

# PRE-CAPITALIST ECONOMIC FORMATIONS

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## KARL MARX

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With an introduction by ERIC J. HOBSBAWM



ST. GEORGE & THE DRAGON:  
DRAWING BY RAPHAEL.

**Karl Marx 1857-58**

**Pre-Capitalist  
Economic  
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*Pre-Capitalist Economic Formations* is part of a huge manuscript Marx wrote in researching and preparing what would become *A Contribution to the Critique of Political Economy* published in 1859.

Marx's collection of personal notebooks, of which this text was a part, would finally be published for public perusal in Russian in Moscow, 1939-41. It was printed in German in 1953 as the *Grundrisse der Kritik der Politischen Okonomie* — or the *Grundrisse*, or *Outline*, for short.

*Pre-Capitalist Economic Formations* is pp. 471 - 514 of the *Grundrisse* and was published separately in Berlin, 1952, as a pamphlet called *Formen die der Kapitalistischen Produktion vorhergehen*.

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# I

## The process which precedes the formation of the capital relation or of original accumulation

One of the prerequisites of wage labor, and one of the historic conditions for capital, is free labor and the exchange of free labor against money, in order to reproduce money and to convert it into values, in order to be consumed by money, not as use value for enjoyment, but as use value for money. Another prerequisite is the separation of free labor from the objective conditions of its realization — from the means and material of labor. This means above all that the workers must be separated from the land, which functions as his natural laboratory. This means the dissolution both of free petty landownership and of communal landed property, based on the oriental commune.

In both these forms, the relationship of the worker to the objective conditions of his labor is one of ownership: this is the natural unity of labor with its material prerequisites. Hence, the worker has an objective existence independent of his labor. The individual is related to himself as a proprietor, as master of the conditions of his reality. The same relation holds between one individual and the rest. Where this *prerequisite* derives from the community, the others are his co-owners, who are so many incarnations of the common property. Where it derives from the individual families which jointly constitute the community, they are independent owners co-existing with him, independent private proprietors. The common property which formerly absorbed everything and embraced them all, then subsists as a special *ager*

*publicus* [common land] separate from the numerous private owners.

In both cases, individuals behave not as laborers but as owners — and as members of a community who also labor. The purpose of this labor is not the *creation of value*, although they may perform surplus labor in order to exchange it for foreign labor — i.e., for surplus products. Its purpose is the maintenance of the owner and his family as well as of the communal body as a whole. The establishment of the individual as a *worker*, stripped of all qualities except this one, is itself a product of *history*.

The first prerequisite of this earliest form of landed property appears as a human community, such as emerges from spontaneous evolution [*naturwuchsig*]: the family, the family expanded into a tribe, or the tribe created by the inter-marriage of families or combination of tribes. We may take it for granted that pastoralism, or more generally a migratory life, is the first form of maintaining existence, the tribe not settling in a fixed place but using up what it finds locally and then passing on. Men are not settled by nature (unless perhaps in such fertile environments that they could subsist on a single tree like the monkeys; otherwise they would roam, like the wild animals). Hence the tribal community, the natural common body, appears not as the consequence, but as the precondition of the joint (temporary) appropriation and use of the soil.

Once men finally settle down, the way in which to a smaller degree this original community is modified, will depend on various external, climatic, geographical, physical, etc., conditions as well as on their special natural make-up — their tribal character. The spontaneously evolved tribal community, or, if you will, the herd — the common ties of blood, language, custom, etc.



— is the first precondition of the appropriation of the objective of life, and of the activity which reproduces and gives material expression to, or objectifies [*vergegenständlichenden*] it (activity as herdsmen, hunters, agriculturalists, etc.). The earth is the great laboratory, the arsenal which provides both the means and the materials of labor, and also the location, the *basis* of the community. Men's relations to it is naive; they regard themselves as its *communal proprietors*, and as those of the community which produces and reproduces itself by living labor. Only in so far as the individual is a member — in the literal and figurative sense — of such a community, does he regard himself as an owner or possessor. In reality, appropriation by means of the process of labor takes place under these preconditions, which are not the *product* of labor but appears as its natural or *divine* preconditions.

Where the fundamental relationship is the same, this form can realize itself in a variety of ways. For instance, as is the case in most Asiatic fundamental forms, it is quite compatible with the fact that the *all-embracing unity* which stands above all these small common bodies may appear as the higher or *sole proprietor*, the real communities only as *hereditary* possessors. Since the *unity* is the real owner, and the real precondition of common ownership, it is perfectly possible for it to appear as something separate and superior to the numerous real, particular communities. The individual is then in fact propertyless, or property — i.e., the relationship of the individual to the natural conditions of labor and reproduction, the inorganic nature which he finds and makes his own, the objective body of his subjectivity — appears to be mediated by means of a grant [*Ablassen*] from the total unity to the individual through the intermediary of the particular community. The despot here appears as the father of all the numerous lesser communities, thus realizing the common unity

of all. It therefore follows that the surplus product (which, incidentally, is legally determined in terms of [*infolge*] the real appropriation through labor) belongs to this highest unity. Oriental despotism therefore appears to lead to a legal absence of property, in most cases created through a combination of manufacture and agriculture within the small community which thus becomes entirely self-sustaining and contains within itself all conditions of production and surplus production.

Part of its surplus labor belongs to the higher community, which ultimately appears as a *person*. This surplus labor is rendered both as tribute and as common labor for the glory of the unity, in part that of the despot, in part that of the imagined tribal entity of the god. In so far as this type of common property is actually realized in labor, it can appear in two ways. The small communities may vegetate independently side by side, and within each the individual labors independently with his family on the land allotted to him.

(There will also be a certain amount of labor for the common store — for insurance as it were — on the one hand; and on the other for defraying the costs of the community as such, i.e., for war, religious worship, etc. The dominion of lords, in its most primitive sense, arises only at this point, e.g., in the Slavonic and Rumanian communities. Here lies the transition to serfdom, etc.)

