate increase in wages, which can never be an important consideration for the future, seeing that it merely enables people to live somewhat more commodiously but still from hand to mouth. . . . Separate individual manufactories, combined, for the most part, with tilling of the soil, are the free ones." The expropriation and eviction of part of the countryfolk not merely "set free" the workers for the uses of industrial capital, together with their means of subsistence and the materials of their labor, but also creates the home market.

In fact, *the events that transform the petty peasants into wage workers, and transform their means of subsistence and the materials of their labor into the material elements of capital, create at the same time a home market for the capitalists. In former days the peasant family produced and elaborated the means of subsistence and the raw materials, most of which the same persons subsequently consumed. These raw materials and means of subsistence have now become commodities. The large-scale farmer sells them, finding his market in the manufactories.* Yarn, linen, coarse woolen stuffs—things whose raw materials used to be within reach of every peasant family, things that were spun and woven by peasants for their own use—are now transformed into articles of manufacture, the market for which is in these same country districts. The many scattered customers, who had hitherto been served by a number of small independent producers, have been concentrated into one great market supplied by industrial capital. "*Twenty pounds of wool converted unobtrusively into the yearly clothing of a laborer's family (by its own industry in the intervals of other work)—this makes no show; but bring it to market, send it to the factory, thence to the broker, thence to the dealer, and you will have great commercial operations, and nominal capital engaged to the amount of twenty times its value. The working class is thus amerced to support a wretched factory population, a parasitical shopkeeping class, and a fictitious, commercial, monetary and financial system.*" Thus hand-in-hand with the expropriation of those who in former days were independent peasants, working on their own account and with the divorce of these from their means of production, goes the annihilation of rural subsidiary industries, the divorce of manufacture from agriculture. Moreover, nothing but the destruction of rural domestic industry can provide for the home market of a country the extension and the stability requisite for the capitalist method of production.

Nevertheless, the manufacturing period, properly so-called, does not bring about a thoroughgoing transformation of the kind. It will be remembered that manufacture succeeded in mastering national production only here and there, and that behind it there was always a broad background of handicraft production in the towns and of subsidiary home industry in the rural districts. . . . Not until large-scale industry, based on machinery, comes, does there arise a permanent foundation for capitalist agriculture. Then the enormous majority of the rural population is fully expropriated; and therewith is completed the divorce between agriculture and rural domestic industry (whose roots, spinning and weaving, are torn up by the new system). Modern industry, therefore, for the first time succeeds in effecting, on behalf of industrial capital, the conquest of the whole of the home market.



PRIMARY ACCUMULATION

ORIGIN OF THE INDUSTRIAL CAPITALIST

The origin of the industrial capitalist was a less gradual affair than that of the farmer. Doubtless many small guild masters, and yet more independent petty artisans or even wage workers, developed into small capitalists; and later, by gradually extending the scale of the exploitation of wage labor, and thus extending accumulation, some of them developed into full-blown capitalists. In the infancy of capitalist production matters often took much the same course as during the early growth of the medieval town system, when the question which of the runaway serfs should become masters and which should become servants was to a great extent decided by the earlier or later date of their flight. The snail's pace of this method was by no means accordant with the commercial requirements of the new world market created by the great geographical discoveries at the end of the fifteenth century. But the Middle Ages had handed down two distinct forms of capital, ripening under extremely different socio-economic auspices, and which, prior to the era when the capitalist method of production became established, ranked as "capital" without qualification. I refer to usurers, capital and merchants' capital.

"*At present all the wealth of society goes first into the possession of the capitalist.* . . . He pays the landowner his rent, the laborer his wages, the tax and the tithe gatherer their claims, and keeps a large, indeed the largest, and a continually augmenting share of the annual produce of labor 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 lawgivers of Europe endeavor to prevent this by statutes, viz., statutes against usury. . . . *The power of the capitalist over all the wealth of the country is a complete change in the right of property, and by what law, or series of laws, was it effected?*" *The writer would have done well to remember that revolutions are not made by laws.*

In the country districts, the feudal structure of society—and in the towns, the guild organization—hindered the transformation of money capital into industrial capital,—the transformation of the money capital that had been formed by means of usury and commerce. These hindrances vanished when feudal society was dissolved, when the bands of retainers were broken up, when the countryfolk were expropriated and in part driven off the land. The new manufactures were inaugurated in seaports, or else in parts of the countryside where the old urban system did not prevail, and where the guilds (which were a part of that system) had no say. In England, therefore, there was a fierce struggle between the corporate towns and these new industrial nurseries.

The discoveries of gold and silver in America; the extirpation of the natives, in some instances, their enslavement or their entombment in the mines, in others; the beginning of the conquest and looting of the East Indies; the transformation of Africa into a precinct for the supply of the negroes who were the raw material of the slave trade—these were the incidents that characterized the rosy dawn of the era of capitalist production. These were the idyllic processes that formed the chief factors of primary accumulation. Hard upon their heels came the commercial war between the European nations, fought over the whole surface of the globe. It was begun when the Netherlands broke away from Spain; it assumed gigantic proportions in England's anti-Jacobin war; and it found a recent sequel in the opium wars against China.

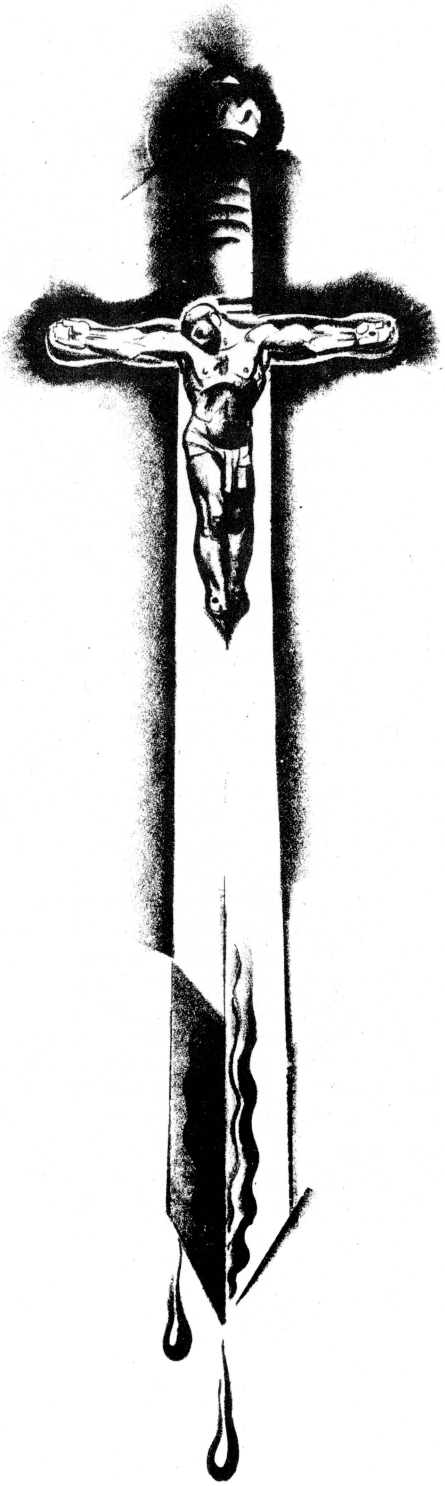
The various factors of primary accumulation may be classified more or less chronologically, and with special reference to certain countries, such as Spain, Portugal, Holland, France, and England. In the last named, at the end of the seventeenth century, they were systematically assembled in the colonial system, the national debt system, the modern system of taxation, and the modern system of production. To some extent they rested upon brute force, as, for instance, in the colonial system. One and all, they relied upon the power of the State, upon the concentrated and organized force of society, in order to stimulate the transformation of feudal production into capitalist production, and in order to shorten the period of transition. *Force is the midwife of every old society pregnant with a new one. It is itself an economic power.*



Writing of the Christian colonial system, W. Howitt, who makes a speciality of Christianity, says: "*The barbarities and 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.*" The history of the colonial administration of Holland, the model capitalist nation during the seventeenth century, "is one of the most extraordinary relations of treachery, bribery, massacre, and meanness". Especially characteristic was the system of kidnapping practiced at Celebes in order to secure slaves for use in Java. The kidnappers were carefully trained for the purpose. The chief agents in this nefarious trade were the actual thief, the interpreter, and the seller; the main purchasers were the native princes. The young people who were kidnapped were kept in the dungeons of Celebes until they were ready to be sent to the slave ships. According to an official report: "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." Wishing to get possession of Malacca, the Dutch bribed the Portuguese governor of the town, promising to pay him the sum of £21,875 as the price of his treason. When he admitted them within the walls, in the year 1641, as per bargain, they hastened to his house and assassinated him, wishing to "abstain" from payment. Wherever they set foot, devastation and depopulation followed. In 1750, the population of Banjuwangi, a province in Java, was 80,000; by 1811, it had been reduced to 8000. Such are the sweets of commerce!

The English East India Company, as is well known, was not only politically supreme in India, but had an exclusive monopoly of the tea trade, as of the China trade generally, and of the transport of goods to and from Europe. But the coasting trade of India and among the islands, and also the internal trade of India, were a monopoly of the higher officials of the company. The monopolies of salt, opium, betel, and other wares, were inexhaustible mines of wealth. The officials fixed the prices at their own sweet will, and fleeced the unhappy Hindus unmercifully. The governor-general took part in this private traffic. His favorites received contracts under conditions which enabled them, since they were cleverer than the alchemists, to make gold out of nothing. Great fortunes sprang up like mushrooms, primary accumulation going ahead without the original output of so much as a shilling. The report of the impeachment of Warren Hastings is peppered with instances. Here is one. A contract for opium was given to a certain Sullivan when he was just setting out on an official mission to a part of India remote from the districts where opium was grown. He therefore sold his contract to a man named Binn for £40,000. The same day, Binn resold the contract for £60,000. The second buyer, who actually carried out the contract, deposed that he had made vast profits. According to a list laid before parliament, the company and its employees received £6,000,000 from the natives of India as gifts between 1757 and 1766. In the years 1769 and 1770, the English brought about a famine by buying up all the rice and by refusing to sell it again except at fabulous prices.

The treatment of the aborigines was, naturally, worst in the plantations which were intended to serve only for export trade, such as the West Indies; and in rich and well populated countries, such as Mexico and India, which were delivered over to plunder. But even in the colonies properly so-called, primary accumulation was true to its Christian character. *In 1703, the Puritans of New England, sober virtuosi of Protestantism, by a decree of their assembly, set a premium of £40 upon every Indian scalp and every captured redskin. In 1720, £100 was offered for every scalp. In 1744, when Massachusetts Bay denounced a particular tribe as rebels, the following prices were offered: "For a scalp taken from a male of twelve years and upwards, £100 new currency; for a male prisoner, £105; for females and children taken prisoner, £50; for the scalps of squaws and children, £50." A few decades later, the colonial system took vengeance on the offspring of the pious Pilgrim Fathers, who had now revolted against the land of their origin. At English instigation, they were tomahawked by mercenaries in English pay. The British parliament declared bloodhounds and scalping to be "means that God and nature has given into our hand".*



Under the influence of the colonial system commerce and navigation ripened like hothouse fruit. Chartered companies were powerful instruments in promoting the concentration of capital. The colonies provided a market for the rising manufactures, and the monopoly of this market intensified accumulation. The treasures obtained outside Europe by direct looting, enslavement, and murder, flowed to the motherland in streams, and were there turned into capital. Holland, the first country to develop the colonial system to the full, had attained the climax of its commercial greatness as early as the year 1648. It was "in almost exclusive possession of the East India trade and the commerce between the south-east and the north-west of Europe. Its fisheries, its mercantile marine, and its manufactures, surpassed those of any other country. The total capital of the republic probably exceeded that of all the rest of Europe put together." Gülich forgets to add that by 1648 the common folk of Holland were more overworked, more impoverished, 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, on the other hand, it was commercial supremacy which implied industrial supremacy. Hence the preponderant role of the colonial system in those days. That system was a "strange god" who had mounted the altar cheek by jowl with the old gods of Europe, and who, one fine day, with a shove and a kick, swept them all into the dustbin. *The new god proclaimed the making of surplus value to be the sole end and aim of mankind.*

The system of public credit (this meaning the system of national debts), whose early beginnings can be traced in Genoa and Venice before the close of the Middle Ages, spread all over Europe during the manufacturing period. The colonial system, with its seaborn commerce and its trading wars, served as a forcing house. That was why the credit system first struck firm roots in Holland. *National debt (i.e. the sale of the State, whether despotic, constitutional, or republican) gives the capitalist era its characteristic stamp. The only part of the so-called national wealth that actually enters into the collective possession of modern peoples is—their national debt.* Hence, logically enough, the modern doctrine that a nation grows richer the more deeply it is in debt. Public credit becomes the credo of capital. With the rise of the system of national debt, want of faith in this institution comes to be regarded as the unpardonable sin, the sin against the Holy Ghost.

The public debt becomes one of the most powerful stimuli of primary accumulation. With the wave of an enchanter's wand, "the funds" endow barren money with the power of reproduction, thus transforming it into capital, and this without the risk and the trouble inseparable from its investment in industrial undertakings, and even from putting it out upon usury. The creditors of the State, in actual fact, surrender nothing, for the money that they lend is transformed into public bonds, easily negotiable, bonds which for practical purposes can serve as so much hard cash. Furthermore, *the system of national debt has not merely produced,* by these means, *a class of idle bondholders; has not merely brought into being the improvised wealth of financiers who play the part of middlemen between the government and the nation;* has not merely originated the tax farmers, the merchants, and the private manufacturers, to whom a goodly share of every national loan accrues as capital fallen from heaven. *In addition, it has given rise to joint-stock companies, to dealings in negotiable securities of all kinds, to stock-jobbing—in a word, to gambling on the stock exchange and to the modern bankocracy.*

From the first, the great banks, decorated with national titles, were merely associations of private speculators, who took up their stand by the side of governments, and, thanks to the priveleges they received, were in a position to advance money to the State. Hence the accumulation of the national debt has no more infallible index than the successive rises in the stock of these banks, whose full development dates from the foundation of the Bank of England in 1694.



The Bank of England began by lending its money to the government at 8%. At the same time it was empowered by parliament to coin money out of this identical capital, by lending it again to the public in the form of banknotes. It was allowed to use these notes for discounting bills, making advances on commodities, and buying the precious metals. Ere long this credit money of its own manufacture became the medium in which the Bank of England made loans to the State and paid, on behalf of the State, the interest on the national debt. Nor was it enough that it should thus give with one hand in order to take back with the other, and taking more than it had given. In addition, while thus receiving, it remained the everlasting creditor of the nation, down to the uttermost farthing. By degrees it inevitably became the keeper of all the gold and silver of the country, and the center of gravity of all the commercial credit. At about the date when the English people gave up the practice of burning witches, they began to hang the forgers of banknotes. . . .

Concurrently with the appearance of the various national debts, there arose an international credit system which often served to hide one of the sources of primary accumulation in this nation or in that. Thus the villanies of the Venetian system of spoliation were a hidden source of the capital wealth of Holland, inasmuch as decaying Venice lent large sums of money to the Dutch. There were similar relations between Holland and England. As early as the beginning of the eighteenth century, the manufactures of Holland had been greatly outstripped by her chief competitor, and she had ceased to be a leading commercial and industrial nation. From 1701 to 1776, therefore, one of the main lines of Dutch business was the lending out of enormous amounts of capital, especially to England, the great rival. The same thing is going on to-day in the relations between England and the United States. *A great deal of capital which makes its appearance in the United States without any birth certificate was yesterday in England the capitalized blood of children.*

Since the national debt is buttressed by the public revenue, which must provide whatever sums are needed for the annual payment of interest, etc., the modern system of taxation is a necessary supplement to the system of national loans. The loans enable the government to defray extraordinary expenditures without, for the moment, imposing fresh burdens on the taxpayers; but in the end, higher taxes have to be paid in return for this advantage. On the other hand, the increase in taxation due to the accumulation of the debts that are contracted one after another, makes it necessary for the government to have recourse again and again to fresh loans in order to defray new extraordinary expenses. The modern fiscal system, whose pivot is formed by taxes on the necessaries of life (of course making these dearer), therefore bears within itself the germs of an automatic progression. Excessive taxation is now not so much an incident as a principle. In Holland, where this system was first inaugurated, the noted patriot De Witt extolled it in his *Maxims* as the best system for making the wage earner submissive, frugal, diligent, and—overburdened with labor. Here, however, we are not so much concerned with the disastrous influence which excessive taxation has upon the position of the wage earner, as upon the way in which it leads to the forcible expropriation of peasants, handicraftsmen, in a word, all the members of the lower middle class. . . .

The expropriative efficacy of excessive taxation is intensified by the protective system, an integral part thereof.

The protective system was an artifice for the making of factory owners, for the expropriation of independent workers, for the capitalization of the national means of production and the national means of subsistence, for forcibly shortening the transition from the medieval to the modern system of production. The various States of Europe scrambled for the patent of this discovery. As soon as they had entered the service of the makers of surplus value, they were not content to fleece their own people, indirectly by protective tariffs, directly by premiums upon export, and the like. In dependent neighboring countries, industry was forcibly uprooted, as, for example, happened to the woolen manufacture of Ireland under English rule. . . .



The colonial system, national debt, the heavy burden of taxation, protection, commercial wars, and so on—these offspring of the manufacturing period properly so-called—grew luxuriantly during the childhood of large-scale industry. The birth of the latter was celebrated by a massacre of the innocents; or by its counterpart, a systematic kidnapping of children. . . .

"In the counties of Derbyshire, Nottinghamshire, and more particularly in Lancashire, 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, camparatively 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 seven to the age of thirteen or fourteen years old. . . . Cruelties the most heart-rending were practiced upon the unoffending and friendless creatures who were thus consigned to the charge of master manufacturers; they were harassed to the brink of death by excess of labor, . . . 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. . . in some instances . . . were even 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. . . ."

With the development of capitalist produ tion in the manufacturing period, the public opinion of Europe had lost the last vestiges of shame and conscience. The nations bragged cynically of every infamy which could serve as a means for the accumulation of capital. Read, for instance, the naive commercial annals of the worthy A. Anderson. Here we find trumpeted forth as a triumph of English statecraft that, when the peace of Utrecht was signed, *England, by the Asiento treaty, extorted from the Spaniards the privilege of carrying on the slave trade, hitherto confined, as far as the English were concerned, to a traffic between the African coast and the English West Indies, between Africa and Spanish America as well. England acquired the monopoly right of supplying Spanish America with 4800 negroes every year until 1743. Simultaneously, this served as an official cover for British smuggling. It was upon the foundation of the slave trade that Liverpool became a great city, for there the slave trade was the method of primary accumulation.* Almost down to our own day, there have been "respectable" citizens of Liverpool ready to write enthusiastically about the slave trade. See, for instance, Dr. Aikin's already quoted work, written in 1795, where he speaks of "that spirit of bold adventure which has characterized 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." In the year 1730, Liverpool had 15 bottoms employed in the slave trade; in 1751, there were 53; in 1760, there were 74; in 1770, there were 96; and in 1792, there were 132.

The cotton industry, while introducing child slavery into England, gave at the same time an impetus towards the transformation of the slave system of the United States, which had hitherto been a more or less patriarchal one, into a commercial system of exploitation. Speaking generally, the veiled slavery of the European wage earners became the pedestal of unqualified slavery in the New World.

So much pains did it cost to establish the "eternal natural laws" of the capitalist method of production, to complete the divorce of the workers from the means of labor, to transform at one pole the social means of production and the social means of subsistence into capital, while transforming at the other pole the masses of the population into wage workers, into free "laboring poor", that artificial product of modern history. *As Augier said, money "comes into the world with a birthmark on the cheek"; it is no less true that capital comes into the world soiled with mire from top to toe, and oozing blood from every pore.*



PRIMARY ACCUMULATION

HISTORICAL TENDENCY OF CAPITALIST ACCUMULATION

What does the primary accumulation of capital, its historical origin, amount to? In so far as it is not the direct transformation of slaves and serfs into wage earners (a mere change of form), it means only the expropriation of the immediate producers, that is to say, the dissolution of private property based upon the labor of its owner.

Private property, as contrasted with social or collective property, exists only where the means of labor and the external conditions of labor belong to private individuals. But the character of private property differs according as the private individuals are workers or non-workers. The innumerable shades which, at first sight, seem to be exhibited by private property, are merely reflections of the intermediate stages which lie between these two extremes.

The worker's private ownership of the means of production is the basis of petty industry; and petty industry is an indispensable condition for the development of social production and of the free individuality of the worker. Of course, this petty method of production is also found within the slaveholding system, within the system of serfdom, and within other dependent relationships. But it flourishes, manifests its full energy, assumes its adequate and classical form, only where the worker is the free private owner of the means of labor which he uses; only when the peasant owns the land he tills, and when the handicraftsman owns the tools which he handles as a virtuoso.

This mode of production presupposes a parcelling-out of the soil, a scattered ownership of the instruments of production. Just as it excludes the concentration of these means into a few hands, so does it exclude cooperation, the division of labor within the process of production, the social mastery and regulation of the forces of nature, the free development of the social energies of production. . . . The desire to perpetuate the existence of such limits would be, as Pecqueur has rightly said: "a decree for the perpetuation of universal mediocrity". At a certain level of development this method of production brings into the world material means which will effect its own destruction. Thenceforward there stir within the womb of society forces and passions which feel this method of production to be a fetter. It must be destroyed, it is destroyed. Its destruction, the transformation of the individual and scattered means of production into socially concentrated means of production, the transformation of the pygmy property of the many into the titan property of the few, the expropriation of the great masses of the people from the land, from the means of subsistence, and from the instruments of labor—this terrible and grievous expropriation of the populace—comprises the prelude to the history of capital. . . .

As soon as this process of transformation has sufficiently disintegrated the old society, has decomposed it through and through; *as soon as the workers have been metamorphosed into proletarians, and their working conditions into capital; as soon as the capitalist method of production can stand upon its own feet—then the further socialization of labor and the further transformation of the land and of the other means of production into socially utilized (that is to say, communal) means of production, which implies the further expropriation of private owners, takes on a new form. What has now to be expropriated, is no longer the laborer working on his own account, but the capitalist who exploits many laborers.*

This expropriation is brought about by the operation of immanent laws of capitalist production, by the centralization of capital. One capitalist lays a number of his fellow capitalists low. Hand-in-hand with such centralization, concomitantly with the expropriation of many capitalists by a few, the cooperative form of the labor process develops to an ever-increasing degree; therewith we find a growing tendency towards the purposive application of science to the improvement of technique; the land is more methodically cultivated; the instruments of labor tend to assume forms which are utilizable only by combined effort; the means of production are economized through being turned to account only by joint (by social) labor. All the peoples of the world are enmeshed in the net of the world market, and therefore the capitalist regime tends more and more to assume an international character. *While there is thus a progressive diminution in the number of the capitalist magnates (who usurp and monopolize all the advantages of this transformative process), there occurs a corresponding increase in the mass of poverty, oppression, enslavement, degeneration, and exploitation; but at the same time there is a steady intensification of the wrath of the working class—a class which grows ever more numerous, and is disciplined, unified, and organized by the very mechanism of the capitalist method of production. . . .*



COMMODITIES

THE TWO FACTORS OF A COMMODITY: USE-VALUE AND VALUE (SUBSTANCE OF VALUE, MAGNITUDE OF VALUE)

The wealth of societies in which the capitalist method of production prevails, takes the form of "an immense accumulation of commodities", wherein individual commodities are the elementary units. . . .

A *commodity* is primarily an external object, a thing whose qualities enable it, in one way or another, to satisfy some human want. The nature of these wants, whether for instance they arise in the stomach or in the imagination, does not affect the matter. . . .

Every useful object, such as iron, paper, etc., must be regarded from a twofold viewpoint, that of quality and that of quantity. . . .

The utility of a thing makes it a use-value. But this utility is not a thing apart. Being determined by the properties of the commodity, it does not exist without them. The commodity itself, such as iron, wheat, a diamond, etc., is therefore a use-value or a good. . . . Use-value is realized only in use or consumption. Use-values comprise the substance of wealth, whatever its social form may be. In the form of society we are about to examine, they constitute likewise the material depositories of exchange-values.

Exchange-value presents itself primarily as a quantitative ratio, the proportion, in which use-values of one kind are exchanged for use-values of another kind, a ratio continually varying in time and place. Exchange-value thus seems to be something fortuitous and purely relative, and an exchange-value immanent in commodities (intrinsic value) would consequently appear to be a contradiction in terms. . . .

The obvious characteristic of the exchange ratio between commodities is precisely this, that their use-values are not considered. From this viewpoint one use-value is just as good as another, if there be enough of it. . . . A hundred pounds' worth of lead or iron is of as great value as one hundred pounds' worth of silver and gold." Regarded as use-values, commodities are, above all, of different quality; regarded as exchange-values, they can merely differ in quantity, for from this point of view they have no use-value at all.

When the use-values of commodities are left out of consideration there remains but one property common to them all, that of being products of labor. But even the product of labor has already undergone a change in our hands. If, by our process of abstraction, we ignore its use-value, we ignore also the material constituents and forms which render it a use-value. It is no longer, to us, a table, or a house, or yarn, or any other useful thing. All the qualities whereby it affects our senses are annulled. It has ceased to be the product of the work of a joiner, a builder, a spinner; the outcome of some specific kind of productive labor. When the useful character of the labor products vanishes, the useful character of the labor embodied in them vanishes as well. The result is that the various concrete forms of that labor disappear too; they can no longer be distinguished one from another; they are one and all reduced to an identical kind of human labor, abstract human labor.

Let us now consider the residuum of labor products. Nothing is left of them but the before-mentioned unsubstantial entity, a mere jelly of undifferentiated human labor, this meaning the expenditure of human labor power irrespective of the method of expenditure. *All that now matters in the labor products is that human labor power has been expended in producing them, that human labor power is stored up in them.* As crystals of this social substance common to them all, they are values—commodity values.



COMMODITIES

THE TWO FACTORS OF A COMMODITY: USE-VALUE AND VALUE (SUBSTANCE OF VALUE, MAGNITUDE OF VALUE)

In the ratio of exchange between commodities, their exchange-value seemed to us something that was completely independent of their use-values. Ignoring the use-value of the labor products, we arrive at their value in the sense above defined. The common element disclosed in the exchange-ratio or exchange-value of the commodities is, in fact, their value. The course of our investigation will show that exchange-value is the necessary phenomenal form of value, the only form in which value can be expressed. For the present, however, we have to consider value in itself, independently of this mode of expression.

A use-value or a good [a useful good] has value solely because abstract human labor has been embodied or materialized in it. How are we to measure this value? In terms of the quantity of "value-creating" substance it contains—the quantity of labor. This is itself measured by its duration; and labor-time, in turn, is measured by hours, days, etc.