Secondly, the unity can involve a common organization of labor itself, which in turn can constitute a veritable system, as in Mexico, and especially Peru, among the ancient Celts, and some tribes of India. Furthermore, the communality within the tribal body may tend to appear either as a representation of its unity through the head of the tribal kinship group, or as a relationship between the heads of families. Hence, either a more despotic or a more democratic form of the community. The communal



conditions for real appropriation through labor, such as irrigation systems (very important among the Asian peoples), means of communication, etc., will then appear as the work of the higher unity — the despotic government which is poised above the lesser communities. Cities in the proper sense arise by the side of these villages only where the location is particularly favorable to external trade, or where the head of the state and his satraps exchange their revenue (the surplus product) against labor, which they expend as labor-funds.

The second form (of property) has, like the first, given rise to substantial variations, local, historical, etc. It is the product of a more dynamic [*bewegten*] historical life, of the fate and modification of the original tribes. The *community* is here also the first precondition, but unlike our first case, it is not here the substance of which the individuals are mere accidents [*Akzidenzen*] or of which they form mere spontaneously natural parts. The basis here is not the land, but the city as already created seat (centre) of the rural population (landowners). The cultivated area appears as the territory of the city; not, as in the other case, the village as a mere appendage to the land. However great the obstacles the land may put in the way of those who till it and really appropriate it, it is not difficult to establish a relationship with it as the inorganic nature of the living individual, as his workshop, his means of labor, the object of his labor and the means of subsistence of the subject. The difficulties encountered by the organized community can arise only from other communities which have either already occupied the land or disturb the community in its occupation of it. War is therefore the great all-embracing task, the great communal labor, and it is required either for the occupation of the objective conditions for living existence or for the protection and perpetuation of such occupation. The community, consisting of kinship groups, is therefore in the first

instance organized on military lines, as a warlike, military force, and this is one of the conditions of its existence as a proprietor. Concentration of settlement in the city is the foundation of this warlike organization. The nature of tribal structure leads to the differentiation of kinship groups into higher and lower, and this social differentiation is developed further by the mixing of conquering and conquered tribes, etc. Common land — as state property, *ager publicus* — is here separate from private property. The property of the individual, unlike our first case, is here not direct communal property, where the individual is not an owner in separation from the community, but rather its occupier. Circumstances arise in which individual property does not require communal labor for its valorization (e.g., as it does in the irrigation systems of the Orient); the purely primitive character of the tribe may be broken by the movement of history or migration; the tribe may remove from its original place of settlement and occupy *foreign* soil, thus entering substantially new conditions of labor and developing the energies of the individual further. The more such factors operate — and the more the communal character of the tribe therefore appears, and must appear, rather as a negative unity as against the outside world — the more do conditions arise which allow the individual to become a *private proprietor* of land — of a particular plot — whose special cultivation belongs to him and his family.

The community — as a state — is, on the one hand, the relationship of these free and equal private proprietors to each other, their combination against the outside world — and at the same time their safeguard. The community is based on the fact that its members consists of working owners of land, small peasant cultivators; but in the same measure the independence of the latter consists in their mutual relation as members of the community, in the safeguarding of the *ager publicus* for common needs and

common glory, etc. To be a member of the community remains the precondition for the appropriation of land, but in his capacity as member of the community the individual is a private proprietor. His relation to his private property is both a relation to the land and to his existence as a member of the community, and his maintenance as a member of the community, and his maintenance of the community, and vice versa, etc.

Since the community, though it is here not merely a *de facto product of history*, but one of which men are conscious as such, has therefore *had an origin*, we have here the precondition for *property* in land — i.e., for the relation of the working subject to the natural conditions of his labor as belonging to him. But this “belonging” is mediated through his existence as a member of the state, through the existence of the state — hence through a *pre-condition* which is regarded as divine, etc.

[Translator’s Note: Marx’s habit of occasionally omitting auxiliary verbs makes it impossible always to interpret his meaning unambiguously. An alternative meaning would be:

Since the community, though it is here not merely a *de facto product of history*, but one of which men are conscious as such, has therefore *had an origin* (and is thus) here the precondition for *property* in land — i.e., for the relation of the working subject to the natural conditions of his labor as belonging to him. But this “belonging” is, however, mediated by his existence as a member of the state, through the existence of the state — hence through a *pre-condition* which is regarded as divine, etc. ]

There is concentration in the city, with the land as its territory; small-scale agriculture producing for immediate consumption; manufacture as the domestic subsidiary, labor of wives and

daughters (spinning and weaving) or achieving independent existence in a few craft occupations (fabric, etc.). The precondition for the continued existence of the community is the maintenance of equality among its free self-sustaining peasants, and their individual labor as the condition of the continued existence of their property. Their relation to the natural conditions of labor are those of proprietors; but personal labor must continuously establish these conditions as real conditions and objective elements of the personality of the individual, of his personal labor.

On the other hand, the tendency of this small warlike community drives it beyond these limits, etc. (Rome, Greece, Jews, etc.) As Niebuhr says:

“When the auguries had assured Numa of the divine approval for his election, the first preoccupation of the pious monarch was not the worship of the gods, but a human one. He distributed the land conquered in war by Romulus and left to be occupied: he founded the worship of Terminus (the god of boundary-stones). All the ancient law-givers, and above all Moses, founded the success of their arrangements for virtue, justice, and good morals [*Sitte*] upon landed property, or at least on secure hereditary possession of land, for the greatest possible number of citizens.” (Vol. I, 245, 2nd ed. *Roman History*)

The individual is placed in such condition of gaining his life as to make not the acquiring of wealth his object, but self-sustenance, its own reproduction as a member of the community; the reproduction of himself as a proprietor of the parcel of ground and, in that quality, as a member of the commune. [Translator Note: This sentence in English in original.]

The continuation of the commune is the reproduction of all its members as self-sustaining peasants, whose surplus time belongs precisely to the commune, the labor of war, etc. Ownership of one's labor is mediated through the ownership of the conditions of

labor — the plot of land, which is itself guaranteed by the existence of the community, which in turn is safeguarded by the surplus labor of its members in the form of military service, etc. The member of the community reproduces himself not through co-operation in wealth-producing labor, but in co-operation in labor for the (real or imaginary) communal interests aimed at sustaining the union against external and internal stress [*nach aussen und innen*]. Property formally belongs to the Roman citizen, the private owner of land is such only by virtue of being Roman, but any Roman is also a private landowner.