Now, if the value of a commodity be determined by the amount of labor expended in its production, it might seem at first glance as if the value would be greater in proportion as the worker who made it was lazier or more unskilled, because idleness or lack of skill would increase the time needed for production. But the labor which creates the substance of value is homogeneous human labor, the expenditure of a uniform labor power. . . .

Commodities which contain equal quantities of labor, or can be produced in equal periods of labor time, have therefore the same magnitude of value. The ratio between the respective values of two commodities is identical with the ratio between the periods of necessary labor-time occupied in their production. "*As values, commodities are nothing but particular masses of congealed labor-time.*"

The magnitude of value of a commodity would thus remain constant, if the labor time needed for its production were constant. But this latter changes with every change in the productivity of labor. The productivity of labor is determined by various circumstances, among which may be mentioned the worker's average skill, the development of scientific theory, the degree to which this theory is applicable in practice, the social organization of production, the supply and the efficiency of the means of production, and certain physical conditions. For example, a specified amount of labor will, in a favorable season, be represented by eight bushels of wheat and in an unfavorable season by four. . . .

A thing may be a use-value though it has no value. That is the case when its utility to mankind is not the outcome of labor. Instances are: air, virgin soil, prairie, primeval forest, etc. A thing may be useful and the product of human labor without being a commodity. He who satisfies his wants with the product of his own labor makes a use-value, but does not make a commodity. To produce commodities he must produce not use-values merely but use-values for others—social use-values. [Nor does it suffice to say that he produces "for others" without further qualification. The medieval peasant produced cense-corn for the seigneur and tithe-corn for the priest; but the fact that they were produced for others did not make commodities of cense-corn and tithe-corn. To become a commodity, a product must pass by way of *exchange* into the hands of another person for whom it is a use-value.] Finally, nothing can have value unless it has utility. If it is useless, the labor embodied in it has been useless; such labor cannot be counted as labor, and therefore cannot produce value.


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TWOFOLD CHARACTER OF THE LABOR EMBODIED IN COMMODITIES

We saw at the outset that a commodity is compounded of two things, use-value and exchage-value. Subsequently it became clear that labor, too, in so far as it finds expression in value, acquires characteristics differing from those of labor as the producer of use-values. I was the first to point out and discuss this twofold character of the labor embodied in commodities. Since it is upon this that the understanding of political economy turns, we must look into the matter more closely.

Let us take two commodities, such as a coat and ten yards of linen. The former, we will suppose, to be worth twice as much as the latter, so that, if ten yards of linen = W, the coat = 2 W.

Just as the coat and the linen are qualitatively different use-values, so are the forms of labor which respectively produce them (tailoring and weaving) qualitatively different. Were not the two things qualitatively different use-values, and therefore the products of qualitatively different forms of useful labor, they could not confront each other as commodities. Coats are not exchanged for coats, a use-value is not exchanged for another use-value of the same kind.

. . . But the existence of the coat, of the linen, of every constituent of material wealth (other than those freely provided by nature), must be brought about by a special, purposive, productive activity; one which adapts particular gifts of nature to particular human wants. *As creator of use-values, as useful labor, labor is a necessary condition of human existence, and one that is independent of the forms of human society; it is, through all the ages, a necessity imposed by nature itself, for without it there can be no interchange of materials between man and nature—in a word, no life.*

The use-values coat, linen, commodities in general, are compounded of two elements: matter and labor. . . . In the process of production, man can only work as nature works—by changing the forms of matter. Nay, more, in this work of changing the forms of matter he is continually aided by the forces of nature. We see, then, that labor is not the only source of the use-values it produces, is not the only source of material wealth. *As William Petty phrases it, while labor is the father of material wealth, the earth is its mother.*

Let us now pass from commodity regarded as an object possessing *utility*, to consider the *value* of the commodity.

In our example we assumed the coat to be worth twice as much as the linen. This, however, is merely a quantitative difference, which does not here concern us. Let us bear in mind, however, that, if a coat be worth twice as much as ten yards of linen, then twenty yards of linen will have the same magnitude of value as one coat. As values, coat and linen are of the same substance, are the objective expressions of one and the same kind of labor. Tailoring and weaving are, however, qualitatively different kinds of labor . . . and, though qualitatively different productive activities, are, both of them, productive expenditure of the human brain, muscle, nerve, hand, etc., and in this sense are both of them human labor. They are merely two different ways of expending human labor power . . . simple labor power, such as, on the average, the ordinary man, without any special development of faculty, is equipped with in his bodily organism. Simple average labor doubtless varies in character as between one country and another, and as between one cultural epoch and another; but in any given community it is a constant. Skilled labor counts only as intensified, or rather multiplied, simple labor, so that a smaller quantity of skilled labor is equal to a larger quantity of simple labor. Experience shows that skilled labor can always be reduced in this way to the terms of simple labor.



TWOFOLD CHARACTER OF THE LABOR EMBODIED IN COMMODITIES

Even though a commodity be the product of the most highly skilled labor, its value can be equated with that of the product of simple labor, so that it represents merely a definite amount of simple labor. . . . In what follows we shall, for simplicity's sake, regard every kind of labor power as simple labor power, thus saving ourselves the trouble of making the reduction.

When we consider coat and linen as values, we ignore differences in their use-values. In like manner, when we consider the labor embodied in these values, we ignore the differences in the kind of utility as between the two forms of useful labor, tailoring and weaving. . . .

Coat and linen, however, *are not merely values in a general sense; they are values of a definite magnitude. According to our primary assumption, the coat is worth twice as much as ten yards of linen. Whence does this difference in their values arise? It is due to the fact that the piece of ten yards of linen embodies only half as much labor as the coat. . . .*

Whereas, then, in respect of the use-value of a commodity, the labor embodied in it counts qualitatively only; in respect of the magnitude of its value, the labor counts only in a quantitative sense, after it has been reduced to human labor pure and simple. In the former case, we are concerned with the how and the why of the labor. In the latter case, we are concerned with the duration of the labor and must answer the question "How long?" Since the value of a commodity represents only the amount of labor which the commodity embodies, it follows that suitable proportions of various commodities will have values of equal magnitude.

. . . If one coat represents the labor of x days, two coats will represent the labor of 2 x days, and so on. Now let us suppose that the amount of labor needed for the production of a coat is doubled or halved. If it be doubled, one coat will now be worth twice as much as two coats were worth before; if it be halved, two coats will now be worth only as much as one coat was worth before. Yet in either case a coat does the same service as before, and the useful labor embodied in it is just as good as it had been before. What has changed is, the amount of labor expended in the production of a coat.

An increase in the quantity of use-value is an increase in material wealth. Two coats are more than one. Two coats serve to cover two men; one coat can cover only one man. Nevertheless, an increase in the amount of material wealth may take place while the magnitude of the value of this wealth falls. Such a contradictory movement is the outcome of the twofold character of labor. Productive power is, of course, in all cases the productive power of useful concrete labor; in actual fact it determines only the efficacy of purposive productive labor in a given space of time. Thus useful labor becomes a more abundant or a less abundant source of products, according as its productive power rises or falls. On the other hand, no change in productive power can, by itself, affect the labor that is embodied in value. Since the productive power appertains to the concrete useful form of labor, it cannot have any bearing on labor when labor is considered in the abstract, apart from its concretely useful form. In equal spaces of time, the same labor always generates equal magnitudes of value, however much of the productive power may vary. But in equal spaces of time, the same amount of labor generates varying amounts of use-value; more when productive power rises, less when it falls. The same change in productive power which increases the yield of labor, and therefore increases the amount of use-values it generates, diminishes the magnitude of the value of this increased total mass if it lessens the sum-total of the labor time necessary for its production. The converse is equally true.

On the one hand, *all human labor is, physiologically speaking, the expenditure of human labor power; and thus, as homogeneous or abstract human labor, it creates the value of commodities. On the other hand, all labor is the expenditure of human labor power in a special, purposive form; and thus, as concrete useful labor, it creates use-values.*



THE FORM OF VALUE, OR EXCHANGE-VALUE

. . . Every one knows this much, at least, that commodities have a value form common to them all, the money form. . . . We have to discover the origin of the money form. . . . The simplest value ratio is obviously the value ratio between one commodity and another commodity of a different kind —no matter what kind. The ratio between the respective values of two commodities thus gives us the simplest expression for the value of one of them.

. . . We say that 20 yards of linen "are worth" one coat.

The whole mystery of the form of value lies hidden in this elementary form, and its anlysis is our fundamental difficulty.

A and B, the two different kinds of commodity (linen and coat in our concrete instance), obviously play different parts. The linen expresses its value in the coat; the coat serves as the means for the expression of this value. The former commodity plays an active role; the latter, a passive one. The value of the former commodity is presented as relative or comparative, or appears in a relative form. The latter commodity functions as an equivalent, or appears in an equivalent form.

. . . Nothing but the expression of the equivalence between different kinds of commodities can disclose the specific character of value-creating labor. It does so by reducing the different kinds of labor embodied in the different commodities to that which is common to them all, to human labor in the abstract.

. . . *Aristotle tells us in so many words that the money form of commodities is but a further development of the simple form of value—this simple form being the expression of the value of a commodity in terms of any other commodity you please. He says that the phrase "5 beds = 1 house" . . . "cannot be distinguished from" . . . the phrase "5 beds = so much money".*

He sees, further, that the value relation represented by the phrase "5 beds = 1 house" implies a qualitative identity between house and bed; he recognizes that, different though the two things are to our bodily senses, they must have a common essence, for otherwise we could not relate them one to another as commensurable magnitudes. He says: "There cannot be exchange without equality, nor equality without commensurability." But here he halts in his analysis of the form of value. "It is really impossible that things so different should be commensurable," i.e., qualitatively identical. Such an equalization must be foreign to the real nature of the things; it can only be "a makeshift for practical purposes."

Thus Aristotle himself tells us what is the obstacle to the progress of his analysis. He lacks the concept of value. When, in the foregoing equation, a house expresses the worth of five beds, what is the nature of the "equality", what is the essence common to house and bed? "It is really impossible", says Aristotle, that such a common essence can exist. Why impossible? The house is something of the same kind as the bed, in so far as both of them represent what is really one and the same. This one and the same thing is—human labor.

It was, however, impossible for Aristotle to discover, by the simple study of the form of value, that in the form of commodity values all labor (of whatever kind) finds expression as identical human labor; which counts as of equal worth in them all. Aristotle could not see this because Greek society was based on slave labor, and was therefore based upon the inequality of men and their labor powers. . . . Aristotle's outstanding genius is shown by his discovery that a relation of equality or essential likeness underlies the expression of the value of commodities. It was only the historical limitations of the society in which he lived, that prevented his discovering the real nature of this relation of equality.



. . . Thus the determination of the magnitude of value by labor time is a secret hidden away beneath the manifest fluctuations in the relative values of commodities.

. . . When I say that coats or boots or what not are related to linen as the general embodiment of abstract human labor, the statement seems manifestly absurd. Yet when the producers of coats, boots, etc., bring these commodities into relation with linen as the general equivalent (or with gold or silver as the general equivalent, for the nature of the case is just the same), it is precisely in this absurd form that the relation between their own private labor and the collective labor of society discloses itself to them. . . .

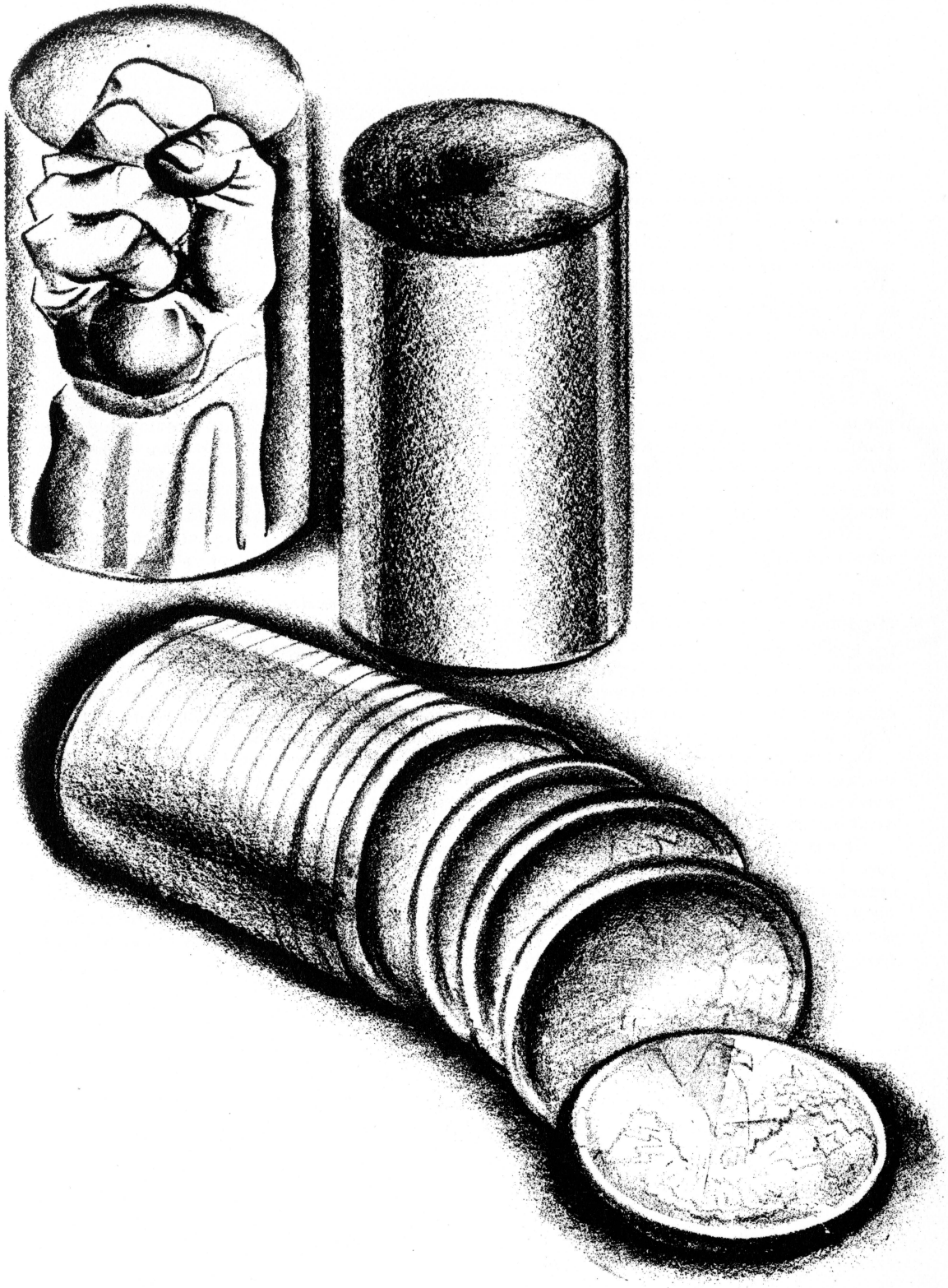
True that political economy has now achieved an analysis, however incomplete, of value and the magnitude of value, and has discovered the content hidden within these forms. But the economists have never even mooted the question why the content should assume these forms; why labor should be represented by the value of the product of labor, and the quantity of labor (as measured by its duration) by the magnitude of the value of that product. It is writ large on the face of these formulae that they belong to a type of social organization in which the process of production is the master of mankind, and in which mankind has not yet mastered the process of production. To the bourgeois mind, however, they seem as self-evident as, and no less a natural necessity, than, productive labor itself.

. . . *Nothing but a substance whose every specimen has identical and uniform qualities can serve as an adequate phenomenal form of value, or as the embodiment of abstract and therefore uniform human labor. On the other hand, since the difference between magnitudes of value is purely quantitative, the commodity which is to function as money must be susceptible of purely quantitative differentiations, this meaning that it must be freely divisible at will, and yet capable of being reassembled out of the parts into which it has been divided. These qualities are among the natural attributes of gold and silver.*

The use-value of the commodity which functions as money is twofold. In addition to its particular use-value as a commodity (gold, for instance, can be used for filling teeth, as the raw material of articles of luxury, and so on), it acquires a formal use-value, arising out of its specific social functions.

. . . When we know that gold is money, and is therefore directly exchangeable for all other commodities, this does not carry with it the knowledge what the value of, say, 10 lbs. of gold may be. *Like every other commodity, gold can only express the magnitude of its value in the form of a relation to other commodities. Its own value is determined by the amount of labor time needed for its production, and that value secures expression in the quantum of any other commodity in which an equal amount of labor time is congealed.*

. . . Without any cooperation on their part, commodities find their own form of value ready-made in the shape of another commodity that exists outside and beside them. *These things, gold and silver, as they come out of the bowels of the earth, are simultaneously the direct incarnation of all human labor. Hence the magic of money.* In the form of society now under consideration, the behaviour of men in the social process of production is purely atomic. Hence their relations to each other in production assume a material character independent of their control and conscious individual action. These facts manifest themselves at first by products taking the form of commodities. We have seen how the progressive development of a society of commodity-producers stamps one privileged commodity with the character of money. Hence the riddle presented by money is but the riddle presented by commodities; only it now strikes us in its most glaring form.



. . . It is not money that renders commodities commensurable. The very opposite is true. Because all commodities, in so far as they are values, are embodied human labor, and are therefore commensurable, their values can all be measured in one and the same specific commodity; and this latter can therefore be transformed into the common measure of their values, into money. Money as the measure of value is the necessary phenomenal form of the immanent measure of the value of commodities, namely, labor time. . . .

Money fulfills two entirely distinct functions, as the measure of value and as the standard of price. It is the measure of value because it is the social incarnation of human labor; it is the standard of price in so far as it exists in the form of a fixed weight of metal. As the measure of value it serves to transform the values of the manifold commodities into prices, into imaginary quantities of gold; as the standard of prices it measures these quantities of gold. The measure of values measures commodities considered as values; the standard of prices measures, on the contrary, quantities of gold by a unit quantity of gold, not the value of one quantity of gold by the weight of another. If gold is to function as the standard of prices, a definite weight of gold must be fixed upon as the unit. Here, as whenever quantities of the same denomination are measured, it is of the utmost importance that there should be an unvarying unit of measurement. Consequently, the standard of prices will fulfil its function better in proportion to the degree to which one and the same quantity of gold can unalterably serve as the unit of measurement. But gold can serve as the measure of values only because it is itself a product of labor, and therefore potentially variable in value. . . .

The price of a thing is the money name of the value embodied in that thing.

. . . Things which in and by themselves are not commodities, such as conscience, honor, etc., can be put up for sale by their owners, and can thus, through their price, acquire the commodity form. Hence a thing can have a price without having value. In that case, the price expression is imaginary, like certain magnitudes used in mathematical calculations. On the other hand, the imaginary price form may sometimes conceal a direct or indirect value relation; for instance, uncultivated land may have a price, though it has no value, since no human labor has been incorporated in it.

. . . Gold can serve as an ideal measure of value only because, in the process of exchange, it has already established itself as the money commodity. Behind the ideal measure of value lurks the hard cash.

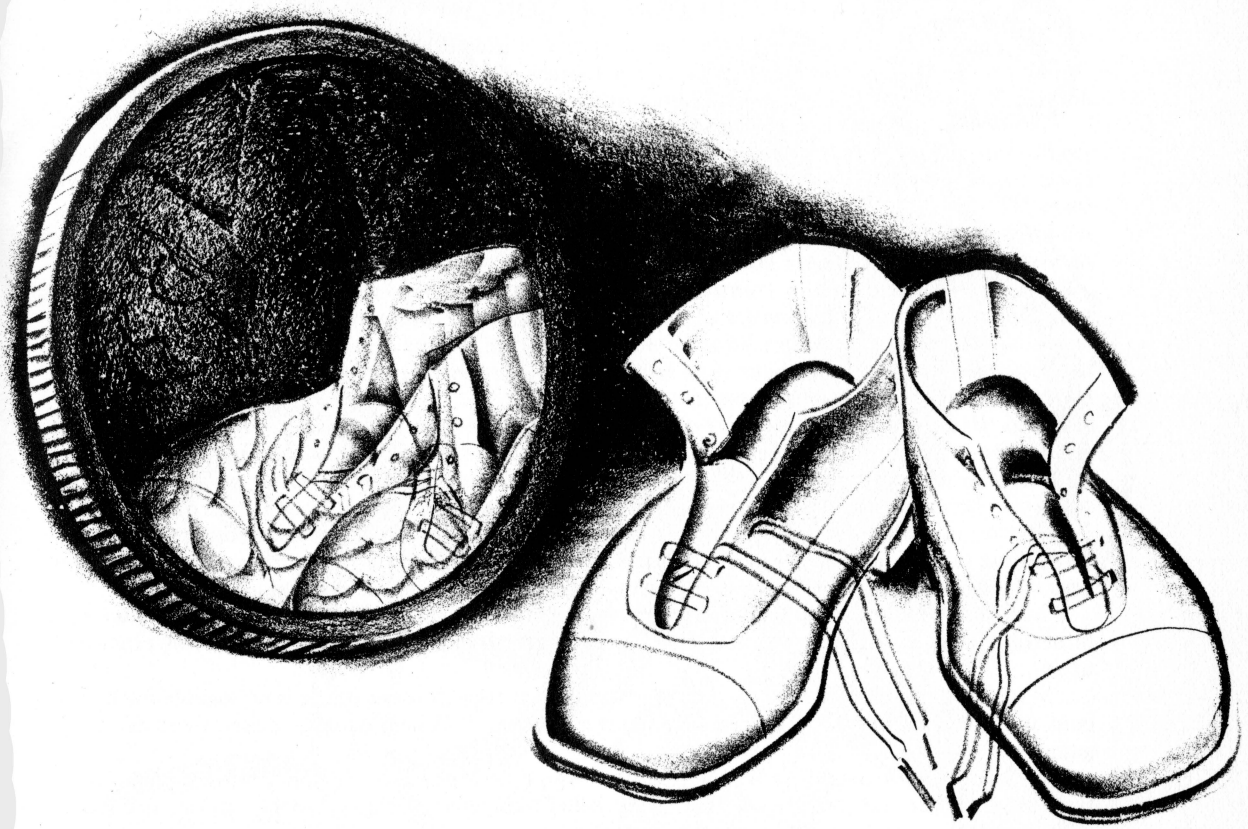
. . . *Gold as a pure commodity is not money; and when other commodities express their prices in gold, this gold is but the commodities themselves in a new metamorphosis, in the money form. . . .*

Money acquires its function as a medium of circulation through being the instrument whereby the circulation of commodities is effected. . . .

Pieces of paper on which money names, such as £1, £5, etc., have been printed, are put into currency by the State. In so far as they really become current in place of the above-named sums of money, they mirror once more in their movement the laws of the currency of money. . . .

Paper money is a token representing gold or money. The relation between it and the values of commodities is this, that the latter are ideally represented in the same quantities of gold as are symbolically represented in the paper. Only in so far as paper money represents gold (which, like all other commodities, has value), is it a symbol of value.

. . . *Just as all the qualitative differences between commodities are effaced in money, so money, on its part, a radical leveller, effaces all distinctions. But money is itself a commodity, an external object, capable of becoming the private property of any individual. Thus social power becomes a private power in the hands of a private person. That was why the ancients denounced money as subversive of the economic and moral order of things. Modern society . . . acclaims gold, its Holy Grail, as the glittering incarnation of its inmost vital principle. . . .*



TRANSFORMATION OF MONEY INTO CAPITAL

The circulation of commodities is the starting-point of capital. . . .

The primary distinction between money as money and money as capital is nothing more than a difference between their respective forms of circulation.

The simplest form of the circulation of commodities is C — M — C, the transformation of a commodity into money, and the retransformation of money into a commodity; selling in order to buy. However, side by side with this form, we find another, which is specifically different. We find the form M — C — M, the transformation of money into commodities, and the retransformation of commodities into money, buying in order to sell. Money that circulates in the latter way is thereby transformed into capital, is already potential capital.

. . . The simple circulation of commodities (selling in order to buy) is a means for carrying out a purpose which lies outside the domain of circulation; a means for the appropriation of use-values, for the satisfaction of wants. The circulation of money as capital, on the other hand, is an end in itself, for the expansion of value can occur only within this perpetually renewed movement. Consequently, the circulation of capital has no limits.

It is as the conscious representative of this movement that the owner of money becomes a capitalist. His person, or rather his pocket, is the point from which money sets out and the point to which it returns. The objective purpose of this circulation, the expansion of value, is his subjective aim; and only in so far as the increasing appropriation of abstract wealth is the sole motive of his operations does he function as a capitalist, or as personified capital endowed with will and consciousness. Thus use-value is never to be regarded as the direct aim of the capitalist. Nor is the profit on any single transaction his aim, for what he aims at is the never-ending process of profit making. . . .

The form which circulation takes when money becomes capital conflicts with all the laws we have hitherto studied concerning the nature of commodity, of value, of money, and even of circulation itself.

. . . Whereas . . . both parties to an exchange can gain as regards use-value, it is impossible for both to gain as regards exchange-value. Here we must rather say: "Where equality exists, there can be no gain." . . .

The formation of surplus value, and therefore the transformation of money into capital, cannot be explained either on the supposition that the seller sells commodities above their value, or upon the supposition that the buyer buys them below their value. . . .

Turn and twist as we may, the sum total remains the same. If equivalents are exchanged, then no surplus value is created; and if non-equivalents are exchanged, still no surplus value is created. Circulation, the exchange of commodities, does not create value.

. . . Since, however, it is impossible to explain the transformation of money into capital, the creation of surplus value simply as an outcome of circulation, it would seem that merchants' capital is an impossibility as long as equivalents are exchanged; and that, therefore, merchants' capital can arise only because the merchant, who parasitically thrusts himself in between the buying producer and the selling producer of commodities, manages to overreach both. In this sense, Benjamin Franklin says: "War is robbery, commerce is generally cheating." If we are to explain the expansion of merchants' capital as due to anything more than the cheating of the producers of commodities, we shall have to discuss a long series of intermediate links, which are still lacking to us at the present stage, when we are only concerned with the circulation of commodities and its simple factors.

. . . Mr. Moneybags, who is as yet only an embryo capitalist, must buy his commodities at their value, and must sell them at their value; but at the end of the process, he must draw more value out of circulation than he puts into it at starting. From being a caterpillar he must grow into a butterfly, and this transformation must simultaneously take place in the sphere of circulation and outside the sphere of circulation. Such are the conditions of the problem. That is the nut we have to crack!



TRANSFORMATION OF MONEY INTO CAPITAL

PURCHASE AND SALE OF LABOR POWER

. . . Moneybags must be lucky enough to find somewhere within the sphere of circulation, in the market, a commodity whose use-value has the peculiar quality of being a source of value; a commodity whose actual consumption is a process whereby labor is embodied, and whereby therefore value is created. Our friend does actually find in the market such a specific commodity. He finds it in the capacity for labor, or labor power. . . .

But in order that the owner of money may find labor power offering itself for sale as a commodity in the market, various conditions must be fulfilled. . . . The seller of labor power and the owner of money meet in the market and enter into mutual relations as commodity owners having equal rights, distinguished only by this, that one of them is a buyer and the other a seller; so that they are equal persons in the eye of the law. Such a relation can persist only on the understanding that the owner of labor power sells that labor power for a definite time and no longer; for if he should sell it once and for all, he would sell himself, would change himself from a freeman into a slave, from an owner of a commodity into a commodity. . . .

The second essential condition, if the owner of money is to find labor power in the market, is that the worker, the owner of labor power, shall be one who, instead of being able to sell commodities in which his labor has already been embodied, has to offer for sale his labor power itself, something which does not exist apart from his living personality. . . .

This peculiar commodity, labor power, must now receive closer attention. Like all other commodities, it has a value. How is this value determined?

The value of labor power, like that of every other commodity, is determined by the labor time necessary for the production, and consequently for the reproduction as well, of this specific article. In so far as it has value, labor power itself represents nothing more than a definite amount of average social labor which has been incorporated in it. . . .

The owner of labor power is mortal. Consequently, if he is to be perennially present in the market, as is essential to the continuous transformation of money into capital, the seller of labor power must perpetuate himself "in the way that every living individual perpetuates himself, by procreation." The labor power withdrawn from the market by wear and tear and by death must be continually replaced by at least an equal quantity of new labor power. Hence the sum total of the means of subsistence necessary for the production of labor power, includes the means of subsistence of those who will replace labor power, that is to say the worker's children. . . .

The lowest limit, or the minimum of the value of labor power, is determined by the value of a quantity of commodities short of a daily supply of which the owner of labor power, the human individual, cannot renew his vital processes; it is determined, that is to say, by the value of the physically indispensable means of subsistence. If the price of labor power falls to this minimum, it falls below its value, seeing that labor power can on these terms only maintain and develop itself in a blighted form. But the value of every commodity is determined by the labor time required to produce it in a normal quality.

. . . In countries where the capitalist method of production has become established, labor power is paid for only after it has functioned throughout the period specified in the contract; for instance, at the end of the week. Everywhere, therefore, the worker advances to the capitalist the use-value of his labor power; the seller of labor power allows the buyer to consume its use-value before the seller gets the price; everywhere the worker gives credit to the capitalist.

. . . We will follow the owner of money and the owner of labor power into the hidden foci of production, crossing the threshhold of the portal above which is written: "No admittance except on business." Here we shall discover, not only how capital produces, but also how it is itself produced. We shall at last discover the secret of the making of surplus value.

. . . He who came to the market as the owner of money, leaves it striding forward as a capitalist; he who came to the market as the owner of labor power, brings up the rear as a worker. The former, self-important, self-satisfied, with a keen eye to business; the latter, timid, reluctant, like a man who is bringing his own skin to market and has nothing to expect but a tanning.



THE LABOR PROCESS AND THE PROCESS OF PRODUCING SURPLUS VALUE

The use of labor power is *labor*. The buyer of labor power consumes it by setting the seller of labor power to work. Thereby the latter becomes what he was before potentially, labor power in action, a *worker*. . . .

The elementary factors of the labor process are: first, purposive activity, or the labor itself; secondly, its subject matter; and thirdly, its instruments.

The soil (and this, economically speaking, includes water), in the virgin state in which it supplies man with the necessaries of life, with ready-made means of subsistence forms, without any spontaneous activity on man's part, the general subject matter of human labor. *All those things which labor merely separates from their immediate connection with their environment are the naturally given subject matter of labor. For example, fish, caught, and removed from their natural element, water; timber which falls to the ground in the primeval forest; ores broken away from outcrop lodes. If, on the other hand, the subject matter of labor has already been, so to say, filtered through previous labor, we speak of it as raw material.* For example, chance-found ores after they have been washed. All raw material is the subject matter of labor; but we cannot say, conversely, that all the subject matter of labor is raw material. The subject matter of labor only becomes raw material when the substance in question has already been changed in some way by means of labor.

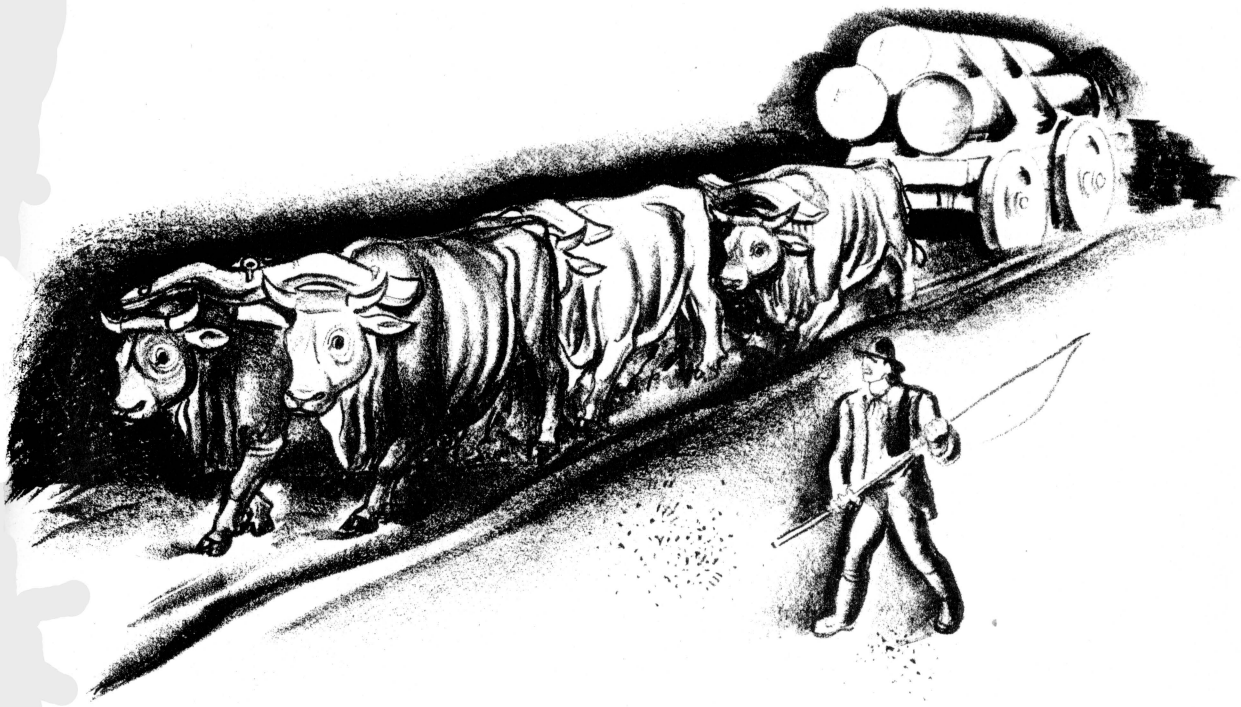
The instrument of labor is a thing, or a complex of things, which the worker interposes between himself and the subject matter of his labor, and one which serves as the conductor of his activity. He makes use of the mechanical, physical, and chemical properties of things as means of exerting power over other things, and in order to make these other things subservient to his aims. . . . Just as the earth is his primitive larder, so, likewise, is it his primitive tool-house. For example, it supplies him with the stone he uses as a missile, or for grinding, pressing, and what-not. The earth itself is an instrument of labor; but when used as such in agriculture it needs, in addition, a number of other instruments of labor; and agriculture presupposes a comparatively high development of labor power. . . . *From the dawn of human history, man, in addition to making use of elaborated stones, pieces of wood, bones and shells, turns, to account the services of domesticated animals as instruments of labor—these beasts, tamed, modified, bred by human labor, being among the chief of the primitive instruments of labor.* . . .

Though a use-value issues from the labor process in the form of a product, other use-values, the products of earlier labor processes, enter into the present labor process as means of production. The use-value which is the product of one labor process becomes means of production in another. Products, therefore, are not only results of the labor process, but at the same time conditions thereof.

. . . Animals and plants, which people are apt to regard as natural products, may not merely be the products of last year's labor, but may, in their extant form, be the products of a transformation which has been going on through many generations, under human control and aided by human labor. Apart from such instances, the instruments of labor in general, tools, show, for the most part, very obvious traces of past labor. . . .

Whenever a product enters as a means of production into a new labor process, it forfeits its character as a product and becomes nothing more than a factor in the process. A spinner regards spindles as merely the instruments with which he spins; and he regards flax as merely the subject matter of his work of spinning. But certainly no one man can spin without spinning material and spindles. The preexistence of these is assumed when the work of spinning begins. To the spinner it is a matter of no moment that flax and spindles are the products of previous labor. . . .

Now let us return to our would-be capitalist. We left him just after he had bought in the open market all the essentials for a labor process: the material factors, or the means of production; and the personal factor, or the labor power. . . .



. . . Of course the general nature of the labor process is not altered in any way because the worker engages in it on behalf of the capitalist instead of on his own behalf. . . . Changes in the method of production brought about by the subordination of labor to capital can arise only at a later stage, and cannot as yet be considered.

The labor process, regarded as the process whereby labor power is used up by the capitalist, has two remarkable characteristics.

First of all, the worker does his work under the control of the capitalist to whom his labor belongs. The capitalist takes good care that the work shall be done in a proper way, and that the means of production shall be suitably used. He takes care that none of the raw material shall be wasted, and that none of the instruments of labor shall be injured. These latter are to be used up only in so far as this is essential to the labor process.

In the second place, the product is the property of the capitalist, not that of the worker who functions as direct producer. Let us suppose that the capitalist pays for a day's labor at its value. The use of this labor power, like the use of any other commodity (such as a horse which is hired for the day), belongs to him for that day. One who has bought a commodity is entitled to use the commodity; and the owner of labor power can, in fact, only give the use-value of what he has sold by giving his labor. . . . The labor process is a process which takes place between things which the capitalist has bought, between things that have become his property. The outcome of this process, the product, therefore belongs to him, just as much as does the wine which is the product of a process of fermentation completed in his cellar.

The product, which is the capitalist's property, is a use-value, such as yarn, boots, or what-not. But although boots are, in a sense, the foundation of social progress, and although our capitalist is all for progress, he does not make boots for their own sake. One who produces commodities certainly does not do so for the mere love of their use-values. . . . *He does not want merely to produce a use-value, but to produce a commodity; not only to produce use-value, but value as well; not only value, but surplus value in addition. . . .*

The labor time needed for the production of the cotton, the raw material of the yarn, is part of the labor time needed for the production of the yarn, and is therefore contained in the yarn. The same remark applies to the labor time requisite for the production of that fraction of the spindle whose wear and tear, or consumption, is indispensable to the process of spinning the cotton.

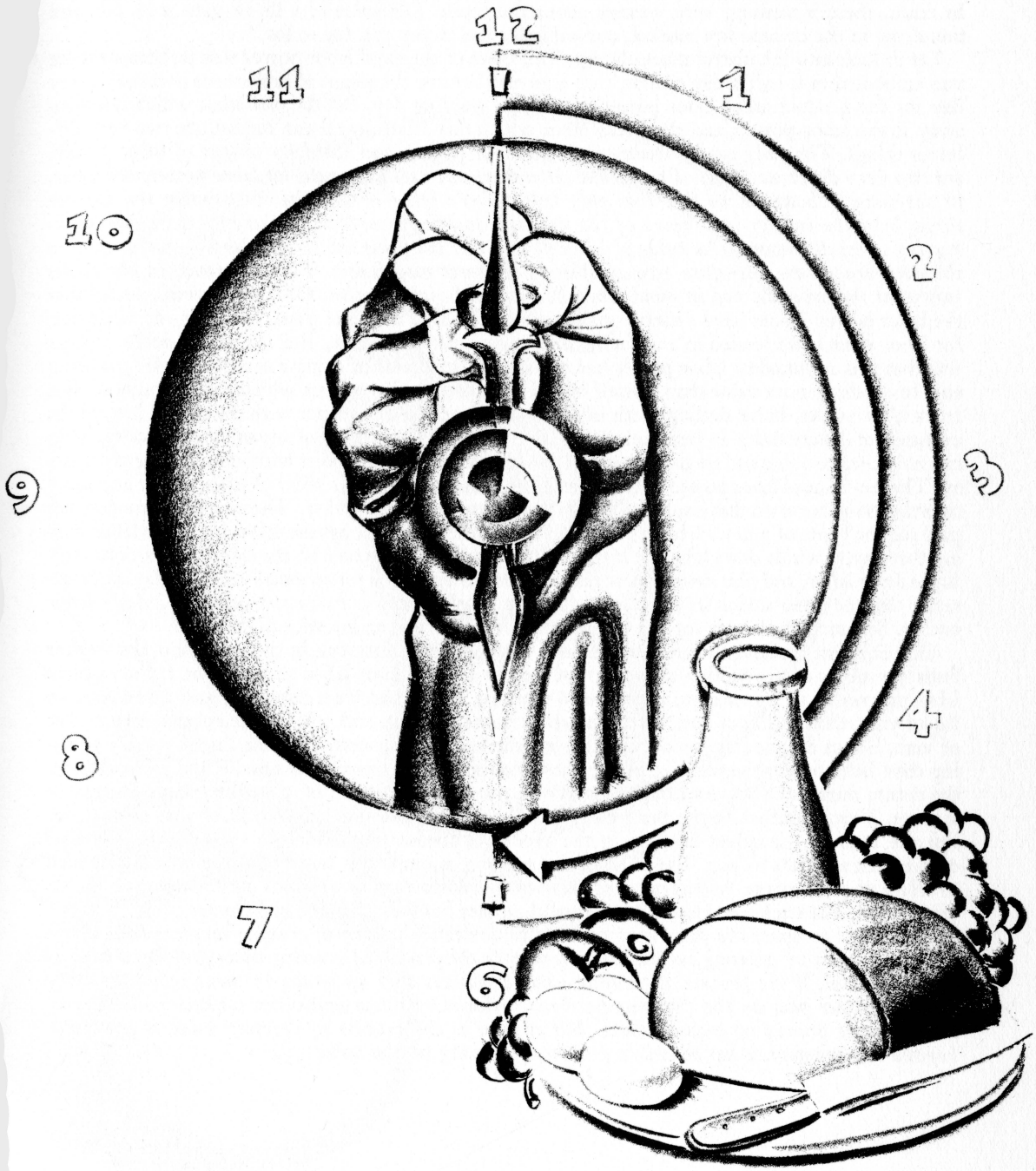
. . . Definite quantities of product (quantities determined by experience) represent nothing more than definite quantities of labor, definite masses of congealed labor time. They are nothing more than the embodiment of one hour, two hours, one day, etc., of social labor.

In our example the labor is that of the spinner, the raw material is cotton, and the product is yarn; but these facts now concern us no more than it concerns us that the subject matter of labor is itself already a product, and therefore raw material. . . .

. . . *We assume that . . . [the] value [of labor power] for one day . . . [is] 3s., and that 6 hours' labor are required to produce the average amount of the means of subsistence daily required by the worker.* If, now, our spinner, by working for one hour, can transform 1⅔ lbs. of cotton into 1⅔ lbs. of yarn, then, in 6 hours 10 lbs. of cotton will be transformed into 10 lbs. of yarn. Hence, in the process of spinning, 10 lbs. of cotton will have absorbed 6 hours' labor. The same amount of labor time is represented in a piece of gold which has a value of 3s. By the spinning, therefore, the value of 3s. has been added to the cotton.

Let us now consider the total value of the product, the 10 lbs. of yarn. In this quantity of yarn 2½ working days have been embodied, 2 days being contained in the raw cotton and the spindle, and ½ a day having been absorbed by the cotton during the process of spinning it into yarn. A gold value of 15s. contains this amount of labor time. The sum of 15s., therefore, will be an adequate price for the 10 lbs. of yarn, and the price of yarn per lb. will be 1s. 6d.

Our capitalist is nonplussed. The value of the product is precisely equal to the value of the capital he advanced. There has been no expansion in the value that he advanced; there has been no creation of surplus value; there has been no transformation of money into capital. . . .

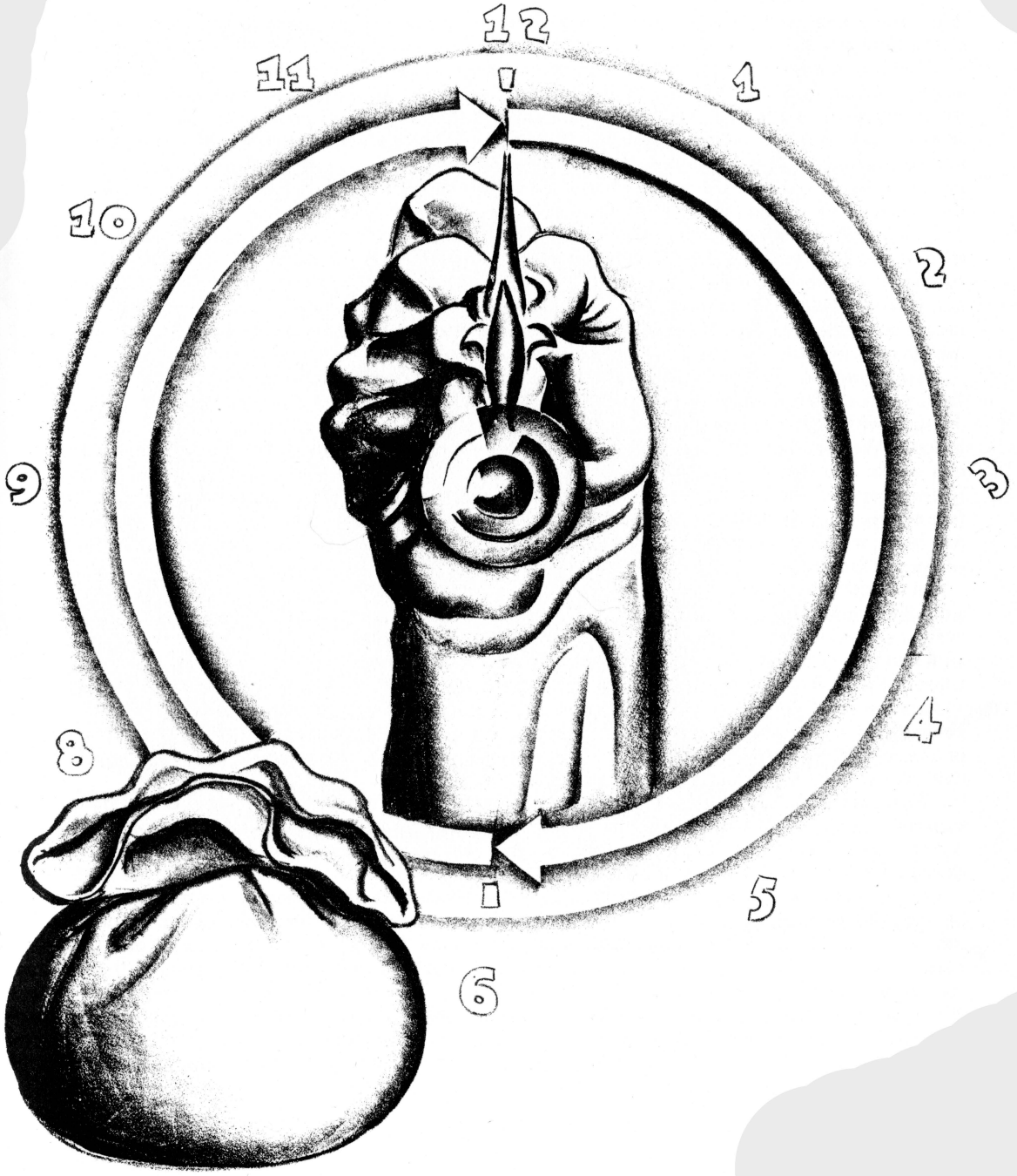

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In truth, there is nothing very strange about the result. The value of 1 lb. of yarn is 1s. 6d., and therefore, in the commodity market, our capitalist had to pay 15s. for 10 lbs. . . .

Let us look into the matter more closely. The value of the days' labor power was 3s. because there was embodied in it half a day's labor, that is to say, because the means of subsistence necessary every day for the production of labor power cost half a working day. But the past labor which is hidden away in the labor power, and the living labor which that labor power can render, are two very different things. *The daily cost of maintenance of labor power, and the daily output of labor power, are two very different things. The former determines the exchange-value of labor power; the latter, its use-value. Though it be true that only half a day's labor is requisite to maintain the worker throughout the twenty-four hours of the day, this does not prevent his working for the whole working day of twelve hours. The value of labor power, and the value which that labor power creates in the labor process are, therefore, two completely different magnitudes. This difference in the values was what the capitalist had in mind when he bought the labor power.* Of course it was essential that the labor power should have a useful quality, should be able to make yarn, or boots, or what-not; for labor must be expended in a useful form if it is to produce value. But the really decisive point was that this commodity labor power had the specific use-value of being a source of value, of being able to produce more value than it itself had. That is the specific service which the capitalist expects from labor power. In his dealings with labor power, he acts in accordance with the eternal laws of the exchange of commodities. In fact, the seller of labor power, like the seller of any other commodity, realizes its exchange-value and alienates its use-value. He cannot get the former without disposing of the latter. The use-value of labor power, the labor itself, does not belong to the seller of labor power any more than the use-value of oil that is sold belongs to the oilman who has sold it. The owner of money has paid for the value of a day's labor power, and to him therefore belongs the use-value of the labor during that day, a whole day's labor. *It is true that the daily maintenance of the labor power costs only half a day's labor, and that nevertheless the labor power can work for an entire working day, with the result that the value which its use creates during a working day is twice the value of a day's labor power.* So much the better for the purchaser, but it is nowise an injustice to the seller.

Our capitalist foresaw all this, and that was why he was so cheerful. In the workshop, the worker finds the means of production required, not merely for a 6-hour labor process, but for a 12-hour labor process. If 10 lbs. of cotton absorbed 6 working hours, and were thereby transformed into 10 lbs. of yarn, then 20 lbs. of cotton will absorb 12 hours of labor, and will be transformed into 20 lbs. of yarn. Let us examine the product of this lengthened labor process. In the 20 lbs. of yarn, 5 working days have been objectified, 4 in the consumed cotton and fraction of spindle, and 1 absorbed by the cotton during the process of spinning. Well, the gold expression of 5 working days is 30s., or £1 10s. This, therefore, is the price of the 20 lbs. of yarn. Now, as before, 1 lb. of yarn costs 1s. 6d. But the total of the values used up in the process of production amounts to 27s., whereas the value of the yarn amounts to 30s. The value of the product is one-ninth more than the values advanced to effect its production. As a result, 27s. have been transformed into 30s. A surplus value of 3s. has been added. The trick has at last been successful, money has been changed into capital. . . .

If we now compare the process of creating value and the process of creating surplus value, we see that the process of creating surplus value is merely the process of creating value prolonged beyond a certain point. If the process of creating value continues only up to the moment when the value of labor power paid by the capitalist has been replaced by a new equivalent, we have nothing more than a simple process of creating value. But as soon as the process of creating value is prolonged beyond this moment, it has become a process of creating surplus value. . . .


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CONSTANT CAPITAL AND VARIABLE CAPITAL

The various factors of the labor process contribute in varying degrees to the formation of the value of the product.

The worker adds new value to the subject matter of his labor by expending upon it a definite amount of additional labor, no matter what the specific character, the purpose, and the technical quality, of his labor may be. *On the other hand, the values of the means of production consumed in the labor process reappear as constituents of the value of the product; as, for instance, the values of raw cotton and spindles reappear in the value of yarn.* Thus the value of the means of production is preserved by its transference to the product. This transference takes place during the conversion of the means of production into the product; it occurs during the labor process.

. . . *An instrument of production can never transfer more value to a product than the value which it itself loses in the labor process through the destruction of its own use-value. If it had no value to lose, if it were not itself a product of human labor, it could not transfer any value to the product. It would help to create use-value without creating exchange-value.* Of such a kind are all the means of production which are supplied by nature without human aid; the earth, wind, water, unextracted iron ores, timber in the primeval forest, and so on.

. . . *Let us suppose that a machine is worth £1,000 and that it wears out in 1,000 days. In this case, day by day one-thousandth of the value of the machine is transferred by it to its daily product.* Though with daily diminishing vitality, the machine continues as a whole to take part in the labor process. We see, then, that one factor of the labor process, a certain means of production, enters as a whole into that process, while entering only in part into the process of creating value. The difference between the labor process and the process of creating value is here reflected in their material factors, inasmuch as the same means of production count in the same process of production, on the one hand, wholly as an element of the labor process, and on the other hand, only to a fractional extent as a factor in the creation of value.

On the other hand, an instrument of production may take part as a whole in the creation of value, although it enters bit by bit into the labor process. Let us assume that in the spinning of cotton, for every 115 lbs. of cotton spun 15 lbs. are waste, producing no yarn, but only "devil's dust." Now, although this 15% of waste is normal, is inseparable from the average elaboration of the cotton, the value of the 15 lbs. of cotton which does not become an element of the yarn enters into the value of yarn just as much as the value of the 100 lbs. which goes to form its actual substance. The use-value of 15 lbs. of raw cotton has to vanish into dust before 100 lbs. of yarn can be made. The perishing of this amount of cotton is, therefore, a necessary condition for the production of the yarn. For that very reason, it gives up its value to the yarn. . . .

. . . *That part of the capital which is transformed into the means of production, that is to say into raw material, accessory substances, and instruments of labor, does not experience any change in magnitude of value during the process of production. For that reason I speak of it as the constant portion of capital, or, for short, as constant capital.*

On the other hand, the part of capital that is transformed into labor power, undergoes a change of value during the process of production. It reproduces an equivalent for itself, and an excess over and above, a surplus value, which is variable in amount and can be larger or smaller. This portion of the capital, from being a constant magnitude, is incessantly changed into a variable magnitude. I therefore speak of this portion of capital as the variable portion of capital, or, for short, as variable capital. The same constituents of capital which, from the outlook of the labor process, are distinguished as objective and subjective factors, respectively—as means of production, on the one hand, and labor power, on the other—are from the standpoint of the process of creating surplus value distinguished as constant capital and variable capital. . . .