Another form of the property of working individuals, self-sustaining members of the community, in the natural conditions of their labor, is the *Germanic*. Here, the member of the community as such is not, as in the specifically oriental form, co-owner of the communal property.

(Where property exists *only* as communal property, the individual member as such is only the *possessor* of a particular part of it, hereditary or not, for any fraction of property belongs to no member for himself, but only as the direct part of the community, consequently as someone in direct unity with the community and not as distinct from it. The individual is therefore only a possessor. What exists is only *communal* property and *private possession*. Historic and local, etc., circumstances may modify the character of this possession in its relation to the communal property in very different ways, depending on whether labor is performed in isolation by the private possessor or is in turn determined by the community, or by the unity standing above the particular community.)

Neither is the land [in the Germanic community] occupied by the community as in the Roman, Greek (in brief, the ancient classical)

form as Roman land. Part of it [that is, in classical antiquity] remains with the community as such, as distinct from the members, *ager publicus* in its various forms; the remainder is distributed, each plot of land being Roman by virtue of the fact that it is the private property, the domain, of a Roman, the share of the laborer which is his; conversely, he is Roman only in so far as he possesses this sovereign right over part of the Roman soil.

[Translator Note: The ensuing passages are noted down by Marx from Niebuhr's *Roman History*, I, 418, 436, 614, 615, 317-19, 328-31, 333, 335. ]

In antiquity urban crafts and trade were held in low, but agriculture in high, esteem; in the Middle Ages their status was reversed.

The right of use of common land by possession originally belonged to the Patricians, who later granted it to their clients; the assignment of property out of the *ager publicus* belonged exclusively to the Plebeians; all assignments in favor of Plebeians and compensation for a share in the common land. Landed property in the strict sense, if we except the area surrounding the city wall, was originally in the hands only of Plebeians (rural communities subsequently absorbed).

Essence of the Roman Plebs as a totality of agriculturalists, as described in their *quiritarian* (citizen) property. The ancients unanimously commended farming as the activity proper to free men, the school for soldiers. The ancient stock [*Stamm*, which also means "tribe"] of the nation is preserved in it; it changes in the towns, where foreign merchants and artisans settle, as the natives migrate there, attracted by the hope of gain. Wherever there is slavery, the freedman seeks his subsistence in such activities, often accumulating wealth; hence in antiquity such occupations were



generally in their hands and therefore unsuitable for citizens; hence the view that the admission of craftsmen to full citizenship was a hazardous procedure (the Greeks, as a rule, excluded them from it). "No Roman was permitted to lead the life of a petty trader or craftsman." The ancients had no conception of gild pride and dignity, as in medieval urban history; and even there the military spirit declined as the gilds vanquished the (aristocratic) lineages, and was finally extinguished; as, consequently also the respect in which the city was held outside and its freedom.

The tribes [*Stamme*] of the ancient states were constituted in one of two ways, either by kinship or by locality. Kinship tribes historically precede locality tribes, and are almost everywhere displaced by them. Their most extreme and rigid form is the institution of castes, separated from one another, without the right of inter-marriage, with quite different status; each with its exclusive, unchangeable occupation. The locality tribes originally corresponded to a division of the area into districts [*Gaue*] and villages; so that in Attica under Kleisthenes, any man settled in a village was registered as a Demotes [villager] of that village, and as a member of the Phyle [tribe] of the area to which that village belonged. However, as a rule his descendants, regardless of place of domicile, remained in the same Phyle and the same Deme, thereby giving to this division an appearance of ancestral descent. The Roman kin-groups [gentes] did not consist of blood-relatives; Cicero notes, when mentioning the family name, descent from free men. The members of the Roman gens had common shrines [sacra], but this had already disappeared in Cicero's day. The joint inheritance from fellow-kinsmen who died intestate or without close relatives, was retained longest of all. In most ancient times, members of the gens had the obligation to assist fellow-kinsmen in need of assistance to bear unusual burdens. (This occurs universally among the Germans, and persisted longest among the

Dithmarschen.) The gentes of a sort of gild. A more general organization than that of kin groups did not exist in the ancient world. Thus among the Gaels, the aristocratic Campbells and their vassals constitute a clan.

Since the Patrician represents the community to a higher degree, he is the *possessor* of the *ager publicus*, and uses it through the intermediary of his clients, etc. (also gradually appropriates it).

The Germanic community is not concentrated in the city; a concentration — the city the centre of rural life, the domicile of the land workers, as also the centre of warfare — which gives the community as such an external existence, distinct from that of its individual members. Ancient classical history is the history of cities, but cities based on landownership and agriculture; Asian history is a kind of undifferentiated unity of town and country (the large city, properly speaking, must be regarded merely as a princely camp, superimposed on the real economic structure); the Middle Ages (Germanic period) starts with the countryside as the locus of history, whose further development then proceeds through the opposition of town and country; modern (history) is the urbanization of the countryside, not, as among the ancients, the ruralisation of the city.

Here begins a new notebook of Marx's manuscript, entitled:



***Notebook V. January 22, 1858 Chapter on capital.  
Continued.***

Union in the city gives the community as such an economic existence; the mere *presence* of the town as such is different from

a mere multiplicity of separate houses. Here the whole does not consist of its separate parts. It is a form of independent organism. Among the Germans, where single heads of families settle in the forests, separated by long distances, even on an *external* view, the community exists merely by virtue of every act of union of its members, although their unity *existing in itself* is embodied [*gesetzt*] in descent, language, common past and history, etc. The *community* therefore appears as an *association*, not as a *union*, as an agreement [*Einigung*], whose independent subjects are the landowners, and not as a unity. In fact, therefore, the community has no existence as a *state*, a *political entity* as among the ancients, because it has no existence as a *city*. If the community is to enter upon real existence, the free landowners must hold an *assembly*, whereas, e.g., in Rome it *exists* apart from such assemblies, in the presence of the *city itself* and the officials placed at its head, etc.

True, the *ager publicus*, the common land or peoples' land, occurs among the Germans also, as distinct from the property of individuals. It consists of hunting grounds, common pastures or woodlands, etc., as that part of the land which cannot be partitioned if it is to serve as a means of production in this specific form. However, unlike the Roman case, the *ager publicus* does not appear as the particular economic being of the state, by the side of the private owners — who are, properly speaking, private proprietors as such insofar as they have been *excluded* from or deprived of the use of the *ager publicus*, like the Plebeians. The *ager publicus* appears rather as a mere supplement to individual property among the Germans, and figures as property only insofar as it is defended against hostile tribes as the common property of one tribe. The property of the individual does not appear mediated through the community, but the existence of the community and of communal property as mediated through — i.e., as a mutual relation of — the independent subjects.

At bottom, every individual household contains an entire economy, forming as it does an independent centre of production (manufacture merely the domestic subsidiary labor of the women, etc.). In classical antiquity, the city with its attached territory formed the economic whole. In the Germanic world, the individual home, which itself appears merely as a point in the land belonging to it; there is no concentration of a multiplicity of proprietors, but the family as an independent unit. In the Asiatic form (or at least predominantly so), there is no property, but only individual possession; the community is properly speaking the real proprietor — hence property only as *communal property* in land. In antiquity (Romans as the classic example, the thing in its purest and most clearly marked form), there is a contradictory form of state landed property and private landed property, so that the latter is mediated through the former, or the former exists only in this double form. The private landed proprietor is therefore simultaneously an urban citizen. Economically, citizenship may be expressed more simply as a form in which the agriculturalist lives in a city. In the Germanic form, the agriculturalist is not a citizen — i.e., not an inhabitant of cities — but its foundation is the isolated, independent family settlement, guaranteed by means of its association with other such settlements by men of the same tribe, and their occasional assembly for purposes of war, religion, the settlement of legal disputes, etc., which establishes their mutual surety. Individual landed property does not here appear as a contradictory form of communal landed property, nor as mediated by the community, but the other way round. The community exists only in the mutual relation of the individual landowners as such. Communal property as such appears only as a communal accessory to the individual kin settlements and land appropriations. The community is neither the substance, of which the individual appears merely as the accident, nor is it the general, which *exists and has being* as such in men's minds, and in the

reality of the city and its urban requirements, distinct from the separate economic being of its members. It is rather on the one hand, the common element in language, blood, etc., which is the premise of the individual proprietor; but on the other hand, it has real being only in its *actual assembly* for communal purposes; and, insofar as it has a separate economic existence, in the communally-used hunting-grounds, pastures, etc., it is used thus by every individual proprietor as such, and not in his capacity as the representative of the state (as in Rome). It is genuinely the common property of the individual owners, and not of the union of owners, possessing an existence of its own in the city, distinct from that of the individual members.

The crucial point here is this: in all these forms, where landed property and agriculture form the basis of the economic order, and consequently the economic object is the production of use values — i.e., the *reproduction of the individual* in certain definite relationships to his community, of which it forms the basis — we find the following elements:

1. Appropriation of the natural conditions of labor, of the *earth* as the original instrument of labor, both laboratory and repository of its raw materials; however, appropriation not by means of labor, but as the preliminary condition of labor. The individual simply regards the objective conditions of labor as his own, as the inorganic nature of this subjectivity, which realizes itself through them. The chief objective condition of labor itself appears not as the *product* of labor, but occurs as *nature*. On the one hand, we have the living individual, on the other the earth, as the objective condition of his reproduction.
2. The *attitude* to the land, to the earth, as the property of the working individual, means that a man appears from the start as

something more than the abstraction of the “working individual”, but has an *objective mode of existence* in his ownership of the earth, which is *antecedent* to his activity and does not appear as its mere consequence, and is as much a precondition of his activity as his skin, his senses, for whole skin and sense organs are also developed, reproduced, etc., in the process of life, they are also presupposed by it. What immediately mediates this attitude is the more or less naturally evolved, more or less historically evolved and modified existence of the individual as *a member of a community* — his primitive existence as part of a tribe, etc.

An isolated individual could no more possess property in land than he could speak. At most, he could live off it as a source of supply, like the animals. The relation to the soil as property always arises through the peaceful or violent occupation of the land by the tribe of the community in some more or less primitive or already historically developed form. The individual here can never appear in the total isolation of the mere free laborer. If the objective conditions of his labor are presumed to belong to him, he himself is subjectively presumed to belong to a community which mediates his relationship to the objective conditions of labor. Conversely, the real existence of the community is determined by the specific form of its ownership of the objective conditions of labor. The property mediated by its existence in a community may appear as *communal property*, which gives the individual only possession and no private property in the soil; or else it may appear in the dual form of state and private property, which co-exist side by side, but in such a way as to make the former the precondition of the latter, so that only the citizen is and must be a private proprietor, while on the other hand his property qua citizen also has a separate existence. Lastly, communal property may appear as a supplement to private property, which in this case forms the basis; in this case, the community has no existence



except in the *assembly* of its members and in their association for common purposes.

These different forms of relationship of communal tribal members to the tribal land — to the earth upon which it has settled — depend partly on the natural character [*Naturanlagen*] of the tribe, partly on the economic conditions in which the tribe really exercises its ownership of the land — i.e., appropriates its fruits by means of labor. And this in turn will depend on the climate, the physical properties of the soil, the physically conditioned mode of its utilization, the relationships to hostile or neighboring tribes, and such modification as are introduced by migrations, historical events, etc. If the community as such is to continue in the old way, the reproduction of its members under the objective conditions already assumed as given, is necessary. Production itself, the advance of population (which also falls under the head of production), in time necessarily eliminates these conditions, destroying instead of reproducing them, etc., and as this occurs the community decays and dies, together with the property relations on which it was based.

The Asiatic form necessarily survives the longest and most stubbornly. This is due to the fundamental principle on which it is based — that is, that the individual does not become independent of the community; that the circle of production is self-sustaining, unity of agriculture and craft manufacture, etc. If the individual changes his relation to the community, he modifies and undermines both the community and its economic premise; conversely, the modification of this economic premise — produced by its own dialectic, pauperization, etc. Note especially the influence of warfare and conquest. While, e.g., in Rome this is an essential part of the economic condition of the community itself, it breaks the real bond on which the community rests.