RATE OF SURPLUS VALUE

DEGREE OF EXPLOITATION OF LABOR POWER

. . . We have seen that during one part of the labor process the worker produces nothing more than the value of his labor power, that is, the value of his necessary means of subsistence. Since his work as producer is done in a society where the social division of labor prevails, he does not produce the necessaries of life for himself directly, but produces, in the form of some particular commodity, such as yarn, a value equal to the value of his means of subsistence, or to the value of the money with which he buys them. The portion of his working day spent in this way is larger or smaller according as the value of the average amount of the means of subsistence that he needs daily is smaller or larger, that is, according, as the average daily labor time required for their production is longer or shorter. If, on the average, the value of his daily means of subsistence is the embodiment of six working hours, then, on the average, the worker will have to labor for six hours daily in order to produce this value. If he were not working for a capitalist, but on his own account, independently, then, other things being equal, he would have, on the average, to work for the same aliquot part of the day in order to produce the value of his labor power, and thus acquire the means of subsistence necessary for his own maintenance or persistent reproduction. Since, however, in that part of the working day in which he produces the daily value of labor power (3s., let us say), he produces nothing more than an equivalent for the value of labor power which has already been paid by the capitalist, since the new value he creates does nothing more than replace the value of the variable capital which has been advanced, this production of value would appear to be nothing more than reproduction. *I therefore term that part of the working day in which such reproduction is effected, necessary labor time; and I term the labor expended during this period, necessary labor. The latter is necessary for the worker, because it is independent of the social form of his labor. It is necessary for capital, and for the world of capital, because the continued existence of the worker forms their foundation.*

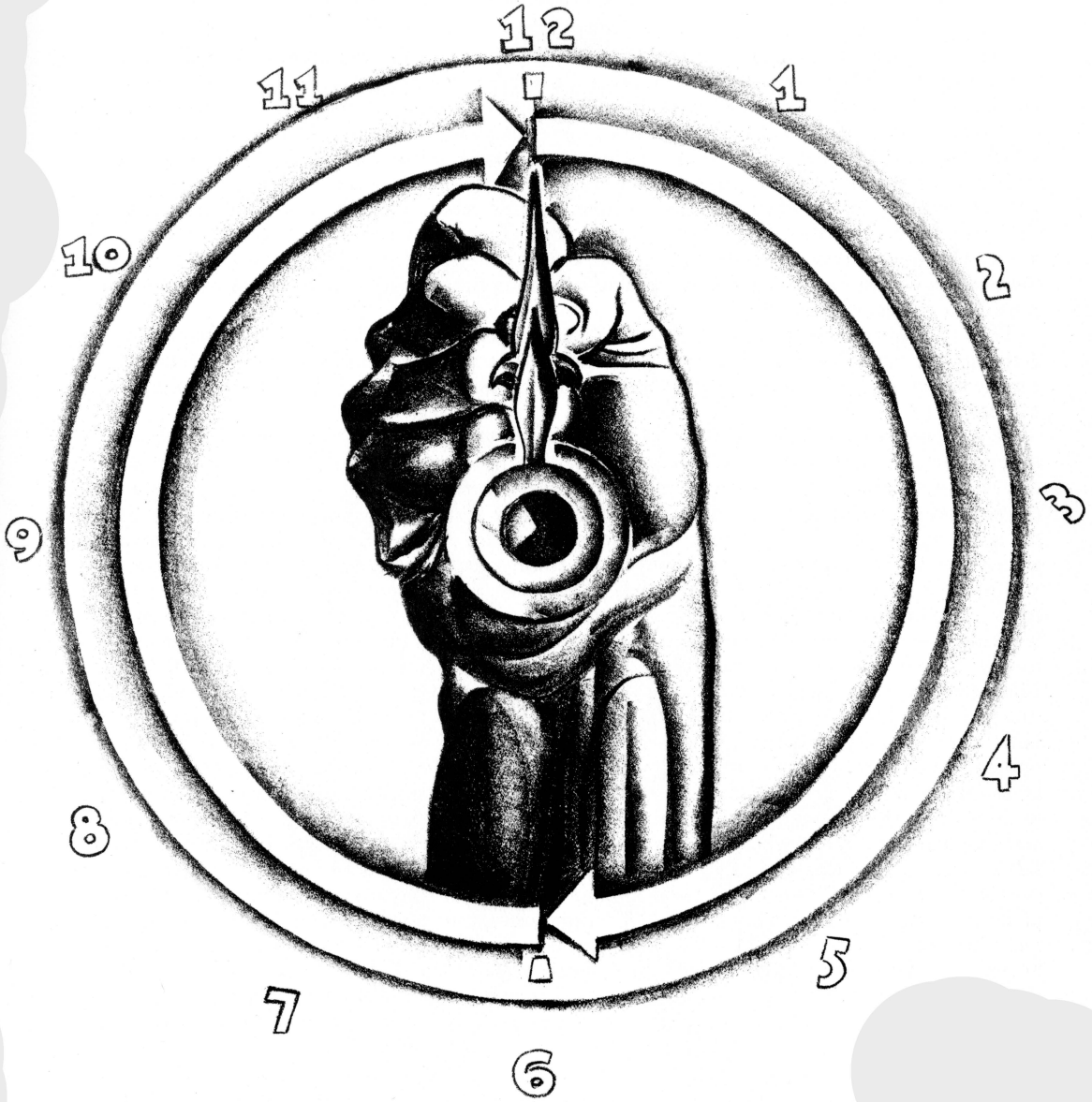
The second period of the labor process, that in which the worker has overstepped the limits of necessary labor time, costs him labor, calls upon him for the expenditure of labor power, but it does not serve to create any value for him. It serves to create surplus value, which smiles upon the capitalist with all the charms of an entity created out of nothing. This part of the working day I term, surplus labor time; and all the labor expended in it I term, surplus labor. If we are to understand value in general, it is of supreme importance that we should learn to regard it as a mere congelation of labor time, as nothing more than materialized labor; and for the understanding of surplus value, it is just as important that we should learn to regard this as a mere congelation of surplus labor time, as nothing more than materialized surplus labor. What distinguishes the various economic types of society from one another (distinguishes, for instance, a society based upon slavery from a society based upon wage labor), is nothing other than the way in which surplus labor is extorted from the actual producer, from the worker.

Since the value of the variable capital is equal to the value of the labor power which this variable capital buys, and since the value of this labor power determines the length of the necessary portion of the working day, while surplus value is determined by the length of the surplus portion of the working day, it follows that the ratio between surplus value and variable capital is identical with the ratio between surplus labor and necessary labor. . . .

The rate of surplus value is, therefore, a precise expression for the degree of the exploitation of labor power by capital, or of the exploitation of the worker by the capitalist. . . .

The part of the product that represents the surplus value . . . I term *surplus product.* Just as the rate of surplus value is determined by its relation, not to the total capital advanced, but to the variable part of that capital, so the relative magnitude of the surplus product is determined by its ratio, not to the remainder of the total product, but to that part of the product which represents necessary labor. Inasmuch as the production of surplus value is the end and aim of capitalist production, wealth should be measured by the relative magnitude of the surplus product, not by the absolute magnitude of the product.

The sum of the necessary labor and the surplus labor, the period of time in which the worker produces both the value which replaces the value of his labor power and surplus value in addition, constitutes the actual time during which he works—his working day.


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THE WORKING DAY

LIMITS OF THE WORKING DAY

. . . The capitalist has bought labor power at its value for a day. He has, therefore, acquired the right of making the worker work for him for a day. But what is a working day? Unquestionably the working day must be shorter than the natural day of 24 hours. How much shorter? The capitalist has his own ideas on this matter. As a capitalist, he is merely capital personified. His soul is the soul of capital, which has a vital impetus of its own, the impulse towards self-expansion, towards the creation of surplus value towards making the constant factor of capital (the means of production) absorb the greatest possible amount of surplus labor. Capital is dead labor, and, like a vampire, can keep itself alive only by sucking the blood of living labor. The more blood it sucks, the more vigorously does it live. The time during which the worker works is the time during which the capitalist is consuming the labor power he has bought. If the worker consumes his disposable time for his own purposes he is robbing the capitalist.

Thus the capitalist appeals to the law of exchange of commodities. Like any other buyer, his desire is to turn the use-value of his commodity to the greatest possible advantage. *But suddenly we hear a voice which has hitherto been stifled amid the storm and stress of the process of production. The worker speaks as follows:*

"*The commodity I have sold you is distinguished from the ordinary welter of commodities by this, that its use creates value, and a greater value than its own. That was why you bought it. What to you seems a spontaneous expansion of capital, seems to me an excessive expenditure of labor power. In the market you and I know only one law, the law of the exchange of commodities.* By that law the consumption of a commodity belongs, not to the seller who alienates it, but to the buyer who acquires it. Consequently, the use of my daily labor power belongs to you. But it is my concern to reproduce it daily, by means of the price of its daily sale, so that I can continue to sell it over and over again. Apart from natural wear and tear due to advancing years, and so on, I must be capable of working to-morrow with the normal measure of energy, health, and freshness I possess at my work to-day. You are continually preaching to me the gospel of 'thrift' and 'abstinence.' Well and good! I shall make a reasonable and thrifty use of my sole possession, my labor power, and shall be careful to avoid squandering it. From day to day I shall set so much only of it in motion, shall turn so much only of my capacity for labor into labor, as is compatible with its normal duration and healthy development. If you prolong the working day for me immeasurably, you will reach a point when you will be able in one day to set in motion an amount of my labor power which may exceed what I can replace in three days. What you thus gain in labor I shall lose in the substance of labor. Using my labor power and despoiling me of my labor power are two very different things. . . . *You pay me for one day's labor power, and in that day you consume three days' labor power. This conflicts with terms of our contract and infringes the law of the exchange of commodities.* I therefore demand a working day of normal length; and I voice this demand without making any appeal to your heart, seeing that sentiment has nothing to do with business. You may be a model citizen. Perhaps you are a member of the Society for the Prevention of Cruelty to Animals, and one who lives in the odor of sanctity. But the thing that you represent when you confront me has no heart within its breast. The heart which seems to throb there is my own. *I demand the normal working day because, like any other seller, I demand the value of my commodity.*"

. . . *The capitalist maintains his right as purchaser when he tries to make the working day as long as possible and to make, whenever possible, two working days out of one. On the other hand, the specific nature of the commodity that has been sold imposes a limit upon the buyer's consumption of it, and the worker is maintaining his right as seller when he wants to restrict the working day to a normal length. Here we encounter an antinomy in which right conflicts with right, both of these rights being hallowed by the law of exchange of commodities. When two rights come into conflict, force decides the issue. That is why, in the history of capitalist production, the decision as to what is a normal working day presents itself in the form of a struggle as to the defining of the limits of the working day—a struggle between the aggregate of capitalists, the capitalist class, and the aggregate of workers, the working class.*



THE GREED FOR SURPLUS LABOR

Surplus labor was not a new discovery made by capital. Wherever a part of society has a monopoly of the means of production, the worker, whether free or bound, must supplement the labor time necessary for his own maintenance by surplus labor time in which he produces the means of subsistence for the owner of the means of production, whether this owner be an Athenian devotee of the Good and Beautiful, an Etruscan theocrat, a Roman citizen, a Norman baron, an American slave owner, a Wallachian boyar, a modern landlord, or a capitalist: It is obvious, however, that when a society is so constructed that, from the economic viewpoint, the use-value of products predominates over their exchange-value, surplus labor is restricted within a smaller or larger circle of wants, and that in such a society an unquenchable thirst for surplus value cannot arise as the direct outcome of the very nature of the method of production. For this reason overwork in ancient days became horrible only when the aim was to gain exchange-value in its independent form, by the production of gold and silver. In that case a compulsory working to death was the official form of overwork. (For information as to this read Diodorus Siculus.) Such conditions were exceptional in the ancient world. As soon, however, as peoples among whom production still takes the lower form of slave labor, serf labor, and the like, are attracted within the domain of the world market dominated by the capitalist method of production (so that the sale of products made for export becomes their leading interest), the civilized horrors of overwork are grafted on to the barbaric horrors of slavery, serfdom, etc. *In the Southern States of the American Union negro slavery had a moderate and patriarchal character so long as production was mainly carried on for the satisfaction of the immediate needs of the slave owners. But in proportion as the export of cotton grew to be a vital interest of the slave States, overwork became a factor in a calculated and calculating system, so that in many places it was considered "good business" to use up the negroes lives in seven years.* No longer did the slave owner aim merely at getting a certain quantity of useful products out of the work of his slaves. He wanted to extract surplus value. The same thing has happened in the Danubian Principalities in the case of serf labor. . . .

"The cupidity of mill owners whose cruelties in the pursuit of gain have hardly been exceeded by those perpetrated by the Spaniards in the conquest of America in the pursuit of gold,"—this werewolf hunger for surplus labor, these monstrous exactions, this impulse towards the perpetual increase of the working day—ultimately led to the imposition of legal restrictions upon the demands of capital. . . .

Mr. Broughton Charlton, a county magistrate, speaking as chairman of a meeting held at the Assembly Rooms, Nottingham, on January 14, 1860, and reported in the "Daily Telegraph" of January 17, 1860, declared "that there was an amount of privation and suffering among that portion of the population connected with the lace trade, unknown in other parts of the kingdom, indeed, in the civilized world. . . . Children of nine or ten years are dragged from their squalid beds at two, three, or four o'clock in the morning, and compelled to work for a bare subsistence until ten, eleven, or twelve at night, their limbs wearing away, their frames dwindling, their faces whitening, and their humanity absolutely sinking into a stone-like torpor, utterly horrible to contemplate. . . . We are not surprised that Mr. Mallett, or any other manufacturer, should stand forward and protest against discussion. . . . The system, as the Rev. Montagu Valpy describes it, is one of unmitigated slavery, socially, physically, morally, and spiritually. . . .What can be thought of a town which holds a public meeting to petition that the period of labor for men shall be diminished to eighteen hours a day? . . . We declaim against the Virginian and Carolina cotton planters. Is their black-market, their lash, and their barter of human flesh more detestable than this slow sacrifice of humanity which takes place in order that veils and collars may be fabricated for the benefit of capitalists?"

. . .For my purposes it will suffice to cull from the reports of 1860 and 1863 the evidence given by some of the exploited children. . . .

. . .William Wood, 9 years old, was 7 years and 10 months old when he began to work. He 'ran molds' (carried ready-moulded articles into the drying room, afterwards bringing back the empty mold) from the beginning. He came to work every day in the week at 6 a.m., and left off about 9 p.m. 'I work till 9 o'clock at night six nights in the week. I have done so seven or eight weeks.' Fifteen hours of labor for a child 7 years old!



THE WORKING DAY

STRUGGLE FOR A NORMAL WORKING DAY

LAWS TO ENFORCE THE EXTENSION OF THE WORKING DAY, PASSED FROM THE MIDDLE OF THE FOURTEENTH TO THE END OF THE SEVENTEENTH CENTURY

. . . *When there is a boom on the stock exchange every one who takes part in the swindle knows that sooner or later the crash will come, but each man hopes that the disaster will involve his neighbors, after he himself has gone into safe shelter with a goodly share of loot. "After me, the deluge!" is the watchword of every capitalist and of every capitalist nation.* Capital, therefore, is reckless as regards illness or premature death of the workers, unless forced to pay heed to these matters, forced by social compulsion. When complaints are voiced regarding physical and mental degeneration, early death and the tortures of overwork, the capitalists answer: "Why should these things trouble us, since they increase our profits?" From a broad viewpoint, however, such matters do not depend upon the good will or the evil will of individual capitalists. Owing to free competition, the immanent laws of capitalist production hold sway irresistibly over every individual capitalist.

The establishment of a normal working day is the outcome of centuries of struggle between capitalist and worker. The history of this struggle shows two conflicting trends. Compare, for instance, the British factory legislation of our own time with the English Labor Statutes from the fourteenth century to well on into the middle of the eighteenth century. Whereas modern factory legislation curtails the working day by legal compulsion, the Labor Statutes were designed to lengthen it compulsorily. Of course the claims put forward by capital in its infant state when it had only just come into being—when it could not secure a sufficiency of surplus labor by the mere force of economic circumstances, when it established its right to absorb surplus labor only with the aid of State power—these early claims seem modest in comparison with the concessions which it is reluctantly forced to make in its maturity. Centuries must pass ere the "free" worker, under stress of the developed method of capitalist production, voluntarily agrees (i.e., is compelled by social conditions) to sell the whole of his active life, his very capacity for labor, his birthright, for a mess of pottage. . . .

Throughout the greater part of the eighteenth century, down to the period when large-scale industry began, capital in England had not yet succeeded in getting possession of the whole of the worker's week in return for the payment of the weekly value of his labor power,—except in the case of the agricultural laborers. The fact that they could live for a whole week upon the wages of four days did not seem to the workers any reason why they should work the other two weeksdays for the capitalist. One section of English economists, writing in the interests of capital, denounced this obstinacy in the most savage terms; another section defended the workers. . . .

This is what Postlethwayt has to say: "I must beg leave to differ in sentiment from those great politicians, who contend for the perpetual slavery of the working people of this kingdom; they forget the vulgar adage 'all work and no play'.". . . Were they obliged to toil all the year, six days in the week, in a repetition of the same work, might it not blunt their ingenuity, and render them stupid instead of alert and dexterous; and might not our workmen lose their reputation instead of maintaining it by such eternal slavery? . . . And what sort of workmanship could we expect from such hard-driven animals? . . . The author of the *Essay on Trade and Commerce* replies:

. . . "Our populace have adopted a notion that as Englishmen they enjoy a birthright privilege of being more free and independent than workers in any other country in Europe. Now, this idea, as far as it may affect the bravery of our troops, may be of some use; but the less the manufacturing poor have of it, certainly the better for themselves and for the State." . . . With this end in view, and for the purpose of "extirpating idleness, debauchery, and excess", of promoting a spirit of industry, of "lowering the price of labor in our manufactories and easing the lands of the heavy burden of poor's rates", our faithful champion of capital advocates a well-tried means. The workers who become dependent on public support, paupers in a word, are to be confined in "an ideal workhouse". Such an ideal workhouse must be made "a House of Terror", and not an asylum for the poor, not a place "where they are to be plentifully fed, warmly and decently clothed, and where they do but little work". In this "House of Terror", this "ideal workhouse", the poor "shall work 14 hours in a day, allowing proper time for meals, in such manner that there shall remain 12 hours of neat labor". . . .

The "House of Terror" for paupers, of which capitalists were already dreaming in 1770, came into existence a few years later in the shape of a gigantic Workhouse for the industrial workers. It was called a factory. The ideal paled before the reality. . . .



THE WORKING DAY

STRUGGLE FOR A NORMAL WORKING DAY

REPERCUSSION OF THE ENGLISH FACTORY ACTS ON OTHER COUNTRIES

. . . The history of the regulation of the working day in certain branches of production, and the struggle to enforce regulation which is still going on in others, prove conclusively that *the isolated worker, one who "freely" sells his labor power, is hopelessly unable to offer any resistance to the encroachments of capital when capitalist production has reached a certain stage of maturity. The establishment of a normal working day is, therefore, the outcome of a protracted civil war, more or less veiled, between the capitalist class and the working class.* Since this struggle begins in the domain of modern industry, it first manifests itself in the birthplace of that industry, in England. The English factory workers have been the champions, not only of the English working class, but of the modern working class in general, just as their theoreticians were the first to challenge the theory of capital. Ure, the philosopher of the factory system, therefore tells us that it is an everlasting disgrace to the British working class that it inscribed upon its banners "the slavery of the Factory Acts", as contrasted with the capitalists, who manfully strove on behalf of the "perfect freedom of labor". . . .

In the United States of America any sort of independent labor movement was paralyzed so long as slavery disfigured a part of the republic. Labor with a white skin cannot emancipate itself where labor with a black skin is branded. But out of the death of slavery a new and vigorous life sprang. The first fruit of the Civil War was an agitation for the 8-hour day, – a movement which ran with express speed from the Atlantic to the Pacific, from New England to California. At the general convention of the National Labor Union, held at Baltimore, it was declared on August 16, 1866: "The first and great necessity of the present, to free the labor of this country from capitalistic slavery, is the passing of a law by which 8 hours shall be the normal working day in all States of the American Union. We are resolved to put forth all our strength until this glorious result is attained." At the same time the Geneva congress of the International Workingmen's Association, in conformity with a proposal made by the General Council, resolved that "a limitation of the working day is a preliminary condition without which all further attempts at improvement or emancipation must prove abortive. . . . The congress proposes eight hours as the legal limit of the working day."

Thus on both sides of the Atlantic did the working class movement, a spontaneous outgrowth of the conditions of production, endorse the words of Factory Inspector G. J. Saunders: "Further steps towards a reformation of society can never be carried out with any hope of success, unless the hours of labor be limited and the prescribed limit strictly enforced".

We must admit that our worker comes out of the process of production in a different guise from that in which he entered it. He went into the market as the owner of the commodity "labor power", to confront there the owners of other commodities; he was one commodity owner facing another commodity owner. The contract in accordance with which he sold his labor power to the capitalist averred, so to say, in black and white, that he had the free disposal of himself. But when the bargain has been struck, it is discovered that he is "not a free agent", that the time for which he is free to sell his labor power is the time for which he is forced to sell it, that in fact the creature sucking his blood will not loose its hold "so long as there is a muscle, a nerve, a drop of blood to be exploited". For protection against the worm gnawing at their vitals, the workers must put their heads together, and must as a class compel the passing of a law, the erection of an all-powerful social barrier, which will forbid even the workers themselves from entering into a free contract with capital when by the terms of that contract they and their class are condemned to death or sold into slavery. In place of the pompous catalogue of the "inalienable rights of man," they put forward the modest Magna Charta of a legally limited working day—a charter which shall at length make it clear when the time "which the worker sells is ended, and when his own begins". What a change in the picture!



CONCEPT OF RELATIVE SURPLUS VALUE

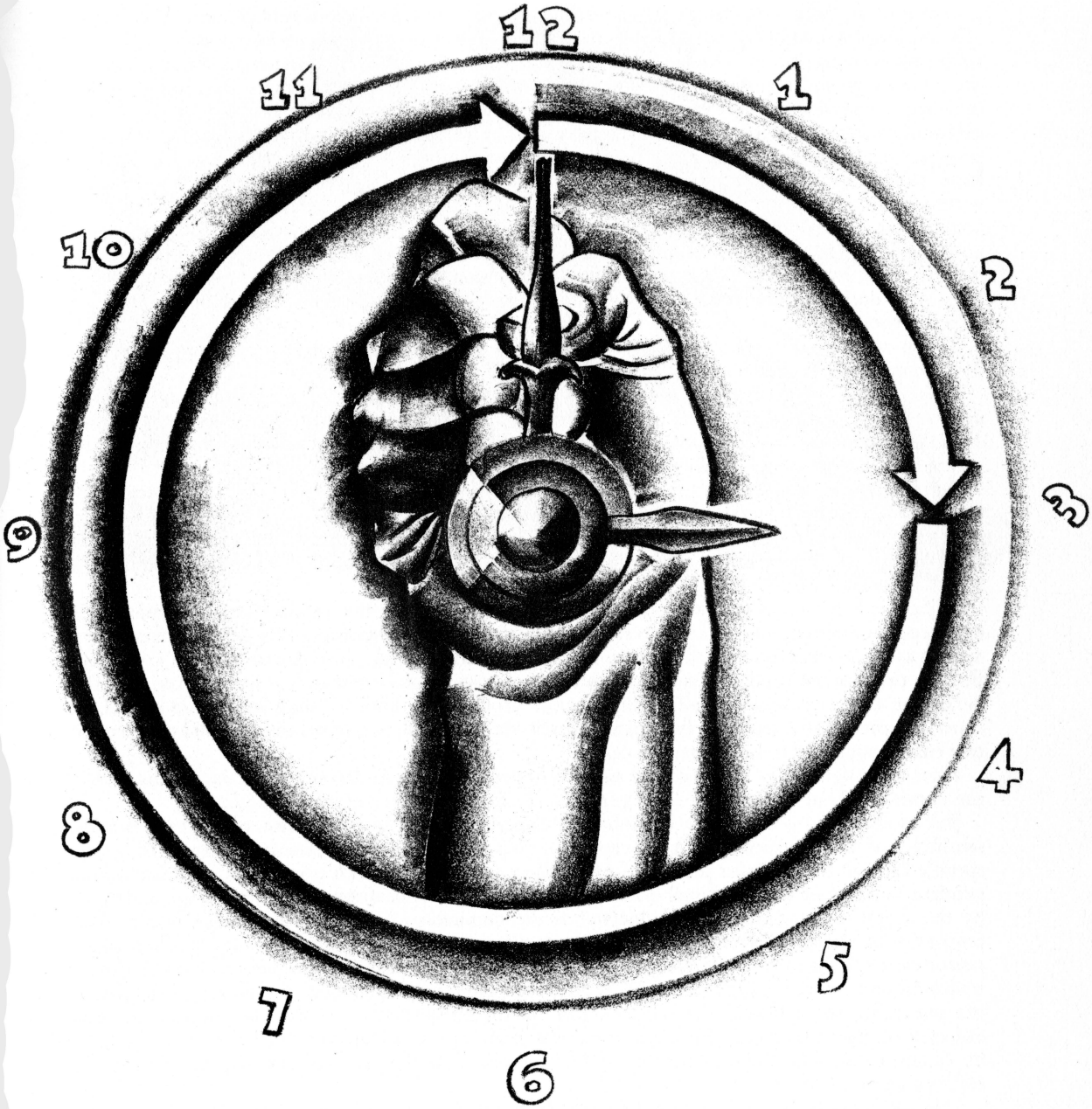
The part of the working day which merely produces an equivalent for the value of the labor power expended during that time, the value the capitalist pays for, has hitherto been treated as a constant magnitude; and a constant in fact it is, under given conditions of production, at a particular economic stage of social development. Over and above this necessary labor time, the worker might work for 2, 3, 4, 6, or more hours a day. The rate of surplus value and the length of the working day were dependent upon the extent of this prolongation. Whereas the necessary labor time was constant, the length of the working day as a whole was variable. Now let us suppose a working day whose length and whose apportionment into necessary labor and surplus labor are given. For instance, let the line a c, a ——— b ——— c, represent a twelve-hour working day, the portion a b representing 6 hours of necessary labor, and the portion b c representing 6 hours of surplus labor. The question is, how can the production of surplus value be increased, that is to say, how can the period of surplus labor be prolonged, without, or independently of, any prolongation of a c?

Though a c, the length of the working day, is regarded as fixed, b c is variable, for, while it cannot (by hypothesis) be extended beyond its term c, which is the fixed end of the working day a c, it can be extended in the opposite direction by pushing back its starting-point b towards a. Assume that in the line a — b′ — b ——— c, b′b is equal to half b c, and therefore represents 3 working hours. If, now, in the twelve-hour working day a c, the point b is pushed back to b′, then, although the working day remains twelve hours as before, b c has been extended to become b′ c, and the surplus labor has been increased by half, from 6 hours to 9 hours. Evidently this extension of the surplus labor from b c to b′ c, from 6 hours to 9, is impossible unless the necessary labor is simultaneously reduced from a b to a b′, from 6 hours to 3. There must be a reduction of the necessary labor corresponding to the increase of the surplus labor; this meaning that part of the working time in which the worker has hitherto really been working for himself has been transformed into working time in which he is working for the capitalist. What has been changed in our assumed example is, not the total length of the working day, but its apportionment into necessary labor and surplus labor.