In all these forms, the basis of evolution is the *reproduction* of relations between individuals and community *assumed as given* — they may be more or less primitive, more or less the result of history, but fixed into tradition — and a *definite, predetermined objective* existence, both as regards the relation to the conditions of labor and the relation between one man and his co-workers, fellow-tribesmen, etc. Such evolution is therefore from the outset *limited*, but once the limits are transcended, decay and disintegration ensue. Evolution of slavery, concentration of landed property, exchange, a monetary economy, conquest, etc., as among the Romans. All these appeared nevertheless up to a point to be compatible with the base, and merely innocent extensions of it, or else mere abuses arising from it. Considerable developments are thus possible within a given sphere. Individuals may appear to be great. But free and full development of individual or society is inconceivable here, for such evolution stands in contradiction to the original relationship.

Among the ancients, we discover no single enquiry as to which form of landed property, etc., is the most productive, which creates maximum wealth. Wealth does not appear as the aim of production, although Cato may well investigate the most profitable cultivation of fields, or Brutus may even lend money at the most favorable rate of interest. The enquiry is always about what kind of property creates the best citizens. Wealth as an end in itself appears only among a few trading peoples — monopolists of the carrying trade — who live in the pores of the ancient world like the Jews in medieval society. Wealth is, on the one hand, a thing, realized in things, in material products as against man as a subject. On the other hand, in its capacity as value, it is the mere right to command other people's labor, not for the purpose of dominion, but of private enjoyment, etc. In all its forms, it appears in the form of objects, whether of things or of relationships by means of

things, which lie outside of, and as it were accidentally beside, the individual.

Thus the ancient conception, in which man always appears (in however narrowly national, religious, or political a definition) as the aim of production, seems very much more exalted than the modern world, in which production is the aim of man and wealth the aim of production. In fact, however, when the narrow bourgeois form has been peeled away, what is wealth, if not the universality of needs, capacities, enjoyments, productive powers etc., of individuals, produced in universal exchange? What, if not the full development of human control over the forces of nature — those of his own nature as well as those of so-called “nature”? What, if not the absolute elaboration of his creative dispositions, without any preconditions other than antecedent historical evolution which make the totality of this evolution — i.e., the evolution of all human powers as such, unmeasured by any *previously established* yardstick — an end in itself? What is this, if not a situation where man does not reproduce in any determined form, but produces his totality? Where he does not seek to remain something formed by the past, but is in the absolute movement of becoming? In bourgeois political economy — and in the epoch of production to which it corresponds — this complete elaboration of what lies within man, appears as the total alienation, and the destruction of all fixed, one-sided purposes as the sacrifice of the end in itself to a wholly external compulsion. Hence in one way the childlike world of the ancients appears to be superior; and this is so, insofar as we seek for closed shape, form and established limitation. The ancients provide a narrow satisfaction, whereas the modern world leaves us unsatisfied, or, where it appears to be satisfied, with itself, is *vulgar* and *mean* [*gemein*].

What Mr. Proudhon calls the *extra-economic* origin of property — by which he means landed property — is the pre-bourgeois relationship of the individual to the objective conditions of labor, and in the first instance to the *natural* objective conditions of labor. For, just as the working subject is a natural individual, a natural being, so the first objective condition of his labor appears as nature, earth, as an inorganic body. He himself is not only the organic body, but also inorganic nature as a subject. This condition is not something he has produced, but something he finds to hand; something existing in nature and which he presupposed. Before proceeding in our analysis, a further point: poor Proudhon not only could, but ought equally to be obliged, to accuse *capital* and *wage-labor* — as forms of property — of *extra-economic* origin. For the fact that the worker finds the objective condition of his labor as something separate from him, as *capital*, and the fact that the capitalist finds the *worker* propertyless, as abstract laborers — the exchange as it takes place between value and living labor — assumes a *historic process*, however much capital and wage-labor themselves reproduce this relationship and elaborate it in objective scope, as well as in depth. And this historic process, as we have seen, is the evolutionary history of both capital and wage-labor. In other words, the *extra-economic origin* of property merely means the historic origin of the bourgeois economy, of the forms of production to which the categories of political economy give theoretical or ideal expression. But to claim that pre-bourgeois history and each phase of it, has its own *economy* [*Okonomie* — not clear if Marx means “economies” or “economy”] and an *economic base* of its movement, is at bottom merely to state the tautology that human life has always rested on some kind of production — *social* production — whose relations are precisely what we call economic relations.

The original conditions of production cannot initially be themselves produced — they are not the results of production. (Instead of original conditions of production we might also say: for if this reproduction appears on one hand as the appropriation of the objects by the subjects, it equally appears on the other as the molding, the subjection, of the objects by and to a subjective purpose; the transformation of the objects into results and repositories of subjective activity.) What requires explanation is not the *unity* of living and active human beings with the natural, in organic conditions of their metabolism with nature, and therefore their appropriation of nature; nor is this the result of a historic process. What we must explain is the *separation* of these inorganic conditions of human existence from this active existence, a separation which is only fully completed in the relationship between wage-labor and capital.

In the relationship of slavery and serfdom there is no such separation; what happens is that one part of society is treated by another as the mere *inorganic and natural* condition of its own reproduction. The slave stands in no sort of relation to the objective conditions of his labor. It is rather *labor* itself, both in the form of the slave as of the serf, which is placed among the other living things [*Naturwesen*] as *inorganic condition* of production, alongside the cattle or as an appendage of the soil. In other words: the original conditions of production appear as natural prerequisites, *natural conditions of existence of the producer*, just as his living body, however reproduced and developed by him, is not originally established by himself, but appears as his *prerequisite*; his own (physical) being is a natural prerequisite, not established by himself. These *natural conditions of existence*, to which he is related as to an inorganic body, have a dual character: they are (1) subjective and (2) objective. The producer occurs as part of a family, tribe, a grouping of his people,

etc. — which acquires historically differing shapes as the result of mixture and conflict with others. It is as such a communal part that he has his relation to a determined (piece of) nature (let us still call it earth, land, soil), as his own inorganic being, the conditions of his production and reproduction. As the natural part of the community he participates in the communal property and takes a separate share in his own possession; just so, as a Roman citizen by birth, he has (at least) ideally a claim to the *ager publicus* and a real claim to so and so many *juggera* [units] of land, etc. His *property* — i.e., his relation to the natural prerequisites of his own production as *his own* — is mediated by his natural membership of a community. (The abstraction of a community whose members have nothing in common but language, etc., and barely even that, is plainly the product of much later historical circumstances.) It is, for instance, evident that the individual is related to his language as *his own* only as the natural member of a human community. Language as the product of an individual is an absurdity. But so also is property.

Language itself is just as much the product of a community, as in another respect it is the existence of the community: it is, as it were, the communal being speaking for itself. Communal production and communal ownership, as found, e.g., in Peru, is evidently a *secondary* form introduced and transmitted by conquering tribes, who amongst themselves [*bei sich selbst*] had been familiar with common ownership and communal production in the older and simpler forms, such as occurs in India and among the Slavs. Similarly, the form found, e.g., among the Celts in Wales appears to have been introduced there by more advanced conquerors, and thus to be *secondary*. The completeness and systematic elaboration of these systems under [the direction of] a supreme authority demonstrate their later origins. Just so the



feudalism introduced into England was formally more complete than the feudalism which had naturally grown up on France.

Among nomadic pastoral tribes — and all pastoral people are originally migratory — the earth, like all other conditions of nature, appears in its elementary boundlessness, e.g., in the Asian steppes and the Asian high plateaus. It is grazed, etc., consumed by the herds, which provide the nomadic peoples with their subsistence. They regard it as their property, though never fixing that property. This is the case with the hunting grounds of the wild Indian tribes of America: the tribe considers a certain region as its hunting territory and maintains it by force against other tribes, or seeks to expel other tribes from the territory they claim. Among the nomadic pastoral tribes the community is in fact always united, a travelling party, caravan, horde, and the forms of higher and lower rank develop out of the conditions of this mode of life. What is *appropriated and reproduced* is here only the herd and not the soil, which is always used in temporary commonality wherever the tribe breaks its wanderings.

Let us pass on to the consideration of settled peoples. The only barrier which the community can encounter in its relation to the natural conditions of production *as its own* — to the land — is some *other community*, which has already laid claim to them as its inorganic body. What is, therefore, one of the earliest tasks of every primitive community of this kind, both for the defence of property and for its acquisition. (It will be sufficient to speak of original property in land, for among pastoral peoples property in such natural products of the earth as, e.g., sheep, is at the same time property in the pastures they pass through. In general, property in land includes property in its organic products.) Where man himself is captured as an organic accessory of the land and together with it, he is captured as one of the conditions of production, and this is

the origin of slavery and serfdom, which soon debase and modify the original forms of all communities, and themselves become their foundation. As a result, the simple structure is determined negatively.

Thus originally *property* means no more than man's attitude to his natural conditions of production as belonging to him, as the *prerequisites of his own existence*; his attitude to them as *natural prerequisites* of himself, which constitutes, as it were, a prolongation of his body. In fact, he stands in no relation to his conditions of production, but has a double existence, subjectively as himself and objectively in these natural inorganic conditions of his being. The forms of these natural conditions of production have a double character: (1) his existence as part of a community, which in its original form is a tribal community, more or less modified; (2) his relation to the *land as his own* [*als dem seinigen*], in virtue of the community, communal landed property, at the same time *individual possession* for the individual, or in such a manner that the soil and its cultivation remain in common and only its products are divided. (However, *dwellings* etc., even if no more than the wagons of the Scythians, nevertheless appear to be always in the possession of individuals.) Membership of a *naturally evolved society*, a tribe, etc., is a natural condition of production for the living individual. Such membership is, e.g., already a condition of his language, etc. His own productive existence is only possible under this condition. His subjective existence as such is conditioned by it as much as it is conditioned by the relationship to the earth as to his laboratory. (True, property is originally *mobile*, for in the first instance man takes possession of the ready-made fruits of the earth, including animals and especially those capable of domestication. However, even this situation — hunting, fishing, pastoralism, subsistence by collecting the fruit of the trees, etc. — always assumes the

appropriation of the earth, whether as a place of fixed settlement or a territory for roaming, a pasture for his animals, etc.)

*Property* therefore means *belonging to a tribe* (community) (to have one's subjective/objective existence within it), and by means of the relationship of this community to the land, to the external primary condition of production — for the earth is at the same time raw material, tool, and fruit — as the preconditions belonging to his individuality, as its mode of existence. We reduce this *property to the relationship to the conditions of production*. Why not to those of consumption, since originally the act of producing by the individual is confined to the reproduction of his own body through the appropriation of ready-made objects prepared by nature for consumption? But even where these have merely to be *found* and *discovered*, effort, labor — as in hunting, fishing, the care of flocks — and the production (i.e., the development) of certain capacities by the subject, are soon required. Moreover, conditions in which man need merely reach for what is already available, without any tools (i.e., without products of labor already designed for production), et., are very transitory, and can nowhere be regarded as normal; not even as normal in the most primitive state. In addition, the original conditions of production automatically include matter directly consumable without labor, such as fruit, animals, etc.; consequently, the fund of consumption itself appears as a part of the *original fund of production*.

The fundamental condition of property based on tribalism (which is originally formed out of the community) is to be a member of the tribe. Consequently, a tribe conquered and subjugated by another becomes *propertyless* and part of the *inorganic conditions* of the conquering tribe's reproduction, which that community regards as its own. Slavery and serfdom are therefore

simply further developments of property based on tribalism. They necessarily modify all its forms. This they are least able to do in the Asiatic form. In the self-sustaining unity of and agriculture on which this form is based, conquest is not so essential a condition as where *landed property, agriculture*, predominate exclusively. On the other hand, since the individual in this form never becomes an owner but only a possessor, he is at bottom himself the property, the slave of that which embodies the unity of the community. Here slavery neither puts an end to the conditions of labor, nor does it modify the essential relationship.