. . . Hitherto, in considering the production of surplus value, we have assumed the method of production to be invariable. But *if surplus value is to be produced by converting necessary labor into surplus labor, it will not suffice for capital to master the labor process in its traditional or extant form, and simply to increase the duration of that process. Capital must revolutionize the technical and social conditions of the labor process, must revolutionize the labor process itself, before the productivity of labor can be increased. Thus only can the value of labor power be lowered; thus only can the part of the working day necessary for the reproduction of this value be shortened.*

I give the name of absolute surplus value to surplus value produced by a prolongation of the working day. On the other hand, to the surplus value that is produced by a reduction of the necessary labor time, and by a corresponding change in the relative proportions of the two components of the working day, I give the name of relative surplus value.

. . . Attempts to economize labor by increasing the productivity of labor do not, in capitalist production, aim at reducing the length of the working day. They aim only at reducing the amount of labor time necessary for the production of a definite amount of commodities. Although the worker, thanks to the increased productivity of his labor, now produces in an hour 10 times as great an amount of commodities as before . . . he still has to work 12 hours a day, producing in a day 1200 articles where formerly he produced 120. . . . *Within the system of capitalist production, the development of the productivity of labor has as its aim to shorten the part of the working day during which the worker has to work for himself, in order to lengthen the part of the working day during which he can work for the capitalist free, gratis, for nothing.* How far this result can be achieved in other ways than by the cheapening of commodities will be disclosed by an examination of the special methods of producing relative surplus value. To these we shall now turn.


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. . . Even when there is no change in the method of work the simultaneous application of the energies of a considerable number of workers effects a revolution in the objective conditions under which the labor process is carried on. The buildings in which the work is done, the storehouses for raw material, the implements and utensils employed simultaneously by the associated workers—in a word, parts of the means of production—are now jointly consumed. On the one hand, the exchange-value of these means of production is not increased; for the exchange-value of commodities (including means of production) is not increased, simply because their use-value is more effectively utilized. On the other hand, the means of production are on a larger scale for associated than for unassociated labor. A room in which twenty weavers work at twenty looms must be larger than a room in which one independent weaver and a couple of journeymen work. But the building of one workshop for twenty persons costs less labor than does the building of ten workshops in each of which two persons work. Speaking generally, the value embodied in means of production which are concentrated for joint use on a large scale does not grow proportionally with the growth in the comprehensiveness and in the useful effect of these means. . . .

When many workers labor purposively side by side and jointly, no matter whether in different or in interconnected processes of production, we speak of this as cooperation.

. . . The effects achieved by associated labor could not be achieved by unassociated labor; or, if achieved by the latter at all, would need a far longer time, or could only be effected on a pigmy scale. What is operative here is not merely an increase of individual productive power by cooperation, but also the creation of a new productive power, the productive power of masses.

Apart from the new energy created by the fusion of many energies into one united energy, it usually happens in productive work that the very existence of social contact arouses emulation and induces a certain stimulation of the animal spirits, whereby the efficiency of each individual worker is promoted. . . . The reason is that man is by nature, if not (as Aristotle says) a political animal, at any rate a social one.

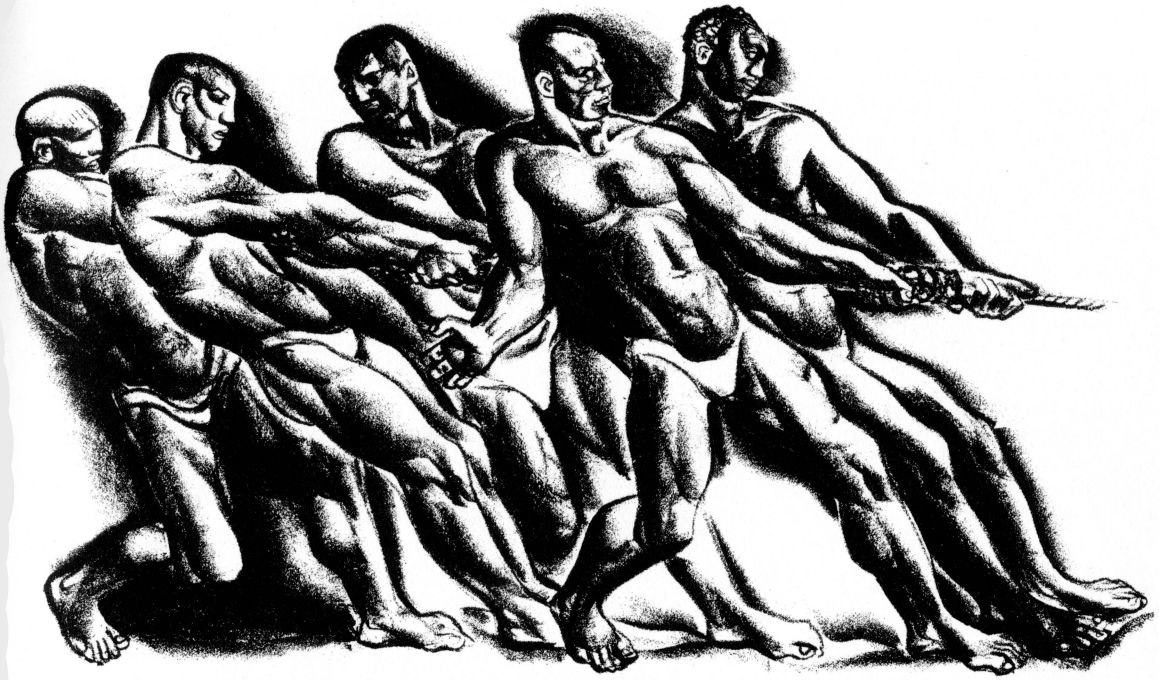
. . . The productivity of the worker as an associated worker is the productivity of capital. The enhanced productivity of labor which results from association is something that develops free, gratis, as soon as the workers are placed in certain conditions—and capital places them in these conditions. Because the superior productivity of associated labor costs capital nothing, and because (on the other hand) the worker does not manifest this superior productivity until his labor belongs to capital, the superior productivity seems to be a natural attribute of capital, is erroneously ascribed to a productive energy supposed to be inherent in capital.

How amazing may be the effects of simple cooperation may be learned from an examination of the titanic works of the Asiatics, the Egyptians, the Etruscans, etc., of ancient days. . . .

Just as the social productivity of labor—developed by virtue of cooperation assumes the specious semblance of being the productivity of capital, so does cooperation itself assume the aspect of being a specific form of the capitalist process of production, as contrasted with production by isolated independent workers or even by small masters. The change to cooperation is the first change undergone by the actual labor process when subjected to the dominion of capital. This change occurs spontaneously. Its essential prerequisite, the simultaneous occupation of numerous wage workers in the performance of the same labor process, is the starting-point of capitalist production—a starting-point which coincides with the birth of capital. If therefore, the capitalist method of production appears, on the one hand, to be historically indispensable for the transformation of the labor process into a social one; on the other hand, this social form of the labor process manifests itself as a method utilized by capital to increase the productivity of that process, and thus to facilitate the more profitable exploitation of labor.

. . . Simple cooperation remains the dominant form of cooperation in those branches of production in which capital is at work upon a large scale, but where neither the division of labor, nor machinery, as yet plays an important part.

Cooperation is always a basic element of capitalist production. While it constitutes the germ of more complex forms, it continues to exist side by side with these in its simple or rudimentary shape as above described.



DIVISION OF LABOR AND MANUFACTURE

TWOFOLD ORIGIN OF MANUFACTURE

THE DETAIL WORKER AND HIS IMPLEMENT

. . . Manufacture originates in two ways.

The first way is when workers practicing different and independent crafts, through whose hands a given article must pass on its way to completion, are assembled in one workshop under the control of one capitalist. For instance, in former days a carriage was the joint product of the labor of a great number of independent craftsmen, such as wheelwrights, harness-makers, tailors, locksmiths, upholsterers, turners, haberdashers, glazers, painters, polishers, gilders, etc. In the manufacture of carriages, these various craftsmen are assembled in one workplace, where they work into one another's hands. . . .

The second way in which manufacture originates is the reverse of the foregoing. A number of operatives who all do the same thing or similar things, such as paper-making, type-founding, or needle-making, are simultaneously employed in the workshop by the same unit of capital. This is cooperation in its simplest form. . . . It becomes necessary to make a larger quantity of finished commodities within a given space of time. For this reason, the work is redistributed. Instead of having the different operations carried out by one operative in serial order, the operations are separate one from another, are isolated, are carried on side by side. Each of them is allotted to a different operative, and all of them are carried on simultaneously by the cooperating workmen. . . . The commodity, instead of being the individual product of an independent operative who performs numerous operations, has been transformed into the social product of a group of operatives, each of whom henceforward performs one, and only one of the necessary partial operations. . . .

. . . A worker who carries out one and the same simple operation . . . will be able to perform it more quickly than an operative who has to perform a whole series of different operations. . . . Moreover, the method of detail work is perfected after it has become the exclusive function of one person.

. . . *The manufacturing period simplifies, improves, and multiplies the implements of labor by adapting them to the exclusive and peculiar functions of the detail worker. Therewith it simultaneously creates one of the material conditions for the existence of machinery, which arises out of a combination of simple instruments.*

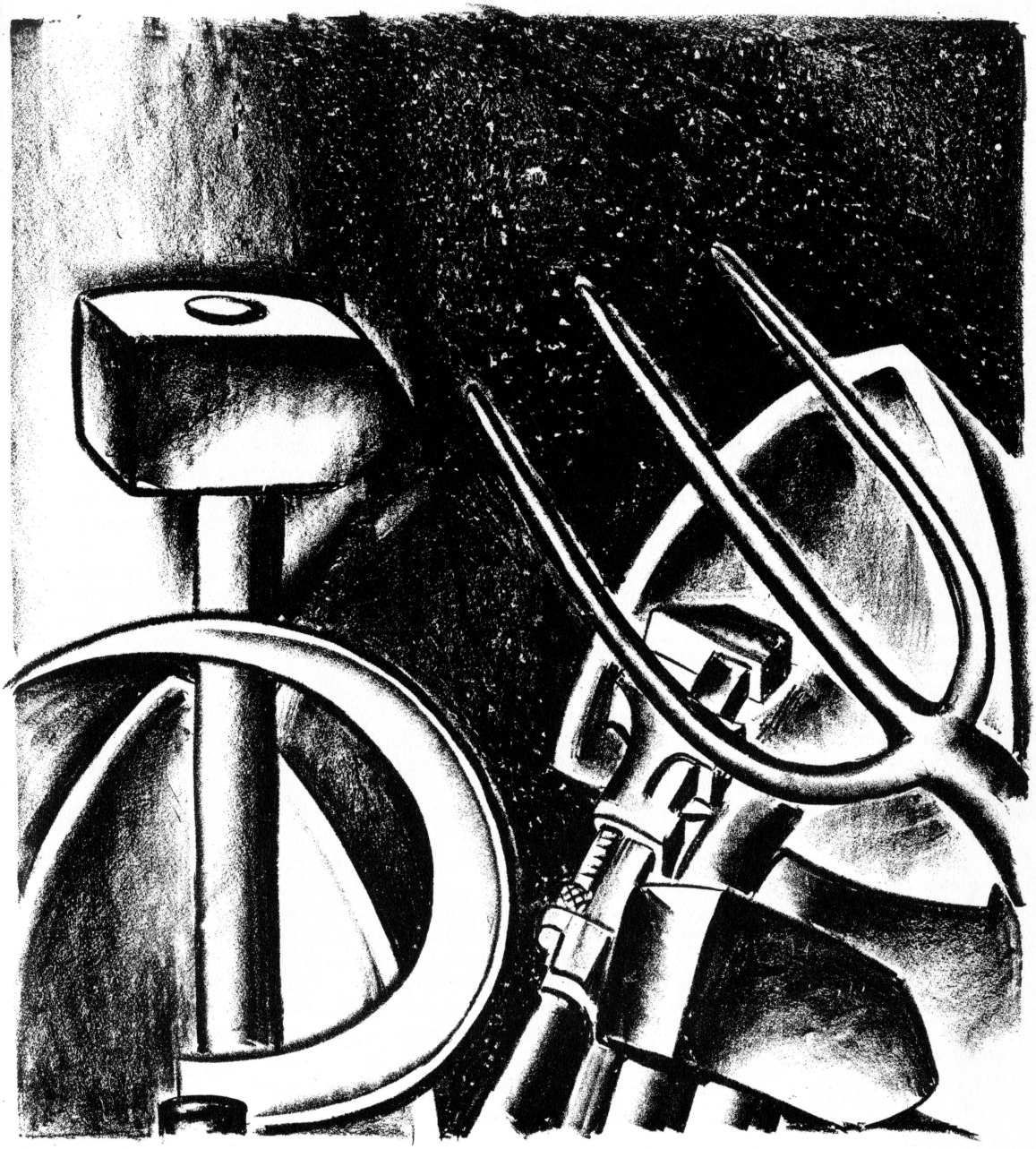
The detail worker and his instruments form the simple elements of manufacture. . . .

The foundation of all highly developed division of labor that is brought about by the exchange of commodities is the cleavage between town and country. We may say that the whole economic history of society is summarized in the development of this cleavage between town and country. . . .

Since the production and circulation of commodities are the general prerequisites of the capitalist method of production, the manufacturing division of labor canot arise until the division of labor within society has developed to a certain extent. . . .

Despite the many analogies and ties between the division of labor in society and the division of labor in a workshop, the two must not be regarded as different grades of the same process, for they are essentially distinct. The analogy between them is most undeniable when there is an invisible bond connecting various branches of industry. For instance, the cattle breeder produces hides, the tanner makes the hides into leather, and the bootmaker makes the leather into boots. Each of them produces a graded product, and the finished form is the combined output of all their separate labors. . . . But what is the nature of the connection between the independent labors of the cattle breeder, the tanner, and the bootmaker? The tie is the existence of their respective products as commodities. What, on the other hand, characterizes the manufacturing division of labor? The fact that the detail worker does not produce commodities. It is only the joint product of a number of detail workers which becomes transformed into a commodity. . . . Division of labor in manufacturing implies the concentration of the means of production in the hands of one capitalist; social division of labor implies the dispersion of the means of production among many mutually independent producers of commodities. . . .

Whereas in society at large the division of labor, whether it be or be not brought about by the exchange of commodities, is a feature of societies of the most diversified economic types—the manufacturing variety of division of labor is a development peculiar to the capitalist method of production.



DIVISION OF LABOR AND MANUFACTURE

THE CAPITALIST CHARACTER OF MANUFACTURE

An increased number of workers under the control of one unit of capital is the natural starting-point alike of cooperation in the most general sense and of manufacture. . . .

. . . To begin with, the worker sells his labor power to capital because he lacks the material means requisite for the production of a commodity. But now his individual labor power actually ceases to function unless it is sold to capital. Now, it can function only in an environment which comes into existence in the capitalist's workshop after the sale of labor power has been effected. . . .

The independent peasant or handicraftsman develops knowledge, insight, and will, even though it be only to a moderate extent. The savage exercises the arts of war as manifestations of personal cunning. Under the manufacturing system these faculties are needed only by the workshop as a whole. . . . *As a result of the division of labor in manufacture, the worker is confronted with the intellectual potencies of the material process of production whose property, whose slave, he has become. This process begins in simple cooperation, in which the capitalist, as against the individual workers, represents the unity and the will of the associated working organism. It goes further still in manufacture, which cripples the workers by making them into detail workers. It is completed in large-scale industry, which detaches science from labor, making of science an independent force of production and pressing it into the service of capital.*

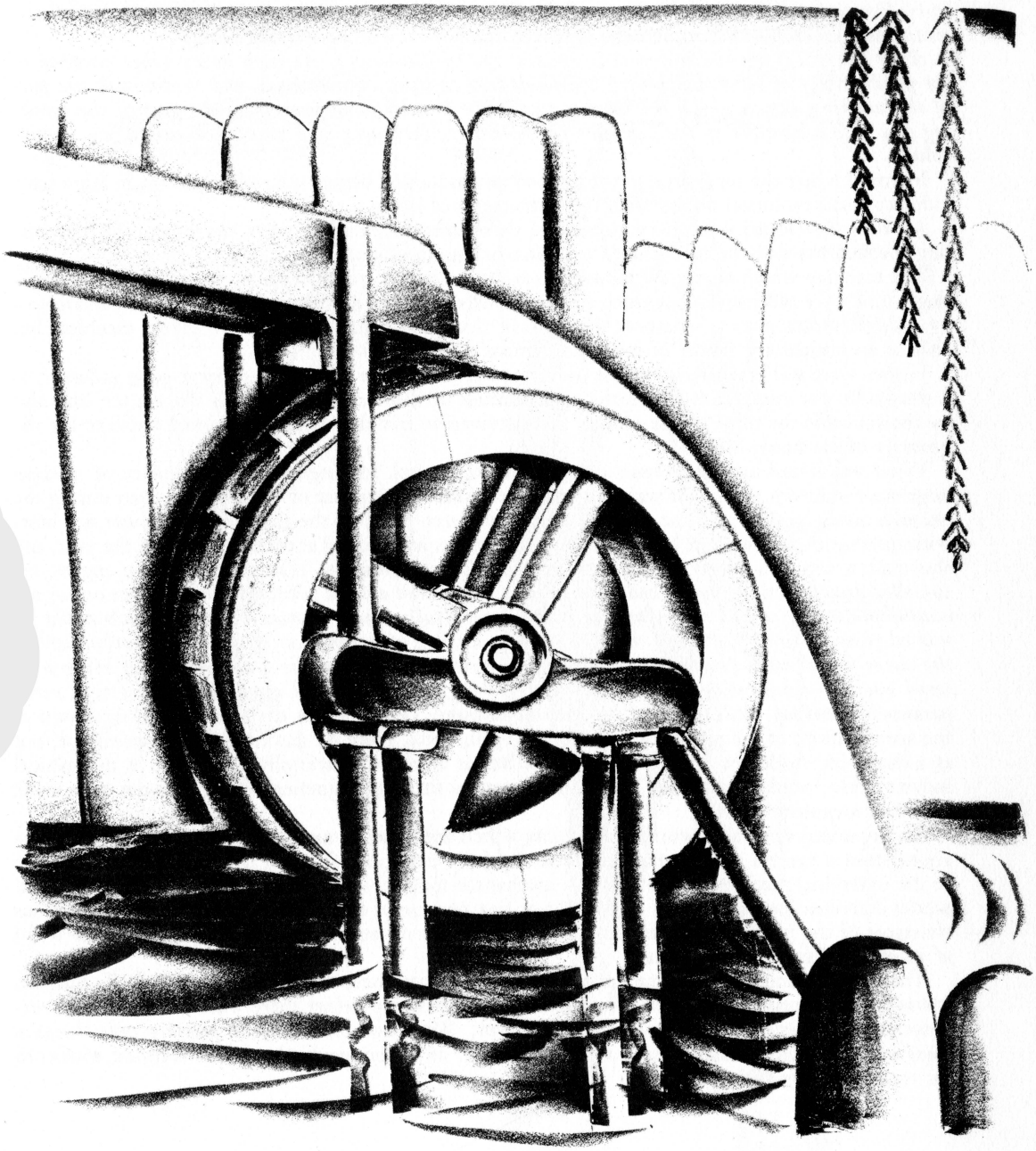
In manufacture the enrichment of the collective worker, and therefore of capital, in the matter of social productivity, is dependent upon the impoverishment of the workers in the matter of their individual powers of production. "Ignorance is the mother of industry as well as of superstition. Reflection and fancy are subject to error; but a habit of moving the hand or the foot is independent of reflection or fancy. Manufactures, accordingly, prosper most where the mind is least consulted, and where the workshop may . . . be considered as an engine, the parts of which are men." As a matter of fact, in the middle of the eighteenth century there were some manufacturers who preferred to employ semi-imbeciles to carry on certain simple operations which were trade secrets. . . .

In the manufacturing period a reduction of the amount of labor time necessary for the production of commodities soon became a deliberate principle of operation. Here and there during this period machines came into use, especially for certain simple preliminary processes capable of being performed upon a large scale and needing a great expenditure of energy. . . . *The Roman Empire handed down the elementary form of machinery in the shape of the water mill.* During the period of handicrafts there were discovered the mariner's compass, gunpowder, printing, and the automatic clock. On the whole, however, in comparison with the division of labor, machinery played the subordinate part assigned to it by Adam Smith. The scattered applications of machinery in the seventeenth century were momentous for they gave the great mathematicians of those days a practical basis and a stimulus for the creation of the modern science of mechanics.

The specific "machinery" of the manufacturing period is, however, the collective worker formed by a combination of many detail workers. . . .

Manufacture could neither get its grip upon the whole extent of social production nor revolutionize that production to the full. . . .

One of its most finished creations was the workshop for the manufacture of the very instruments of labor especially such complicated mechanical apparatuses as were then in use. . . . The workshop, the product of the manufactory division of labor, served, in turn, to produce machines. It was the machine which made an end of hand work as the regulating principle of social production. Therewith the technical reason for the lifelong annexation of the worker to a detail function ceased to exist. Therewith, too, disappeared the restrictions which the same principle imposed upon the dominion of capital.



MACHINERY AND LARGE-SCALE INDUSTRY

DEVELOPMENT OF MACHINERY

In his Principles of Political Economy, *John Stuart Mill writes: "It is questionable whether all the mechanical inventions yet made have lightened the day's toil of any human being."*

After all, that is not the aim of the capitalist use of machinery. As with every other advance in the productivity of labor, machinery is intended to cheapen commodities, and to diminish the part of the working day in which the worker works for himself while increasing the part of the working day which he gives to the capitalist for nothing. Machinery is a means for producing surplus value.

In manufacture the revolution in the method of production begins with labor power; in large-scale industry that revolution begins with the instruments of labor. . . .

All fully developed machinery consists of three essentially distinct parts, the motor, the transmitting mechanism, and the mechanized tool or working machine. . . .

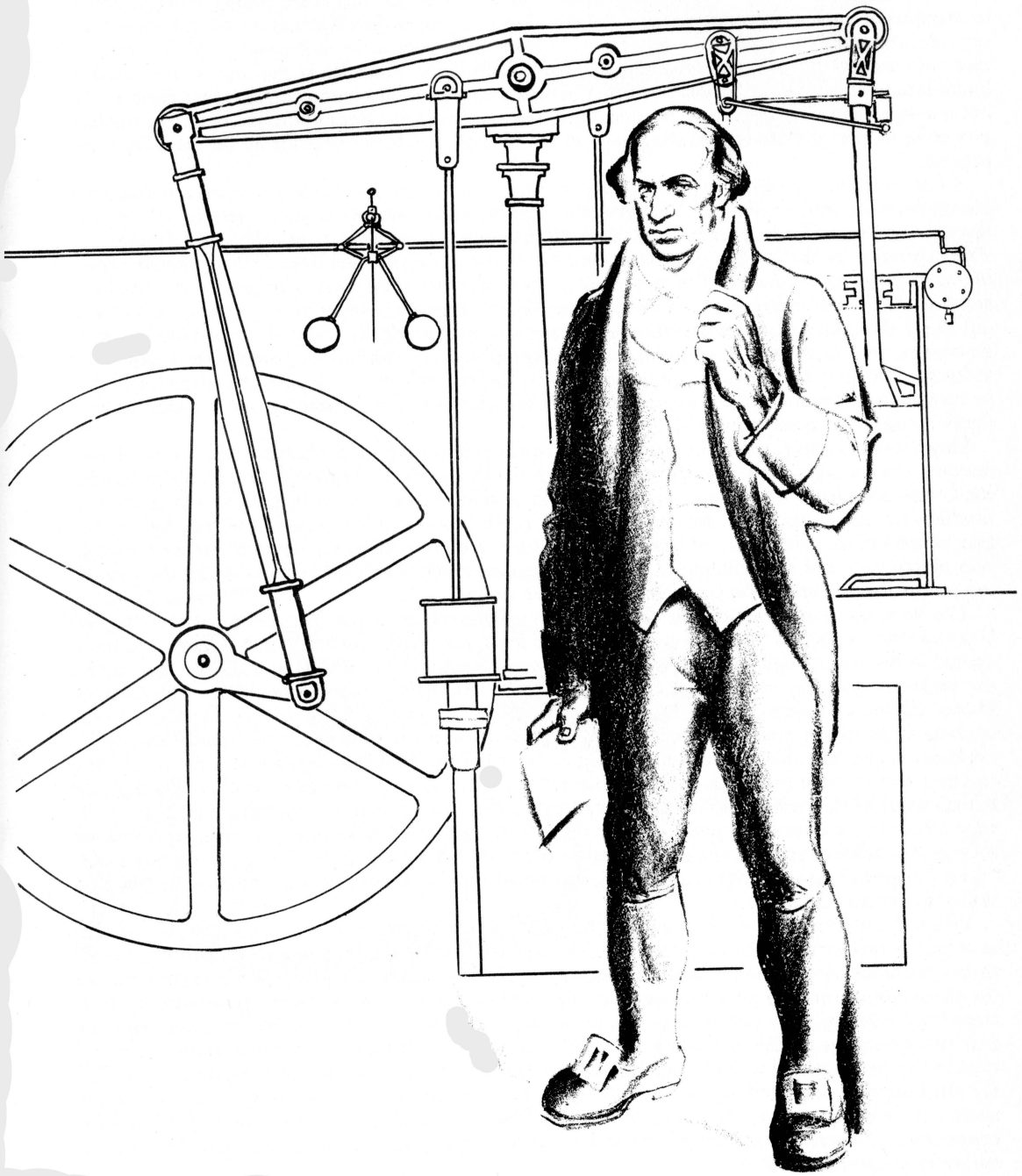
The machine which begins the industrial revolution is one which replaces the worker handling a single tool, by a mechanism operating simultaneously a number of identical or similar tools, and driven by a single motor power, whatever the form of that power may be. Here we have a machine, but only as an elementary factor of machino-facture. . . .

Horses were still extensively used as motor power during the early days of large-scale industry, as is shown by the complaints which the agriculturists of those days made about the matter, and also by the fact that the term "horse-power" has survived to this day as the traditional measure for the quantity of mechanical force.