It is, therefore, now evident that:

Insofar as property is merely a conscious attitude to the conditions of production as to *one's own* — an attitude established by the community for the individual, proclaimed and guaranteed as law; insofar as the existence of the producer therefore appears as an existence within the objective conditions *belonging to him*, it is realized only through production. Actual appropriation takes place not through the relationship to these conditions as expressed in thought, but through the active, real relationship to them; in the process of positing them as the conditions of man's subjective activity.

But this also clearly means that *these conditions change*. What makes a region of the earth into a hunting ground, is being hunted over by tribes; what turns the soil into a prolongation of the body of the individual is agriculture. Once the *city of Rome* had been built and its surrounding land cultivated by its citizens, the conditions of the community were different from what they had been before. The object of all these communities is preservation — i.e., the production of the individuals which constitute them as proprietors, i.e., in the same objective mode of existence, which

also forms the relationship of the members to each other, and therefore forms the community itself. But this reproduction is at the same time necessarily new production and the destruction of the old form.

For instance, where each individual is supposed to possess so many acres of land, the mere increase in population constitutes an obstacle. If this is to be overcome, colonization will develop and this necessitates wars of conquest. This leads to slavery, etc., also, e.g., the enlargement of the *ager publicus*, and hence to the rise of the Patricians, who represent the community, etc. Thus the reservation of the ancient community implies the destruction of the conditions upon which it rests, and turns into its opposite. Suppose, for instance, that productivity could be increased without increase in territory, by means of a development of the forces of production (which in agriculture, a most traditional occupation, are the slowest of all). This would imply new methods and combinations of labor, the high proportion of the day which would then have to be devoted to agriculture, etc., and once again the old economic conditions of the community would cease to operate. The act of reproduction itself changes not only the objective conditions — e.g., transforming village into town, the wilderness into agricultural clearings, etc. — but the producers change with it, by the emergence of new qualities, by transforming and developing themselves in production, forming new powers and new conceptions, new modes of intercourse, new needs, and new speech.

The more traditional the mode of production itself, i.e., the more the *real process* of appropriation remains the same, the more unchanging will the ancient forms of property be and therefore also the community as a whole. (Note that the traditional mode persists for a long time in agriculture and even longer in the

oriental combination of agriculture and manufacture.) Where the members of the community have already acquired separate existence as private proprietors from their collective existence as an urban community and owners of the urban territory, conditions already arise which allow the individual to *lose* his property — i.e., the double relationship which makes him both a citizen with equal status, a member of the community, and a *proprietor*. In the central form this *loss* is hardly possible, except as a result of entirely external influences, for the individual member of the community never establishes so independent a relation to it as to enable him to lose his (objective, economic) tie with it. He is firmly rooted. This is also an aspect of the union of manufacture and agriculture, of town (in this instance the village) and country. Among the ancients, manufacture already appears as corruption (fit business for freedmen, clients, and foreigners), etc. Productive labor is freed from its pure subordination to agriculture, where it is the domestic labor of free persons, destined only for the purpose of farming, and war or religious observance and communal tasks such as the construction of houses, roads, or temples. This development, which necessarily arises from intercourse with foreigners, from slaves, the desire to exchange the surplus product, etc., dissolves the mode of production upon which the community rests, and with it the *objectively individual man* — i.e., the individual determined as a Greek, a Roman, etc. Exchange has the same effect, and so has indebtedness, etc.

We have an original unity between a specific form of community or tribal unit and the property in nature connected with it, or the relation to the objective conditions of production as naturally existing, as the objective being of the individual by means of the community. Now this unity, which in one sense appears as the particular form of property, has its living reality in a specific *mode of production* itself, and this mode appears equally as the

relationship of the individuals to one another and as their specific daily behavior towards inorganic nature, their specific mode of labor (which is always family labor and often communal labor). The community itself appears as the first great force of production; special kinds of conditions of production (e.g., animal husbandry, agriculture) lead to the evolution of a special mode of production and special forces of production, both objective and subjective, the latter appearing as qualities of the individuals.

In the last instance, the community and the property resting upon it can be reduced to a specific stage in the development of the forces of production of the laboring subjects — to which correspond specific relations of these subjects with each other and with nature. Up to a certain point, reproduction. Thereafter, it turns into dissolution.

*Property* — and this applies to its Asiatic, Slavonic ancient classical and Germanic forms — therefore originally signifies a relation of the working (producing) subject (or a subject reproducing himself) to the conditions of his production or reproduction as his own. Hence, according to the conditions of production, property will take different forms. The object of production itself is to reproduce the producer in and together with these objective conditions of his existence. This behavior as a proprietor — which is not the result but the precondition of labor, i.e., of production — assumes a specific existence of the individual as part of a tribal or communal entity (whose property he is himself up to a certain point). Slavery, serfdom, etc., where the laborer himself appears among the natural conditions of production for a third individual or community — and where property therefore is no longer the relationship of the independently laboring individual to the objective conditions of labor — is always secondary, never primary, although it is the



necessary and logical result of property founded upon the community and upon labor in the community. (This character of slavery does *not* apply to the general slavery of the orient, which is so considered *only* from the European point of view.)

It is of course easy to imagine a powerful, physically superior person, who first captures animals and then captures men in order to make them catch animals for him; in brief, one who uses man as a naturally occurring condition for his reproduction like any other living natural thing; his own labor being exhausted in the act of domination. But such a view is stupid, though it may be correct from the point of view of a given tribal or communal entity; for it takes the *isolated* man as its starting-point. But man is only individualized through the process of history. He originally appears as a *generic being, a tribal being, a herd animal* — though by no means as a “political animal” in the political sense. Exchange itself is a major agent of this individualization. It makes the herd animal superfluous and dissolves it. Once the situation is such, that man as an isolated person has relation only to himself, the means of establishing himself as an isolated individual have become what gives him his general communal character [*sein Sich-Allgemein-und-Gemeinmachen*]. In such a community, the objective existence of the individual as a proprietor — say a landed proprietor — is presupposed, though he is a proprietor under certain conditions which chain him to the community, or rather constitute a link in his chain. In bourgeois society, e.g., the worker exists purely subjectively, without object; but the thing which *confronts* him has now become the *true common entity* which he seeks to devour and which devours him.