Wind was found to be uncertain and difficult to control. In England, the birthplace of modern large-scale industry, the use of water-power predominated over that of wind-power even during the manufacturing period. . . . For all that, the use of water-power as the chief form of power was beset with difficulties. It could not be increased at will; it was liable to fail at certain seasons of the year, and above all, it was of a purely local nature. *Not until the invention of Watt's second steam-engine, the so-called double-action engine, had a motor been discovered able to generate its own force out of the consumption of coal and water; whose powers were fully under human control; which could be moved from place to place, and made to serve as a means of locomotion; which was urban and, unlike the water-wheel, rural (so that production could be concentrated in the towns instead of being scattered over the countryside); which was universal in its technological applicability, and was, comparatively speaking, little affected by local conditions.* The greatness of Watt's genius is shown in the specifications of the patent he took out in April, 1784. Here he describes the steam-engine, not as a discovery made for particular purposes, but as an agent universally applicable in mechanical industry. He foreshadows many applications, such as the steam-hammer, which were not to be made until half a century later. . . .

An organized system of working machines which are all set in motion by the transmitting mechanism from a central automaton constitutes the fully developed form of machino-facture. In place of the individual machine we now have a mechanical monster whose body fills the whole factory and whose demoniac power, hidden from sight at first because of the measured and almost ceremonious character of the movement of its giant limbs, discloses itself at length in the vast and furious whirl of its numberless working organs.

There existed mules, steam-engines, and the like, before there were workers whose sole business it was to make steam-engines, etc.—just as men wore clothing before there were tailors. *But the discoveries and inventions of Vaucanson, Arkwright, Watt, and others, were possible only because these inventors found ready at hand a suitable number of skilled mechanics at their disposal, thanks to the manufacturing period. . . .*



MACHINERY AND LARGE-SCALE INDUSTRY

DEVELOPMENT OF MACHINERY

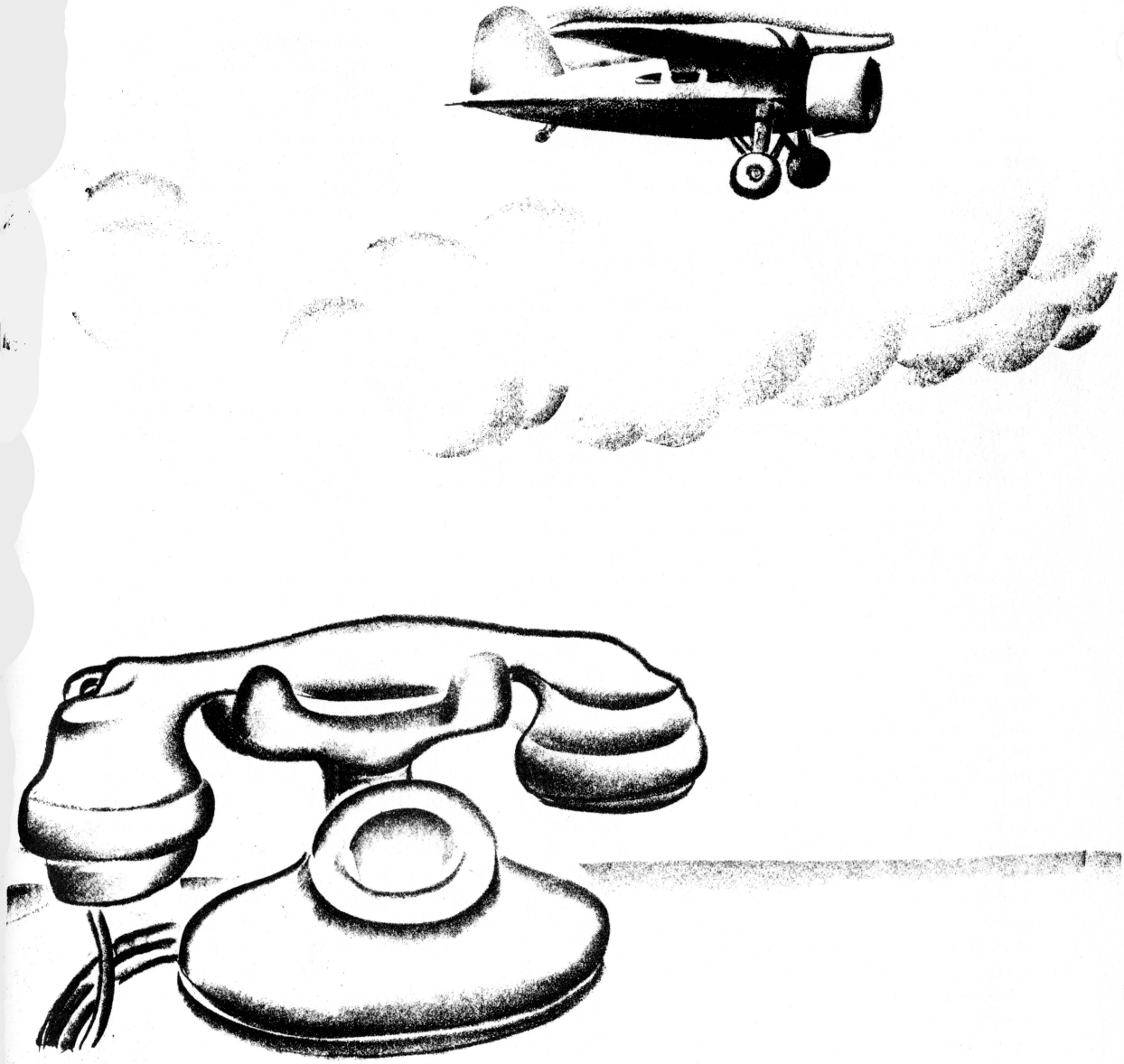
. . . With the need for the more extensive utilization of materials that were comparatively difficult to manipulate, such as iron instead of wood, followed the fuller development of the automatic system. But the solution of all those problems which spontaneously arose in the course of the development of machine production, encountered, in every instance, obstacles in the matter of individual limitations, which even the collective worker in manufacture could overcome regarding their extent but not regarding their qualitative essence. Such machines as the modern hydraulic press, the modern power loom, and the modern carding engine, for example, could not be made by the manufacturing process.

A revolution in the method of production in one sphere of industry involves a similar revolutionary change in every other sphere. . . . Thus machine spinning made machine weaving necessary; and both together necessitated a mechanical and chemical revolution in bleaching, printing, and dyeing. . . . The revolution in the method of production in industry and agriculture likewise necessitated a revolution in the general conditions of the social process of production, that is to say, in the means of communication and transport. . . . Thus over and above extensive changes in the construction of sailing ships, the means of communication and transport were gradually adapted, by a system of river steamships, railroads, ocean steamships, and telegraphs, to the methods of production of large-scale industry. But now vast quantities of iron had to be forged, welded, cut, bored, and shaped. For this, in turn, huge machines were required, machines which the manufacturing system of machine production could not possibly provide.

Large-scale industry, therefore, had to gain control of its own most characteristic means of production, the machine itself; had to produce machines by machines. Thus only was it able to provide itself with an adequate technical foundation and to stand upon its own feet. With the growth of machino-facture, in the early decades of the nineteenth century, machinery did, in fact, by degrees, gain control of the fabrication of machine tools. But it was not until recent decades that the construction of railways and the building of ocean steamers on a huge scale called into existence the gigantic machines now at work in the construction of prime motors.

The most essential condition for the fabrication of machines by machines was that there should be a machine competent to supply power to any extent and under perfect control. This condition existed in the steam-engine. But it was still necessary to achieve the ability to make, by machinery, the perfectly accurate geometrical forms required for the separate parts of machines—straight lines, planes, circles, cylinders, cones, and spheres. This problem was solved by Henry Maudslay in the opening years of the nineteenth century by the invention of the slide rest, a tool that was speedily made automatic, and, having been first designed for the lathe, was soon applied in a modified form to other constructive machines. This mechanical appliance does not replace another tool but the human hand itself, the hand which produces a particular form by holding, applying, and guiding the edge of cutting instruments against or over the material operated upon—iron or something else. Thus it became possible to produce the geometrical forms required for the individual parts of machinery "with a degree of ease, accuracy, and speed, that no accumulated experience in the hand of the most skilled workman could give". . . .

When the instruments of labor assume the form of machinery, they acquire a kind of material existence which involves the replacement of human force by the forces of nature, and of rule-of-thumb methods by the conscious application of natural science. In manufacture the organization of the social labor process is purely subjective, is a combination of detail workers; in machino-facture, large-scale industry has a purely objective productive organism, in which the worker is nothing more than an appendage to the prevailing material conditions of production. In simple cooperation, and even in the cooperation founded upon the division of labor, the substitution of the collective worker for the isolated worker still seems more or less a matter of chance. *But machinery, with few exceptions, can be operated only by means of associated labor or joint labor. In the machine system, the cooperative character of the labor process has become a technical necessity dictated by the very nature of the means of labor.*



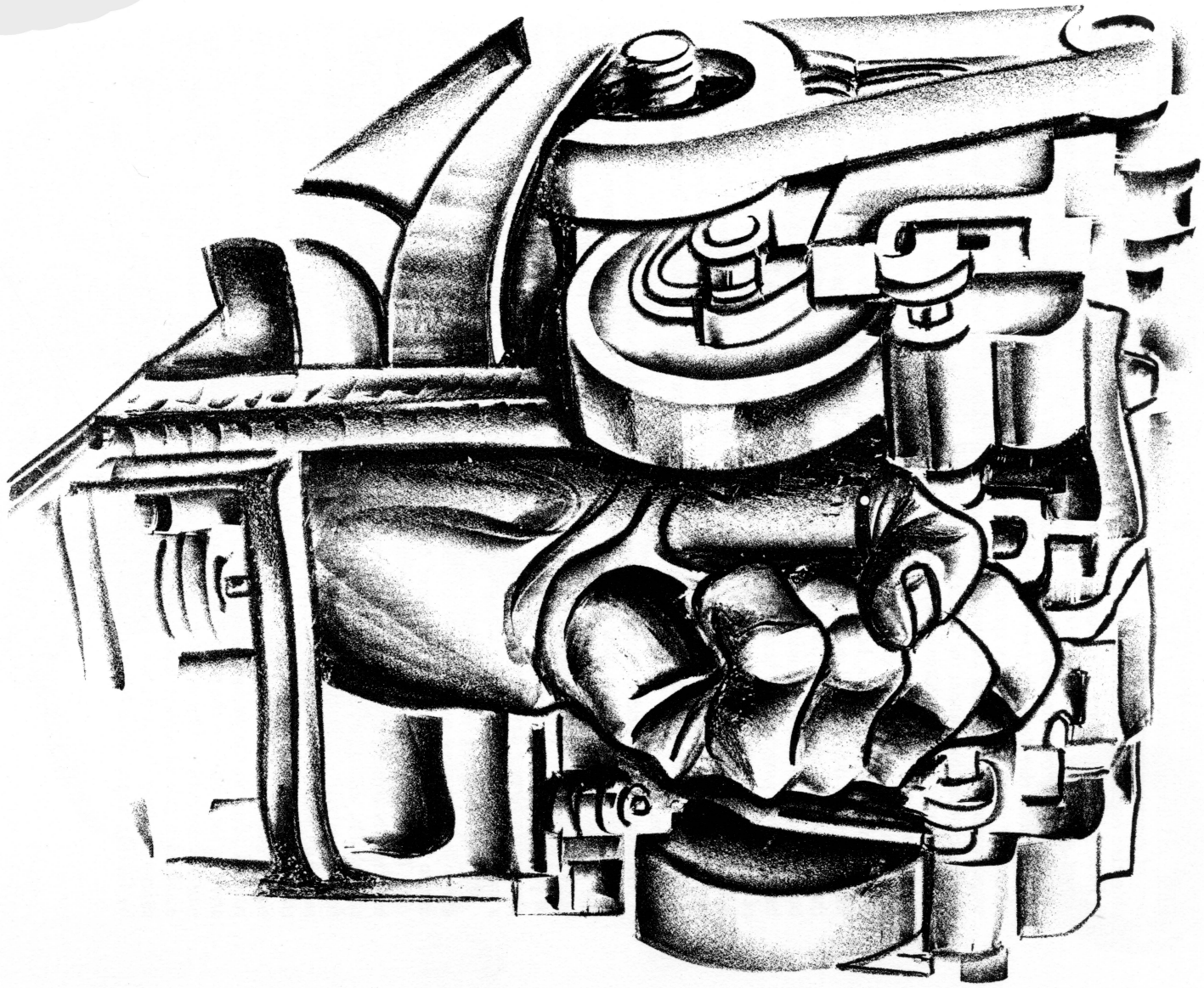
MACHINERY AND LARGE-SCALE INDUSTRY

THE VALUE TRANSFERRED BY MACHINERY TO THE PRODUCT

...The increased productivity of labor resulting from cooperation and the division of labor does not cost capital anything. These are the natural forces of associated labor. In like manner, such natural forces as steam, water, etc., suitable for use in productive processes, cost nothing. But just as man needs lungs before he can breathe, so does he need something that is the work of human hands before he can consume the forces of nature for productive processes. A water-wheel is required for the utilization of the motor power of water, and a steam-engine is needed for the utilization of the elasticity of steam. What applies to the forces of nature applies also to science. Once it has been discovered, the law that a magnetic needle is deviated in the field of an electric current, or the law by virtue of which a piece of iron round which an electric current is circulating becomes magnetized, costs never a penny. When, however, it is a question of utilizing these laws in telegraphy, etc., costly and elaborate apparatus is needed. As we have seen, machinery does not exterminate tools. From being a dwarf implement in the hands of the human organism, the tool is expanded and multiplied to become the implement of a man-created mechanism. Capital now sets the workers to operate with a machine which guides its own tools, instead of setting him to work with hand tools. If, therefore, it is clear at the first glance that large-scale industry must vastly increase the productivity of labor by the use of the enormous powers of nature and by the enlistment of natural science for the purposes of production, it is by no means self-evident that this increased productivity will not have to be paid for by an increased expenditure of labor. *Machinery like any other constituent of constant capital, does not create any value, but yields up its own value to the product it serves to beget.* In so far as it has value, and therefore transfers value to the product, it forms an element in the value of that product. Instead of cheapening the product, it makes the product dearer in proportion to the value of the machine. It is plain that machines and systems of machinery, the characteristic means of labor utilized by large-scale industry, are incomparably more valuable than the means of labor used by handicraftsmen and in manufacture.

In the first place, *I must point out that machinery, while always entering as a whole into the labor process, enters only to a partial extent into the value-creating process. It never adds more value than it loses, on the average, by wear and tear.* Thus there is a very great difference between the value of the machine and the value periodically transferred from the machine to the product. There is a very great difference between the machine as a value-forming factor and as a product-forming factor. The longer the period during which the same machinery is repeatedly used in the same labor process, the greater is this difference. We have, of course, seen that everything which can properly be called a means of labor or an instrument of production enters as a whole into the labor process; whereas into the value-creating process it enters only piecemeal, in proportion to its daily average loss by wear and tear. But the difference between utilization and wear and tear is much greater in the case of machinery than in the case of the hand tool, and this for several reasons. The machine, being made from more durable material, had a longer life; its use, being regulated by strictly scientific laws, permits of greater economy in the wear and tear of its constituent parts and in the expenditure of its means of consumption; and, lastly, its field of production is enormously more extended than that of a hand tool. *If we make allowance, both in the case of machinery and in the case of the hand tool, for their average daily cost, that is for the value that they transmit to the product by daily wear and tear and by the consumption of accessory materials such as oil, coal, etc., then we see that they do their work gratuitously—like the natural forces that work without the assistance of human labor. Just as the productive working domain of machinery is much greater than that of the hand tool, so, proportionally, greater is the domain of its unremunerative service as compared with that of the hand tool. Not until large-scale industry becomes established, do men succeed in making the products of their past labor, their embodied labor, work gratuitously on a vast scale, like the forces of nature....*

The rate at which machinery transfers its value to the product being given, the amount of value so transferred depends upon the magnitude of value of the machinery itself. The less labor it contains, the less value does it impart to the product. The less of its own value it gives up, the more productive is it, and the more, therefore, does it approximate to the forces of nature in its services. But the production of machinery by machinery lessens its value proportionally to its extension and efficacy....



MACHINERY AND LARGE-SCALE INDUSTRY

PRIMARY EFFECTS OF MACHINO-FACTURE UPON THE WORKER

As has been shown, the starting-point of large-scale industry is a revolution in the instruments of labor, and the instruments of labor have been most effectively revolutionized in the organized system of machino-facture. Before we go on to consider how human material is incorporated into this objective organism, let us study the general effects of the aforesaid revolution upon the workers.

In so far as machinery does away with the need for any considerable expenditure of muscular power, it becomes a means for the utilization of workers with comparatively little strength, and those whose bodily growth is immature, but whose limbs are all the more supple. The labor of women and children was, therefore, the first word in the capitalist utilization of machinery! This mighty substitute for work and workers speedily transformed itself into a means for increasing the number of wage workers by enlisting all the members of the working-class family, without distinction of sex or age, to bring them under the direct sway of capital. Forced labor for the capitalist usurped the place, not only of the children's play, but also of free labor in the domestic circle, carried on for the family itself and within moderate limits.

The value of labor power was determined, not by the labor time necessary for the maintenance of the individual adult worker, but by that necessary for the maintenance of the working-class family. Machinery, by throwing all the members of the working-class family into the labor market, spreads the value of the man's labor power over his whole family, and thus depreciates his labor power. To buy the labor power of a family of four workers may perhaps cost more than it formerly cost to buy the labor power of the head of the family; but the purchaser buys four working days in place of one, and the price falls in proportion to the excess of the surplus labor of four over the surplus labor of one. In order that the family may live, four persons must now, not merely work, but supply surplus labor for capital. Thus we see that machinery, while increasing from the first the human material that forms the essential field of capitalist exploitation, at the same time increases the rate of exploitation.

Machinery also works a complete revolution in the contrast between worker and capitalist which is the formal expression of their mutual relations. Taking the exchange of commodities as the basis, the primary assumption was that the capitalist and the worker were to confront one another as free individuals, as independent owners of commodities, one of them an owner of money and the means of production, and the other an owner of labor power. But now capital buys children or young persons. *In former days the worker used to sell his own labor power, being ostensibly, in this respect, a free person. Now he sells his wife and his children. He becomes a slave trader. . . .*

By incorporating an overwhelming proportion of women and children among the workers it employs, machinery was at length enabled to break down the resistance which the male operatives in the manufacturing period continued to oppose to the despotism of capital. . . .

(. . . The enormous extensibility of the factory system, the way in which it increases production by leaps and bounds, and its dependence upon the world market, necessarily give a febrile impetus to production, with a glutting of the markets, a subsequent relative inadequacy of demand, and therefore a paralysis of industry. The life of industry becomes characterized by a succession of periods of moderate activity, prosperity, overproduction, crisis, and stagnation. Thanks to this periodicity of the industrial cycle, the uncertainty and instability which machino-facture imposes upon the occupation of the worker, and therefore upon the general conditions of his life, now becomes habitual features. Except in the periods of prosperity, the capitalists are always fiercely competing with one another for a place in the market. The size of each one's share is directly proportional to the cheapness of his product. This need for cheapness causes rivalry among the capitalists in the use of improved machinery able to replace labor power, and in the application of new methods of production. Furthermore, there always arrives a moment when the attempt is made to cheapen commodities still more by forcing wages down below the value of labor power. . . .)



MACHINERY AND LARGE-SCALE INDUSTRY

PROLONGATION OF THE WORKING DAY

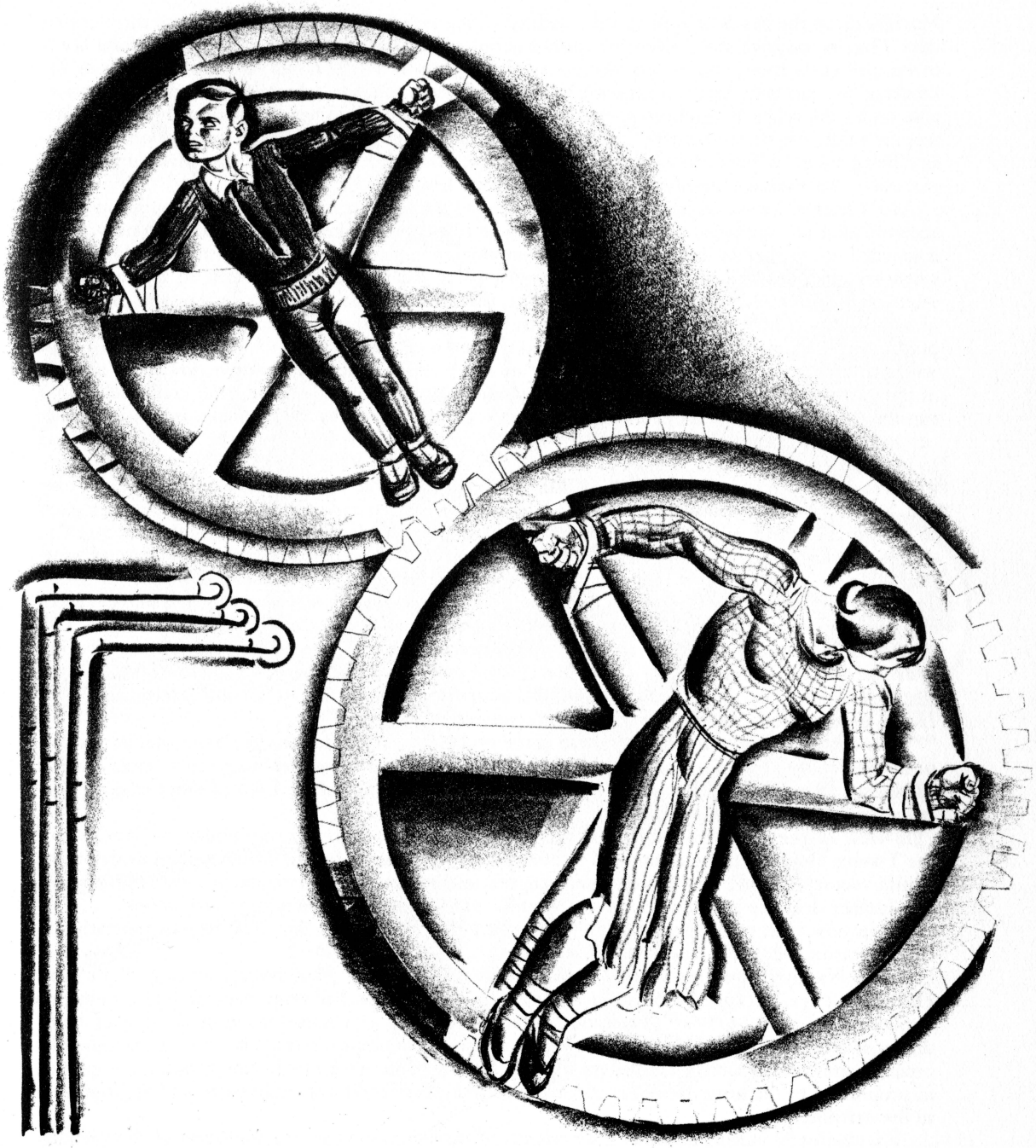
Though machinery be the most potent means for increasing the productivity of labor, that is to say, for reducing the amount of labor time necessary for the production of a commodity, in the hands of capital it becomes the most powerful means, in the industries on which it first establishes its grip, for lengthening the working day far beyond the bounds imposed by nature. For, on the one hand, it creates new conditions which enable capital to give free rein to its invariable tendencies in this direction; and, on the other hand, it supplies new motives with which to whet the hunger of capital for others' labor.

In the first place, in machinery, the movements and the activities of the implements of labor acquire, as it were, an independent life of their own, confronting that of the worker. Machinery constitutes a sort of industrial perpetual motion, which would go on reproducing without pause, did it not encounter in its human assistants certain obstacles—their bodily weaknesses and their wills. *This automaton, machinery, possesses, as capital and through the instrumentality of the capitalists, both consciousness and a will; it is therefore animated with an urge to reduce to a minimum the resistance offered by the natural but elastic limitations of the human material through which it works. The resistance of the human material is, moreover, lessened by the apparent ease of work at the machine; and by the employment of women and children, who are more pliable and docile than men.*

As we have seen, the productivity of machinery is in inverse ratio to the magnitude of the constituent value transferred by it to the finished article. The longer the life of the machine the greater is the mass of products to which it transfers its value, and the smaller therefore is the proportion of value which it contributes to any one commodity. The active life of a machine is, however, obviously dependent upon the length of the working day, or upon the duration of the daily labor process, multiplied by the number of days for which the process is carried on.

The wear and tear of the machine does not correspond with mathematical exactitude to the time for which it is used. Even if it did, a machine working for 16 hours a day during 7½ years, works for the same period of time, and transfers to the total product the same amount of value, as if it worked only 8 hours a day for a period of 15 years, but in the former case the value of the machine would be reproduced twice as fast as in the latter case, and the capitalist would, by this use of the machine, pouch in 7½ years as much surplus labor as, if the machine were used only half as fast, he would pouch in 15 years. . . .

The capitalist application of machinery thus, on the one hand, supplies new and powerful incentives for an excessive increase in the working day, and radically changes both the methods of labor and the character of the social working organism in such a way as to break down all opposition to this tendency. But, *on the other hand, partly by opening out to the capitalist new strata of the working class previously inaccessible to him, and partly by setting free the laborers it supplants, machinery produces a surplus working population, which is compelled to submit to the dictation of capital.* That accounts for one of the most remarkable phenomena in the history of modern industry; it accounts for the way in which machinery makes an end of all moral and natural restrictions on the length of the working day. This explains the economic paradox, that the most powerful instrument for shortening labor time, proved to be the most unfailing means for placing every moment of the worker's time and that of his family at the disposal of the capitalist, for the purpose of bringing about the accumulation of capital. Aristotle, the greatest thinker of antiquity, letting his fancy run, said: "If every tool, when called upon, or even of its own accord, could do the work that befits it, just as the inventions of Daedalus moved of themselves, or the tripods of Hephaestus went on their own initiative to their sacred work—if the weavers' shuttles were to weave of themselves—then there would be no need either of apprentices for the master craftsmen or of slaves for the lords." Again, Antipater of Thessalonica, a Greek poet of Cicero's days, acclaimed the invention of the water-wheel for grinding corn (an invention that is the elementary form of all productive machinery) as the giver of freedom to female slaves and the establisher of the Golden Age. These were poor, benighted pagans! As the shrewd Bastiat and his abler predecessor, McCulloch, discovered, they knew nothing about economics or Christianity. For example, they never realized that machinery is the best possible means for establishing a longer working day. . . .



INTENSIFICATION OF LABOR

Machinery, in the hands of capital, thus leads to an immoderate increase in the length of the working day. This, as we have seen, ultimately brings about a reaction on the part of society, whose life is threatened at its roots; and society decrees a legal limitation of the hours of labor. As soon as the working day has been legally restricted, the intensification of labor, which had already been noticeable under the reign of machinery, becomes much more marked. When we were analyzing absolute surplus value, we were primarily concerned with the extension of labor, with its duration, its intensity being taken as fixed. We have now to consider how greater intension can make up for less extension; we have to consider the degree to which labor can be intensified.

As a matter of course, in proportion to the spread of the use of machinery, and in proportion to the accumulation of experience among the members of a class of workers habituated to machinery, labor is speeded up, so that its intensity grows as if in virtue of a natural law. Thus in England, during half a century, an increase in the length of the working day went hand-in-hand with an increase in the intensity of factory labor. It is obvious, however, that if we are dealing, not with transient paroxysms of intense labor, but with labor which has to be performed day in and day out for an indefinite period and with perfect regularity, there must come a crucial point at which an extension of the working day and an increase in the intensity of labor will be mutually exclusive, so that an increase in the working day can only be achieved if the intensity of labor be reduced, and, conversely, labor can only be intensified if the working day be shortened. As soon as the gradually increasing indignation of the working class compelled the State to impose a legal limit upon the working day, and to make a start by imposing a normal working day in factories strictly so called—from the moment, that is to say, when an increase in the production of surplus value by an increase in the working day had been rendered impossible once for all—capital, wittingly and with all its might, devoted itself to the production of relative surplus value by accelerating the development of machino-facture. . . .

A reduction in the hours of labor provides the subjective conditions requisite for the condensation of labor, inasmuch as it increases the capacity of the worker for expending more energy within a given time. As soon as a shorter day is enforced by legal enactment, machinery in the hands of capital is objectively and systematically applied to the squeezing out of more labor within a given time. This is effected in two ways; first, by speeding-up the machinery, and, secondly, by increasing the size of the worker's working field, by giving him a larger amount of machinery to mind. . . .

. . . In the year 1844, Lord Ashley, now Lord Shaftesbury, made the following statements in the House of Commons, supporting them by documentary evidence:

"The labor performed by those engaged in the processes of manufacture is three times as great as in the beginning of such operations. Machinery has executed, no doubt, the work that would demand the sinews of millions of men; but it has also prodigiously multiplied the labor of those who are governed by its fearful movements. . . .

In view of the remarkable intensity which labor had attained in this way under the dominion of the Twelve Hours Act, there appeared to be a certain justification for the assertion then made by the British factory owners, that any further progress in that direction was impossible, this implying that any further decrease in the working day would be tantamount to a decrease in production. . . .

Let us now turn to the period after 1847, when the Ten Hours Act had become operative in British cotton, wool, silk, and flax textile works. . . .

. . . James Nasmyth, the famous civil engineer of Patricroft, near Manchester, writing to Leonard Horner in 1852, explained the nature of the improvements that had been made in the steam-engine between 1848 and 1852. . . . "The modern steam-engine of 100 horse-power is capable of being driven at a much greater force than formerly, arising from improvements in its construction, the capacity and construction of the boilers, etc. . . . Although the same number of hands are employed in proportion to the horse-power as at former periods, there are fewer hands employed in proportion to the machinery." . . .

. . . It is absolutely indisputable that the tendency of capital, as soon as a prolongation of the working day is once for all prohibited, to compensate itself by systematically increasing the intensity of labor, and the tendency of capital to make of every improvement in machinery a more effective means of getting the utmost out of labor power, will ere long lead to a state of things that will make a further reduction in the hours of labor inevitable. . . .

MACHINERY AND LARGE-SCALE INDUSTRY

THE FACTORY

. . . We saw how machinery leads to an increase in the amount of human material for exploitation, by its annexation of the labor of women and children; how it extends its grip over the whole of the worker's life-time by its immoderate extension of the working day; and how its progress, which renders possible an enormous increase of production in ever shorter periods, serves as a means for the establishment of a system by which more and more work is done in a shorter time—as a means by which labor power is more and more intensively exploited. Let us now turn to consider the factory as a whole, the factory in its most highly developed form. . . .

Along with the tool, the worker's skill in handling it passes over to the machine. The functional capacity of the tool is now emancipated from the personal restrictions imposed upon the worker's labor power. This sweeps away the technical foundation upon which the manufacturing division of labor is based. Instead of the hierarchy of specialized workers which was characteristic of the manufacturing division of labor, we find that in the automatic factory there is a tendency towards the equalization or levelling down of the work which the assistants of the machinery have to perform. The artificial differences between the detail workers are now mainly replaced by natural differences in age and sex. . . .

In manufacture and in handicrafts the worker uses a tool; in the factory he serves a machine. In the former case the movements of the instrument of labor proceed from the worker; but in the latter the movements of the worker are subordinate to those of the machine. In manufacture the workers are parts of a living mechanism. In the factory there exists a lifeless mechanism independent of them, and they are incorporated into that mechanism as its living appendages. "The dull routine of ceaseless drudgery and toil, in which the same mechanical process is incessantly repeated, resembles the torment of Sisyphus—the toil, like the rock, recoils perpetually upon the wearied operative." While labor at the machine has a most depressing effect upon the nervous system, it at the same time hinders the multiform activity of the muscles, and prohibits free bodily and mental activity. Even the lightening of the labor becomes a means of torture, for the machine does not free the worker from his work, but merely deprives his work of interest. All kinds of capitalist production, in so far as they are not merely labor processes, but also processes for promoting the self-expansion of capital, have this in common, that in them the worker does not use the instruments of labor, but the instruments of labor use the worker. However, it is only in machine production that this inversion acquires a technical and palpable reality. *Through its conversion into an automaton, the instrument of labor comes to confront the worker during the labor process as capital, as dead labor, which controls the living labor power and sucks it dry.* The divorce of the intellectual powers of the process of production from the manual labor, and the transformation of these powers into powers of capital over labor, are completed (as previously indicated) in large-scale industry based upon machine production. The special skill of each individual machine worker who is thus sucked dry, dwindles into an insignificant item as contrasted with the science, with the gigantic forces of nature, and with the mass of social labor, which are incorporated into the machine system and out of which the power of the "master" is made. This master, in whose brain the machinery and his monopoly of it are inseparably intertwined, tells his "hands" contemptuously whenever he is at odds with them. "The factory operatives should keep in wholesome remembrance the fact that theirs is really a low species of skilled labor; and that there is none which is more easily acquired, or of its quality more amply remunerated, or which by a short training of the least expert can be more quickly, as well as more abundantly acquired. . . . The master's machinery really plays a far more important part in the business of production than the labor and the skill of the operative, which six months' education can teach and a common laborer can learn." . . .



MACHINERY AND LARGE-SCALE INDUSTRY

STRUGGLE BETWEEN THE WORKER AND THE MACHINE

The war between the capitalist and the wage worker dates back to the very origin of capital. It continues to rage throughout the manufacturing period. But only since the introduction of machinery has the worker been at war with the instrument of labor itself, with the material embodiment of capital. He revolts against this particular form of the means of production, as being the material basis of the capitalist method of production.

In the seventeenth century, almost all over Europe, there were revolts against the ribbon loom, a machine for weaving ribbons and braid. The ribbon loom was invented in Germany. An Italian abbé, named Lancellotti, in a work published at Venice in the year 1636, but written in 1579, says: "About fifty years ago, Anton Müller, of Danzig, saw in that town a very ingenious machine, which weaves four to six pieces at once. But the town council, being afraid that the invention might throw a large number of the workmen on the streets, had the machine destroyed, and the inventor secretly strangled or drowned." In Leyden, this machine did not come into use until 1629. At first there were riots among the braid workers, so that there, too, the town council was compelled to prohibit its use. . . .

About 1630 a sawmill driven by wind-power, which had been erected near London by a Dutchman, was destroyed in a riot. Even as late as the beginning of the eighteenth century sawmills driven by water-power encountered widespread popular hostility. This was supported by parliament, and was overcome only with great difficulty. In 1758 Everet constructed the first wool-shearing machine driven by water-power. It was burned by a hundred thousand workpeople who had been thrown out of work. Fifty thousand workers, who had made their living by the carding of wool, petitioned parliament against Arkwright's scribbling mill and carding engines. In the English manufacturing districts during the first fifteen years of the nineteenth century, the increased use of machinery (chiefly in the form of the power-loom) was followed by widespread machine-breaking riots. These disturbances, known as the Luddite movement, gave the anti-Jacobin government, consisting of such men as Sidmouth, Castlereagh, etc., an excuse for forcible and extremely reactionary measures against the working class. *Time and experience were needed before the workers could learn to distinguish between machinery itself and the use of machinery by capital; and until they could come to direct their attacks, not against the material instruments of production, but against the particular social form in which these instruments are used. . . .*

In the form of machinery, the instrument of labor immediately enters into competition with the worker. The self-expansion of capital by means of machinery is directly proportional to the number of the workers whose means of livelihood have been destroyed by this machinery. The whole system of capitalist production is based upon the fact that the worker sells his labor power as a commodity. Thanks to the division of labor, this labor power becomes specialized, is reduced to skill in handling a particular tool. As soon as the guiding of the tool becomes the work of the machine, the use-value and the exchange-value of the worker's labor power disappear. The worker becomes unsaleable, like paper money which is no longer legal tender. That portion of the working class which machinery has thus transformed into superfluous population (this meaning a population which is no longer immediately required to promote the self-expansion of capital), either goes to the wall in the unequal struggle of the old handicraft and manufacturing industry against machine industry, or else floods all the more easily accessible branches of industry, glutting the labor market, and consequently reducing the price of labor power below its value. . . .

But machinery does not merely function as a mighty competitor, ever ready to make the wage earners "superfluous". It is also a power directly hostile to the wage worker, is proclaimed to be such by capital, and is manipulated by capital in a sense hostile to the worker. It is utilized as the most powerful weapon in the capitalist arsenal, as the best means for overcoming the periodical revolts of the working class against the autocracy of capital. According to Gaskell, the steam-engine was from the very first an antagonist of human power, an antagonist that enabled the capitalist to offer a successful resistance to the growing claims of the workers, which were threatening to involve the commencing factory system in a crisis. A whole book could be filled with the history of inventions since 1830, inventions which were made as weapons for capital to use against working-class revolts. . . .



TRANSFORMATION OF THE VALUE, OR THE PRICE, OF LABOR POWER INTO WAGES

. . . What actually confronts the owner of money in the market is not labor, but the worker. What the worker sells is his labor power. As soon as his work really begins, it has already ceased to belong to him and can therefore no longer be sold by him. Labor is the substance and the immanent measure of value, but it has itself no value.

In the phrase "value of labor", the concept of value is not merely expunged, but is transformed into its opposite. It is an expression as imaginary as when we speak of the value of the earth. Yet these imaginary expressions arise out of the very relations of production. They are categories for the phenomenal forms of essential relations. The students of other sciences are familiar with the fact that phenomenal things often appear in inverted forms; political economists are the only students of science who do not know this. . . .

Since the value of labor is only an irrational expression for the value of labor power, it is self-evident that the value of the labor must invariably be less than the value it creates, for the capitalist always arranges that labor power shall continue in operation for a longer time than is necessary for the reproduction of its own value. . . .

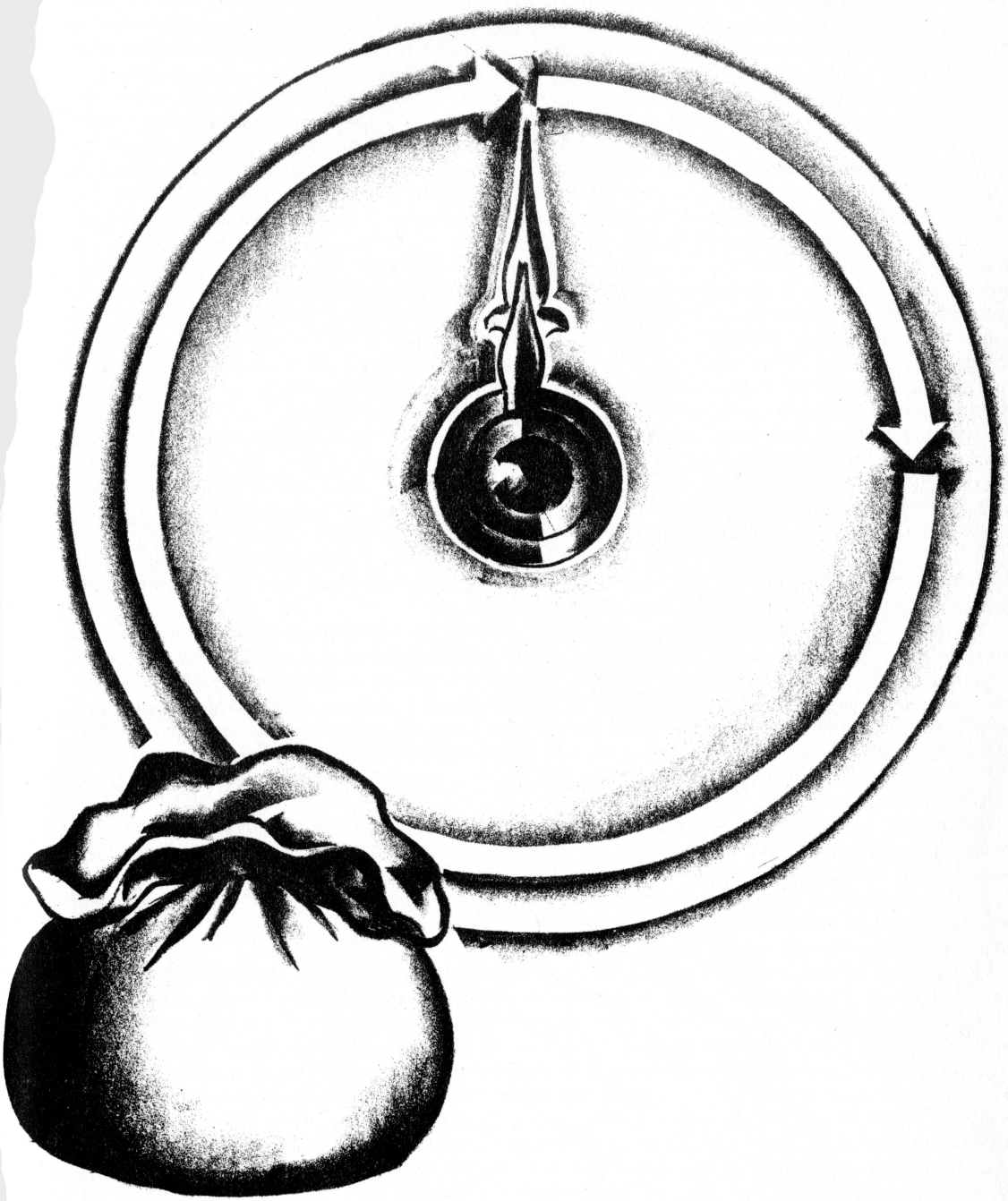
. . . *In slave labor, even that part of the working day in which the slave is merely replacing the value of his own means of subsistence, and during which, therefore, he is really working for himself, assumes the aspect of work for his master. All his labor seems to be unpaid labor. In the case of wage labor, on the other hand, even surplus labor or unpaid labor appears to be paid. In one case the property relation hides the fact that the slave works part of his time for himself; in the other case the money relation hides the fact that the wage worker works part of his time for nothing.*

Hence we can understand the decisive importance of the transformation of the value and the price of labor power into the form of the wages of labor, or into the value and the price of labor itself. Upon this phenomenal form, which renders the real relation invisible and brings its very opposite to light, are grounded the juridical concepts entertained alike by the worker and the capitalist, all the mystifications of the capitalist method of production, all its illusions of freedom, all the apologetic artifices of the vulgar economists.

Nothing can be easier to explain why this is so, why this phenomenal form is necessary—even though history has taken so long in solving the mystery of wages. . . .

The capitalist . . . wants to get as much labor as possible for as little money as possible. The only thing, therefore, which interests him in practice, is the difference between the price of labor power and the value which its function creates. But he tries to buy all commodities as cheaply as possible, and invariably explains his profit to himself as due simply to buying cheap and selling dear, to buying a thing below its value and selling it above its value. He therefore fails to realize that if such a thing as the value of labor really existed, and he really paid this value, no capital could exist, for his money could not be transformed into capital. . . .

Capital, therefore, is not only what Adam Smith calls it, the command over labor. Fundamentally it is the command of unpaid labor. All surplus value, whatever the form into which it may subsequently become crystallized—as profit, land-rent, interest, etc.—is, substantially, the materialization of unpaid labor time. The secret of the self-expansion of capital finds its explanation in this, that capital has at its disposal a definite quantity of other people's unpaid labor. . . .



SIMPLE REPRODUCTION

Whatever the form of the process of production in a society may be, that process must either be continuous, or else it must pass periodically through the same phases. A society can no more cease to produce than it can cease to consume. Regarded as a connected whole and in the perpetual flux of its renewal, every social process of production is, therefore, at the same time a process of reproduction. . . .

The process of production is initiated by the purchase of labor power for a definite period, the initiation being perpetually renewed when the term for which the labor power has been bought expires, and when, therefore, a definite productive period, a week, a month, etc., as the case may be, is finished. But the worker is not paid until his labor power has been exercised, and has realized, in the form of commodities, not only its own value but surplus value as well. The worker, therefore, has produced not only surplus value (which, for the present, we regard merely as a fund to meet the private consumption of the capitalist); he has also produced, before it flows back to him in the form of wages, the fund out of which he himself is paid, the variable capital; and he secures employment only as long as he continues to reproduce this fund. . . . What is continually flowing back to the worker in the form of wages is a portion of the product that is continually being reproduced by him. True, the capitalist pays him the commodity value in money, but this money is only a metamorphosed form of the product of labor. While the worker is transforming part of the means of production into product, part of his earlier product is being retransformed into money. What pays for his labor to-day, or during the next six months, is his labor of last week or of the last six months. The illusion begotten by the money form disappears instantly if, instead of contemplating a single capitalist and a single worker, we contemplate the capitalist class and the working class as a whole. The capitalist class is continually giving to the working class delivery orders in the money form, delivery orders which enable the workers to secure for themselves part of the products which they themselves have produced and which the capitalist class has appropriated. These delivery orders are no less continually handed back by the workers to the capitalist class, and in this way the workers acquire whatever share of their own products accrues to them. But the real nature of the transaction is masked by the commodity form of the product and the money form of the commodity.

Variable capital, therefore, is nothing more than a particular historical phenomenal form of the fund for providing the necessaries of life, or the labor fund which the worker needs for his own maintenance and reproduction—a fund which he must himself continually produce and reproduce, whatever may be the system of social production. If the labor fund constantly flows to him in the form of money that pays for his labor this is because his own product constantly flows away from him in the form of capital. But the fact that the labor fund assumes this phenomenal form does not affect the other fact, that what is advanced to the worker by the capitalist is only the worker's own labor, realized in a product. . . .

Quite apart . . . from any accumulation, the mere continuity of the process of production, or, in other words, simple reproduction, necessarily ends, sooner or later in the conversion of all capital into accumulated, or capitalized, surplus value. Even though, when this capital made its entry into the process of production, it may have been property acquired by the personal labor of its owner, sooner or later it becomes value appropriated without an equivalent, the unpaid labor of others materialized either in money or in some other form. . . .

When a capitalist converts part of his capital into labor power, he thereby augments his total capital. He kills two birds with one stone. He profits not only by what he receives from the worker, but by what he gives to the worker. The capital given in exchange for labor power is converted into necessaries of life, and the consumption of these serves to renovate, to reproduce as it were, the muscles, nerves, bones, and brains of existing workers, and to promote the begetting of new workers. . . . The individual consumption of the worker, whether within or without the workshop or the factory, whether within or without the labor process, forms, therefore, a factor of the production and reproduction of capital; just as is the cleaning of machinery, whether it be done during the labor process or during a pause in the labor process. The fact that the worker consumes the means of subsistence to please himself and not to please the capitalist is irrelevant. . . .

The capitalist process of production regarded as a connected whole, or as a process of reproduction, therefore produces, not only commodities, not only surplus value, for it also produces and reproduces the capitalist relation itself; produces and reproduces, on one side the capitalist, and on the other the wage worker.



LAW OF CAPITALIST ACCUMULATION

The law in accordance with which a continually increasing quantity of the means of production can, thanks to the advance in the productivity of social labor, be set in motion by a progressively diminishing expenditure of human energy—this law, in a capitalist society (where the worker does not make use of the means of production, but where the means of production make use of the worker), undergoes a complete inversion, and is expressed as follows: the higher the productivity of labor, the greater is the pressure of the workers on the means of employment; and the more precarious, therefore, becomes their condition of existence, namely the sale of their own labor power for the increasing of another's wealth, or to promote the self-expansion of capital. Under capitalism, likewise, the fact that the means of production and the productivity of labor grow more rapidly than does the productive population, secures expression in an inverse way, namely that the working population always grows more quickly than capital's need for self-expansion. . . .

. . . All the methods for the production of surplus value are at the same time methods of accumulation; and, conversely, every extension of accumulation becomes a means for the development of the methods of production. The result is that, in proportion as capital accumulates, the condition of the worker, be his wages high or low, necessarily grows worse. . . . Thanks to the working of this law, *poverty grows as the accumulation of capital grows. The accumulation of wealth at one pole of society involves a simultaneous accumulation of poverty, labor torment, slavery, ignorance, brutalization, and moral degradation, at the opposite pole—where dwells the class that produces its own product in the form of capital.*

Political economists have in various ways drawn attention to this inherent contradiction in capitalist accumulation, although in their disquisitions they confound it with phenomena which, though to some extent analogous, are essentially distinct—belonging as they do to pre-capitalist methods of production.

Ortes, the Venetian monk, who was one of the greatest economists of the eighteenth century, regards this contradictory character of capitalist production as a general natural law of social wealth. He writes: "In the economy of a nation, good and evil always balance each other; abundance of wealth for some is invariably counterpoised by the lack of wealth for others. Great wealth for some is ever accompanied by an absolute privation of the necessaries of life for a much larger number of persons. The wealth of a nation corresponds with its population, and its poverty corresponds with its wealth. Diligence in some compels idleness in others. The poor and the idle are a necessary consequence of the rich and the active", and so on. About ten years after Ortes, *Townsend, the High Church parson, writing with characteristic brutality, glorified poverty as the necessary condition of wealth. "Legal constraint [to labor] is attended with too much trouble, violence, and noise; . . . whereas hunger is not only a peaceable, silent, unremitted pressure, but, as the most natural motive to industry and labor, it calls forth the most powerful exertions."* Everything, therefore, depends upon making hunger permanent in the ranks of the working class; and for this, according to Townsend, the principle of population, especially active among the poor, provides. "It seems to be a law of nature that the poor should be to a certain degree improvident" [so improvident as to be born without a silver spoon in the mouth], "that there may always be some to fulfill the most servile, the most sordid, and the most ignoble offices in the community. The stock of human happiness is thereby much increased, whilst the more delicate are not only relieved from drudgery, . . . but are left at liberty without interruption to pursue those callings which are suited to their various dispositions." . . .

Finally, hear Destutt de Tracy, the cold-blooded bourgeois doctrinaire, who bluntly tells us the truth: "In poor nations the common people are comfortable; in rich nations they are generally poor."



LAW OF CAPITALIST ACCUMULATION

EFFECT OF CRISES ON THE BETTER-PAID PART OF THE WORKING CLASS

. . . I wish to give an example showing how crises affect even the better-paid portion of the working class, the labor aristocracy. . . . To show the condition of the workers, I will now quote the circumstantial report of a correspondent of the "Morning Star", who, at the end of 1866 and the beginning of 1867, visited the chief centers of distress: "*In the East End districts of Poplar, Millwall, Greenwich, Deptford, Limehouse, and Canning Town, at least 15,000 workmen and their families were in a state of utter destitution, and 3,000 skilled mechanics were breaking stones in the workhouse yard (after distress of over half a year's duration).* . . . Men were busy, however, in the open shed breaking paving-stones into macadam. Each man had a big paving-stone for a seat, and he chipped away at the rime-covered granite with a big hammer until he had broken up, just think! five bushels of it, and then he had done his day's work, and got his day's pay—threepence and an allowance of food. In another part of the yard was a rickety little wooden house, and when we opened the door of it, we found it filled with men who were huddled together, shoulder to shoulder, for the warmth of one another's bodies and breath. . . . Leaving the workhouse, I took a walk through the streets, mostly of little one-story houses, that abound in the neighborhood of Poplar. My guide was a member of the Committee of the Unemployed. . . . My first call was on an ironworker who had been seven-and-twenty weeks out of employment. I found the man with his family sitting in a little back room. The room was bare of furniture, and there was a fire in it. This was necessary to keep the naked feet of the young children from getting frost-bitten, for it was a bitterly cold day. On a tray in front of the fire lay a quantity of oakum, which the wife and children were picking in return for their allowance from the parish. The man worked in the stone yard of the workhouse for a certain ration of food, and threepence per day. He had now come home to dinner quite hungry, as he told us with a melancholy smile, and his dinner consisted of a couple of slices of bread and dripping, and a cup of milkless tea. . . . The next door at which we knocked was opened by a middle-aged woman, who, without saying a word, led us into a little back parlor, in which sat all her family, silent and fixedly staring at a rapidly dying fire. Such desolation, such hopelessness was about these people and their litttle room, as I should not care to witness again. 'Nothing have they done, sir,' said the woman, pointing to her boys, 'for six-and-twenty weeks; and all our money gone—all the twenty pounds that me and father saved when times were better, thinking it would yield a little to keep us when we got past work. Look at it,' she said, almost fiercely, bringing out a bank-book with all its well-kept entries of money paid in, and money taken out, so that we could see how the little fortune had begun with the first five shilling deposit, and had grown by little and little to be twenty pounds, and how it had melted down again till the sum in hand got from pounds to shillings, and the last entry made the book as worthless as a blank sheet. This family received relief from the workhouse, and it furnished them with just one scanty meal per day. . . . *Our next visit was to an iron laborer's wife, whose husband had worked in the yards. We found her ill from want of food, lying on a mattress in her clothes, and just covered with a strip of carpet, for all the bedding had been pawned. Two wretched children were tending her, themselves looking as much in need of nursing as their mother.* Nineteen weeks of enforced idleness had brought them to this pass, and while the mother told the history of that bitter past, she moaned as if all her faith in a future that should atone for it were dead. . . . On getting outside, a young fellow came running after us, and asked us to step inside his house and see if anything could be done for him. A young wife, two pretty children, a cluster of pawntickets, and a bare room, were all he had to show."

. . . *They are dying of hunger. That is the simple and terrible fact. There are 40,000 of them. . . . In our presence, in one quarter of this wonderful metropolis, are packed—next door to the most enormous accumulation of wealth the world ever saw—cheek by jowl with this are . . . 40,000 helpless, starving people.* . . .



TRANSFORMATION OF SURPLUS VALUE INTO GROUND-RENT

PRICE OF LAND

The fact that capitalized ground rent represents itself as the price or value of land, so that the earth is bought and sold like any other commodity, serves to some apologists as a justification of private property in land, seeing that the buyer pays an equivalent for it, as he does for other commodities, and that the major portion of the property in land has changed hands in this way. The same reason would, in that case, serve also to justify slavery, since the returns from the labor of the slave, whom the slave holder has bought, represent merely the interest on the capital invested in this purchase. To derive from the sale and purchase of ground-rent a justification of its existence signifies to justify its existence by its existence. . . .

It should be remembered in the study of the various forms which appear as ground-rent, that is, of the lease money paid under the name of ground-rent to the landlord for the use of the land for the purposes of production or consumption, that the price of things which have in themselves no value, not being the products of labor, such as the land, or which at least cannot be reproduced by labor, such as antiquities, works of art of certain masters, etc., may be determined by many accidental combinations. In order to sell a thing nothing more is required than that it may be monopolized and alienated. . . . Wherever natural forces can be monopolized (and thereby guarantee a surplus profit to the industrial capitalist using these forces, whether it be waterfalls, or rich mines, or waters teeming with fish, or a favorably located building lot), there the person who by his or her title to a portion of the globe has been privileged to own these things will capture a part of the surplus profit of the active capital by means of rent. Concerning mining lands. . . . This form of rent is distinguished . . . by the most shameless exploitation of poverty . . . and by the tremendous power wielded by private property in land when united with industrial capital in the same hand and used for the purpose of practically excluding the laborers in their struggle for wages from the earth as a place of domicile. One section of society thus exacts from another a tribute for permission to inhabit the earth. *Private property in land implies the privilege of the landlord to exploit the body of the globe, the bowels of the earth, the air, and with them the conservation and development of life. . . .*

The title of a number of persons to the possession of the globe which enables them to appropriate a portion of the surplus labor of society to themselves, and to do so to an increasing extent with the development of production, is concealed by the fact that the capitalized rent, this capitalized tribute, appears as the price of the land, and that the land may be sold like any other article of commerce. The buyer, therefore, does not feel that his title to the rent is obtained gratis . . . but rather that he has paid for it with an equivalent. . . . *From the point of view of a higher economic form of society, the private ownership of the globe on the part of some individuals will appear quite as absurd as the private ownership of one man by another. Even a whole society, a nation, or even all societies together are not the owners of the globe. They are only its possessors, its users, and they have to hand it down to the coming generations in an improved condition, like good fathers of families.*



TRANSFORMATION OF SURPLUS VALUE INTO GROUND-RENT

LABOR RENT. RENT IN KIND

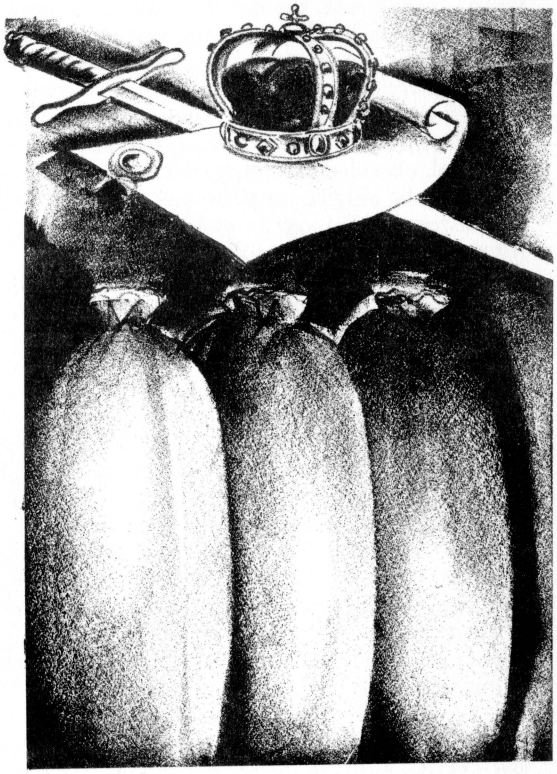
If we observe ground rent in its simplest form, that of labor rent, which means that the direct producer cultivates during a part of the week, with instruments of labor (plow, cattle, etc.), actually or legally belonging to him, the soil owned by him in fact, and works during the remaining days upon the estate of the feudal lord, without any compensation from the feudal lord, the proposition is quite clear, for in this case rent and surplus value are identical. . . . It is unpaid surplus labor for the "owner" of the means of production, which here coincide with the land, and so far as they differ from it, are mere accessories to it. That the product of the laboring serf must suffice to reproduce both his subsistence and his requirements of production, is a fact which remains the same under all modes of production. For it is not a result of its specific form, but a natural requisite of all continuous and reproductive labor, of any continued production, which is always a reproduction, including the reproduction of its own labor conditions. It is furthermore evident that in all forms, in which the direct laborer remains the "possessor" of the means of subsistence, the property relation must at the same time assert itself as a direct relation between rulers and servants, so that the direct producer is not free. . . .

The specific economic form, in which unpaid surplus labor is pumped out of the direct producers, determines the relation of rulers and ruled, as it grows immediately out of production itself and reacts upon it as a determining element. . . . The form of this relation between rulers and ruled naturally corresponds always with a definite stage in the development of the methods of labor and of its productive social power. . . .

So much is evident in the case of labor rent, the simplest and most primitive form of rent: The rent is here the original form of surplus value and coincides with it. Furthermore, the identity of surplus value with unpaid labor of others does not need to be demonstrated by any analysis in this case, because it still exists in its visible, palpable form, for the labor of the direct producer for himself is still separated by space and time from his labor for the landlord, and this last labor appears clearly in the brutal form of forced labor for another. . . . Here, where surplus value and rent are not only identical, but where surplus value obviously has the form of surplus labor, the natural conditions, or limits, of rent lie on the surface, because those of surplus value do. . . .

The transformation of labor rent into rent in kind does not change anything in the nature of rent, economically speaking. This nature, in the forms of rent considered here, is such that rent is the sole prevailing and normal form of surplus labor or surplus value. . . . Rent in kind requires a higher state of civilization for the direct producer, a higher stage of development of his labor and of society in general. And it is distinguished from the preceding form by the fact that the surplus labor is no longer performed naturally, is no longer performed under the direct supervision and compulsion of the landlord or of his representatives. The direct producer is rather driven by the force of circumstances than by direct coercion, rather by legal enactment than by the whip, to perform surplus labor on his own responsibility. . . . In this relation the direct producer is more or less master of the employment of his whole labor time, although a part of this labor time, at first practically the entire surplus portion of it, belongs to the landlord without any compensation. Only, the landlord does not get this surplus labor any more in its natural form, but rather in the natural form of the product in which it is realized. . . .

Here, as previously in the form of labor rent, ground-rent is the normal form of surplus value, and thus of surplus labor, that is, of the entire surplus labor performed without any equivalent by the direct producer for the benefit of the owner of his essential means of production, the land, a labor which is still performed under compulsion, although no longer in the old brutal form. . . .





TRANSFORMATION OF SURPLUS VALUE INTO GROUND-RENT

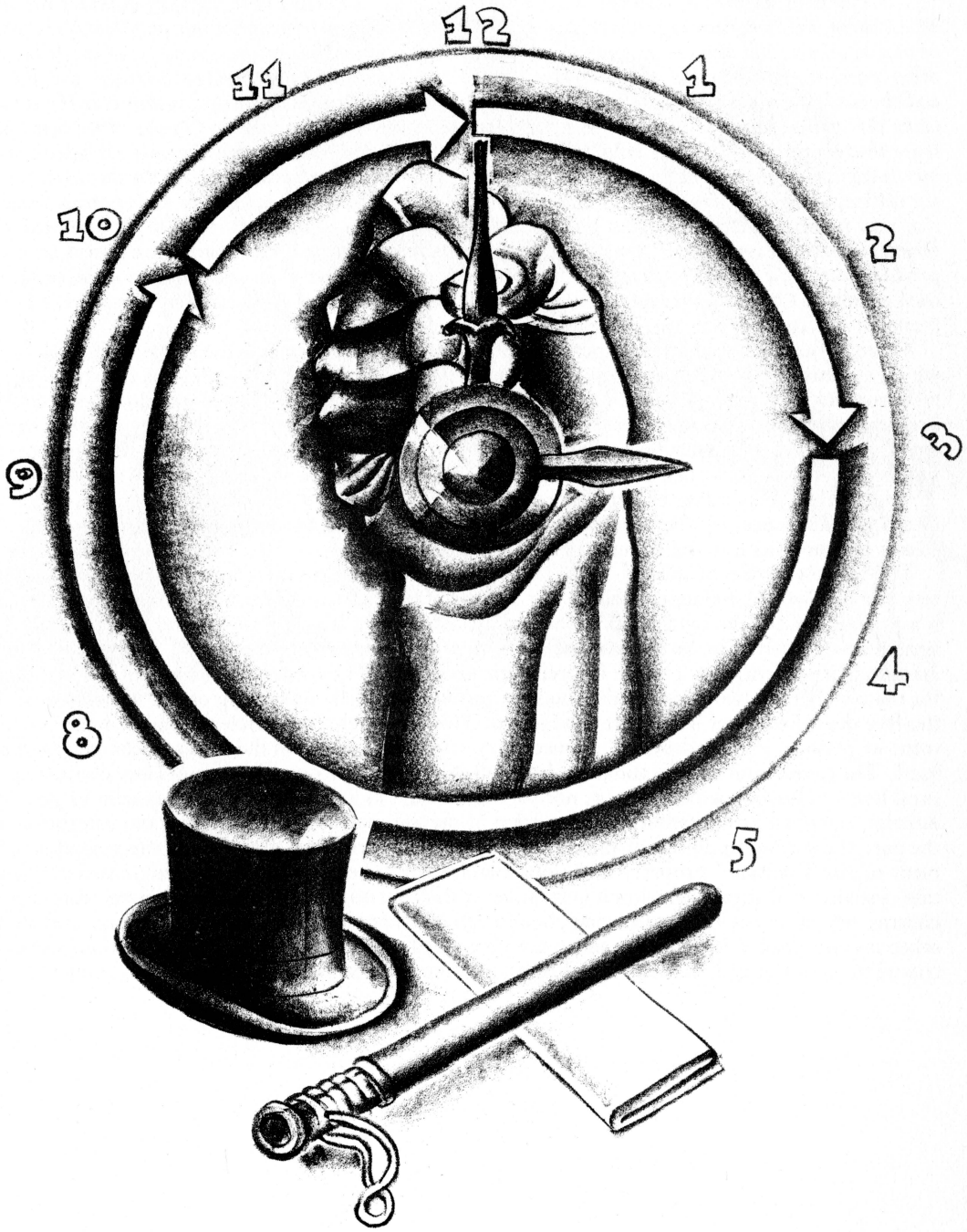
MONEY RENT

Under money rent, the direct producer no longer turns over the product, but its price, to the landlord (who may be either the state or a private individual). . . . The character of the entire mode of production is thus more or less changed. It loses its independence, it remains no longer detached from the social connections. The proportion of the cost of production, which now is more and more complicated with the expenditure of money, now becomes the determining factor. . . .

The cultivating possessor thus becomes virtually a mere tenant. This transformation serves, on the one hand, provided that other general conditions of production permit such a thing, to expropriate gradually the old peasant possessors and to put in their place capitalist tenants. . . . The transformation of rent in kind into money rent is not only necessarily accompanied but even anticipated by the formation of a class of propertyless day laborers, who hire themselves out for wages. During the period of their rise, when this new class appears but sporadically, the custom necessarily develops (among the better situated tributary farmers) of exploiting agricultural laborers for their own account, just as the wealthier serfs in the feudal times used to employ serfs for their own benefit. In this way they gradually acquire the ability to accumulate a certain amount of wealth and even to transform themselves into future capitalists. . . .

As soon as rent assumes the form of money rent, and with it the relation between rent-paying peasants and landlords becomes a relation fixed by contract—a development which is not possible unless the world market, commerce, and manufacture have reached a relatively high level—the leasing of land to capitalists necessarily also puts in its appearance. . . . The capitalist tenant becomes the actual commander of these agricultural laborers, and the actual exploiter of their surplus labor, whereas the landlord has any direct relations only with this capitalist tenant, the relation being a mere money relation fixed by contract. . . . And now the total surplus labor, both profit and surplus above the profit, are extracted by him directly, appropriated in the form of the surplus product and turned into money. It is only the surplus portion of the surplus value extracted by him from the agricultural laborer by direct exploitation, by means of his capital, which he turns over to the landlord as rent. . . .

Finally . . . the former rent-paying tenant may be transformed into an independent peasant proprietor . . . also urban and other moneyed people may buy real estate, in order to lease them either to peasants or to capitalists and thus enjoy rent in the form of interest on capital so invested; . . . therefore, this likewise assists in the transformation of the former mode of exploitation, of the relation between the owner and the actual tiller of the land, and of the rent itself.


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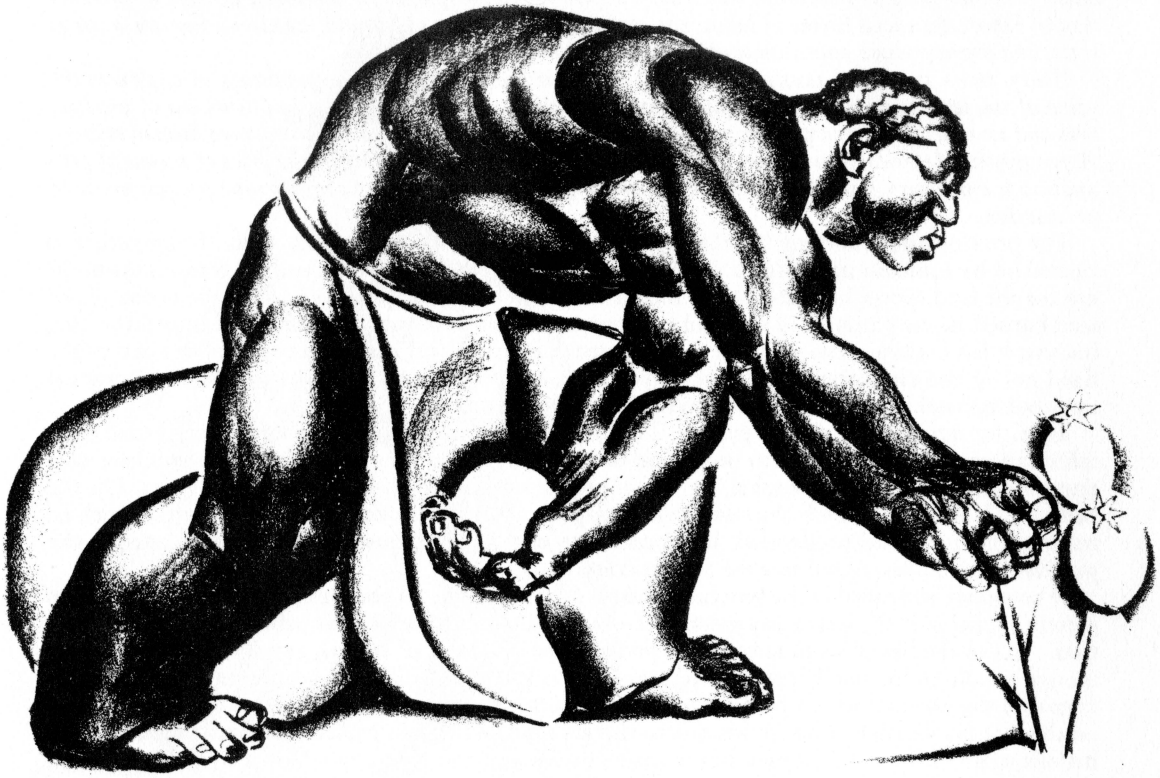
TRANSFORMATION OF SURPLUS VALUE INTO GROUND-RENT

SHARE FARMING AND SMALL PEASANTS' PROPERTY

. . . As a form of transition from the original form of rent to capitalist rent, we may consider the metairie system, or share farming, under which the manager (tenant) furnishes not only labor (his own or that of others) but also a portion of the capital, and the landlord furnishes, aside from the land, another portion of the capital (for instance cattle) and the product is divided between the tenant and the landlord according to definite shares, which differ in various countries. In this case the tenant lacks the capital required for a thorough capitalist operation of agriculture. On the other hand, the share thus appropriated by the landlord has not the pure form of rent. It may actually include interest on the capital advanced by him and a surplus rent. It may also absorb practically all the surplus labor of the tenant, or leave to him a greater or smaller portion of this surplus labor. But the essential point is that rent no longer appears here as the normal form of surplus value in general. On the one hand, the tenant, whether he employ his own labor or another's, is supposed to have a claim upon a portion of the product, not in his capacity as a laborer, but as a possessor of a part of the instruments of labor, as his own capitalist. On the other hand, the landlord claims his share not exclusively in his capacity as the owner of the land, but also as a lender of capital. . . .

There is, furthermore, the small peasant's property. Here the farmer is the free owner of his land, which appears as his principal instrument of production, the indispensable field of employment for his labor and his capital. No lease money is paid under this form. Rent, therefore, does not appear as a separate form of surplus value here, although in countries in which capitalist industry in other lines is developed, it appears as a surplus profit by comparison with other lines of production. But it is a surplus profit which, like all the rest of the product of his labor, falls into the hands of the farmer himself. . . . Under these conditions, the greater part of the rural product will have to be consumed, as a direct means of subsistence, by the producers, the farmers themselves, and only the surplus above that will pass as commodities into the commerce with the cities. . . .

The free ownership of the self-employing farmer is evidently the most normal form of landed property for small scale production, that is, for a mode of production in which the possession of the land is a prerequisite for the ownership of the product of his own labor by the laborer, and in which the agriculturist, whether he be a free owner or a vassal, always has to produce his own means of subsistence independently, as a single laborer with his family. The ownership of the soil is as necessary for the complete development of this mode of production as the ownership of the instrument is for the free development of handicraft production. This ownership forms here the basis for the development of personal independence. It is a necessary stage of transition for the development of agriculture itself. The causes which bring about its downfall show its limitations. These causes are: destruction of rural home industries, which form its normal supplement, as a result of the development of great industries; a gradual deterioration and exhaustion of the soil subjected to this cultivation; usurpation, on the part of the great landlords, of the community lands, which form everywhere the second supplement of small peasants' property and alone enable them to keep cattle; competition, either of plantation systems or of great agricultural enterprises carried out on a capitalist scale. Improvements of agriculture, which on the one hand bring about a fall in the prices of the products of the soil, and on the other require greater investments and more diversified material conditions of production, also contribute towards this end, as they did in England during the first half of the eighteenth century.



TRANSFORMATION OF SURPLUS VALUE INTO GROUND-RENT

SMALL PEASANTS' PROPERTY

Small peasants' property excludes by its very nature the development of the social powers of production of labor, the social forms of labor, the social concentration of capital, cattle-raising on a large scale, and a progressive application of science.

Usury and a system of taxation must impoverish it everywhere. The expenditure of capital in the price of the land withdraws this capital from cultivation. An infinite dissipation of means of production and an isolation of the producers themselves go with it. Also an enormous waste of human energy. A progressive deterioration of the conditions of production and a raising of the price of means of production is a necesary law of small peasants' property. Fertile seasons are a misfortune for this mode of production. . . .

The price of land is nothing but the capitalized, and therefore anticipated, rent. If agriculture is carried on by capitalist methods, so that the landlord receives only the rent, and the tenant pays nothing for the land except his annual rent, then it is evident that the capital invested by the owner of the land himself in the purchase of the land constitutes an interest-bearing investment of capital for him, but that it has nothing to do with the capital invested in agriculture itself. It forms neither a part of the fixed nor of the circulating capital employed here; it merely secures for the buyer a title to the annual rent, but has nothing to do with the production of the rent itself. . . .

Take, for instance, the slavery system. The price paid for a slave is nothing but the anticipated capitalized value or profit, which is to be ground out of him. But the capital paid for the purchase of a slave does not belong to the capital, by which profit, surplus labor, is extracted from him. On the contrary. It is capital which the slave holder gives away; it is a deduction from the capital which he has available for actual production. It has ceased to exist for him, just as the capital invested in the purchase of land has ceased to exist for agriculture. . . .

. . .The money expended in the purchase of land, like that spent for the purchase of national bonds, is merely capital in itself, just as any amount of values is capital in itself on the basis of capitalist production. . . .For the buyer it can never again perform the functions of capital, any more than any other money which he has finally spent. It figures in his calculations as interest-bearing capital, because he considers the income, which he receives as rent from his land or as interest on his bonds, as interest on the money, which he paid for his title to this revenue. He cannot realize it as capital unless he sells his title again. If he does, the new buyer assumes the same relationship in which the old one was, and the money spent in this transaction cannot transform itself into actual capital by any change of hands. . . .

The expenditure of money-capital for the purchase of land, then, is not an investment of agricultural capital. It is a proportionate deduction from the capital, which the small farmers can employ in their own sphere of production. It reduces to that extent the size of their means of production and thereby narrows the economic basis of their reproduction. It subjects the small farmer to the money lender's extortion, since credit, in the strict meaning of the term, occurs but rarely in this sphere. It is an obstacle to agriculture, even where such a purchase takes place in the case of large estates. In fact, it contradicts the capitalist mode of production, which is on the whole indifferent to the question whether the landowner is in debt, no matter whether he inherited or bought his estate. The management of the leased estate itself is not altered in its nature, whether the landowner pockets the rent himself or whether he has to pay it over to the holder of his mortgage. . . .



TRANSFORMATION OF SURPLUS VALUE INTO GROUND-RENT

SMALL PEASANTS' PROPERTY

. . .The private ownership of the land, and with it the expropriation of the direct producers from the land—the private property of some, which implies lack of private property on the part of others—is the basis of the capitalist mode of production.

. . .In agriculture on a small scale, the price of the land (a form and result of private ownership of the land) appears as a barrier to production itself. In agriculture on a large scale, and in the case of large estates resting upon a capitalist mode of production, private ownership likewise acts as a barrier, because it limits the tenant in his investment of productive capital, which, in the last analysis, benefits, not him, but the landlord. In both forms the exploitation and devastation of the powers of the soil takes the place of a consciously rational treatment of the soil in its role of an eternal social property, of an indispensable condition of existence, and reproduction for successive generations of human beings. . . . In the case of small property this happens from lack of means and science, by which the social productivity of labor-power might be utilized. In the case of large property, it is done by the exploitation of such means for the purpose of the most rapid accumulation of wealth for the tenant and proprietor. The dependence of both of them upon the market price is instrumental in accomplishing this result. . . .

While small property in land creates a class of barbarians standing half-way outside of society, a class suffering all the tortures and all miseries of civilized countries, in addition to the crudeness of primitive forms of society, large property in land undermines labor-power in the last region, in which its primal energy seeks refuge, and in which it stores up its strength as a reserve fund for the regeneration of the vital power of nations, the land itself. Large-scale industry and large-scale agriculture work together. Originally distinguished by the fact that large-scale industry lays waste and destroys principally the labor power, the natural power, of human beings, whereas agriculture industrially managed destroys and wastes mainly the natural powers of the soil, both of them join hands in the further course of development, so that the industrial system weakens also the laborers of the country districts, and industry and commerce supply agriculture with the means by which the soil may be exhausted.

"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 censure 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.*". . . —T. J. Dunning.



Capitalist production is marked from the outset by two specific traits:

(1) It produces its products as commodities. The fact that it produces commodities does not distinguish it from other modes of production. Its peculiar mark is that the prevailing and determining character of its products is that of being commodities. This implies, in the first place, that the laborer himself acts in the role of a seller of commodities, as a free wage worker, so that wage labor is the typical character of labor. In view of the foregoing analyses, it is not necessary to demonstrate again that the relation between wage labor and capital determines the entire character of the mode of production. The principal agents of this mode of production itself, the capitalist and the wage worker, are to that extent merely personifications of capital and wage labor. They are definite social characters, assigned to individuals by the process of social production. They are products of these definite social conditions of production. . . .

(2) The other specific mark of the capitalist mode of production is the production of surplus value as the direct aim and determining incentive of production. Capital produces essentially capital, and does so only to the extent that it produces surplus value. We have seen . . . that a mode of production peculiar to the capitalist period is founded upon this. This is a special form in the development of the productive powers of labor, in such a way that these powers appear as self dependent powers of capital lording it over labor and standing in direct opposition to the laborer's own development. . . .

. . . *To the extent that the labor process is a simple process between man and nature, its simple elements remain the same in all social forms of development. But every definite historical form of this process develops more and more its material foundations and social forms. Whenever a certain maturity is reached, one definite social form is discarded and displaced by a higher one.* The time for the coming of such a crisis is announced by the depth and breadth of the contradictions and antagonisms, which separate the conditions of distribution, and with them the definite historical form of the corresponding conditions of production, from the productive forces, the productivity, and development of their agencies. A conflict then arises between the material development of production and its social form. . . . *Capitalist monopoly becomes a fetter upon the method of production which has flourished with it and under it. The centralization of the means of production and the socialization of labor reach a point where they prove incompatible with their capitalist husk. This bursts asunder. The knell of capitalist private property sounds. The expropriators are expropriated.*

The transformation of scattered private property based upon individual labor into capitalist property is, of course, a far more protracted process, a far more violent and difficult process, than the transformation of capitalist private property (already, in actual fact, based upon a social method of production) into social property. In the former case we are concerned with the expropriation of the mass of the people by a few usurpers; in the latter case we are concerned with the expropriation of a few usurpers by the mass of the people.

("The progress of industry, which the bourgeoisie involuntarily and passively promotes, substitutes for the isolation of the workers by mutual competition, their revolutionary unification by association. Thus the development of large-scale industry cuts from under the feet of the bourgeoisie the ground upon which capitalism controls production and appropriates the products of labor. Before all, therefore, the bourgeoisie produces its own gravediggers. Its downfall and the victory of the proletariat are equally inevitable. . . .

"Among all the classes that confront the bourgeoisie to-day, the proletariat alone is really revolutionary. Other classes decay and perish with the rise of large-scale industry, but the proletariat is the most characteristic product of that industry. The lower middle class—small manufacturers, small traders, handicraftsmen, peasant proprietors—one and all fight the bourgeoisie in the hope of safe-guarding their existence as sections of the middle class. . . . They are reactionary, for they are trying to make the wheels of history turn backwards."—Karl Marx and Friedrich Engels, *Manifesto of the Communist Party*, London, 1848.)



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Workers of all lands unite!



Workers of all



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