All the forms in which the community imputes to the subjects a specific objective unity with the conditions of their production, or in which a specific subjective existence imputes the community

itself as condition of production, necessarily correspond only to a development of the forces of production which is limited both in fact and in principle. (These forms are of course more or less naturally evolved, but at the same time also the results of a historic process.) The evolution of the forces of production dissolves them, and their dissolution is itself an evolution of the human forces of production. Labor is initially undertaken on a certain basis — first primitive — then historical. [*Es wird erst gearbeitet von gewisser Grundlage aus — erst naturwuchsig — dann historische Voraussetzung.* The sentence is elliptic and open to various possible interpretations.] Later, however, this basis or presupposition is itself cancelled, or tends to disappear, having become too narrow for the development of the progressive human horde.

Insofar as the landed property of classical antiquity reappears in modern allotment property, it belongs to political economy and we shall deal with it in the section on landed property.

(All this is to be analyzed again more deeply and in greater detail later.)

What we are concerned with here is this: the relationship of labor to capital or to the objective conditions of labor as capital, presupposes a historical process which dissolves the different forms, in which the laborer is an owner and the owner labors. This means first and foremost:

(1) a *dissolution* of the relation to the earth — to land or soil — as a natural condition of production which man treats as his own inorganic being, the laboratory of his forces and the domain of his will. All forms in which this property is found, assume a *communal entity* whose members, whatever the formal distinctions between them, are *proprietors* by virtue of being its

members. Hence, the original form of this property is *direct communal property* (the *oriental form*, modified among the Slavs; developed to the point of contradictions in classical antiquity and Germanic property, though still the hidden, if antagonistic, foundation).

(2) *Dissolution of the relations* in which man appears as the *proprietor of the instrument*. As the above form of landed property assumes a *real community*, so this ownership of the tool by the laborer assumes a particular form of development of manufacture — namely, in the form of *handicraft labor*. Guild and corporative institutions are bound up with this. (The manufacturing activities of the ancient orient may be included under our heading (1) above.) here, labor itself is still half the expression of artistic creation, half its own reward, etc. [*Hier die Arbeit selbst noch halb kunstlerisch, halb Selbstzweck.*] The institution of the “master craftsman”. The capitalist himself still a master craftsman. Special craft skill itself ensures the ownership of the instrument, etc., etc. In a sense, the mode of labor becomes hereditary together with the organization of labor and its instrument. Medieval town life. Labor still belongs to a man; a certain self-sufficient development of specialized [*einseitige*] capacities, etc. (3) Included in both is the fact that man possesses means of consumption prior to production, necessary in order to enable him to keep alive as producer — i.e., in the course of production, *before* its completion. As a landowner, he appears to be directly provided with the necessary fund for consumption. As a master artisan, he had inherited, earned or saved this fund, and as a youngster, he is still an *apprentice*, he does not yet appear as an independent worker in the strict sense, but shared the master’s food in the patriarchal manner. As a (genuine) journeyman, there is a certain common utilization of the fund of consumption which is in the master’s possession. Though this is not the

journeyman's *property*, the laws and customs, etc., of the gild at least make him into a co-possessor. (This point to be elaborated.)

(4) On the other hand, *dissolution* both of the relations under which the *laborers themselves*, the *living units of labor power* are still a *direct part of the objective conditions of production* and are appropriated as such — and are therefore slaves or serfs. For capital, the worker does not constitute a condition of production, but only labor. If this can be performed by machinery, or even by water or air, so much the better. And what capital appropriates is not the laborer, but his labor — and not directly, but by means of exchange.

These, then, on the one hand, are historic prerequisites without which the laborer cannot occur as free laborer, as objectiveless, purely subjective capacity for laboring, confronting the objective conditions of production as his *non-property*, as *someone else's property*, as *value* existing for itself, as capital. On the other hand, we must now ask what conditions are necessary if he is to confront *capital*.

## II

# Exchange of labour for labour rests on the worker's propertylessness

The formula “capital”, in which living labor stands in the relation of non-property to raw material, instrument and the means of subsistence required during the period of production, implies in the first instance *non-property in land* — i.e., the absence of a state in which the working individual regards the land, the soil, as his own and labor as its proprietor. In the most favorable case, he stands both in relation of landowner to himself in his capacity as a laboring subject. Potentially, the ownership of land includes both property in raw materials, and in the original instrument of labor, the soil, as well as in its spontaneous fruits. In the most original form, this means that the individual regards the soil as belonging to him, and finds in it raw material, instrument, and means of subsistence not created by labor but by earth itself. Once this relationship is reproduced, then secondary instruments and fruits of the earth produced by labor immediately appear included in the primitive form of landownership. It is this historic situation which is in the first instance negated by the more complete property-relationship involved in the relation of the worker to the conditions of labor as capital. This is historic situation No. 1 which is negated in the new relationship, or assumed to have been dissolved by history.

A second historical step is implied in *property in the instrument* — i.e., in the relation of the laborer to the instruments as to his own, in which he labors as the owner of the instrument (which assumes that the instrument is subsumed in his individual labor, i.e., which

assumes a special and limited phase of development of the productive force of labor). We are considering a situation in which the laborer not only owns the instrument, but in which this form of the *laborer as proprietor* or of the *laboring proprietor* is already distinct and separate from *landed property*, and not, as in the first case, an accident of landed property and subsumed under it: in other words, the artisan and urban development of labor. Hence, also, we here find raw material and means of subsistence *mediated* as the property of the artisan, mediated through his craft, through his property in the instrument. This second historic step now exists distinct and separate from the first, which in turn will appear considerably modified by the mere fact that *this second type of property* or of *working proprietor* has established its independent existence.

Since the instrument itself is already the product of labor — i.e., the element which constitutes property is already established by labor — the community can here no longer appear, as it can in the first case, in its primitive form. The community on which this form of property is based already appears as something produced, secondary, something which has come into being, a community produced by the laborer himself. It is clear that where ownership of the instrument is the relationship to the conditions of labor as property, in actual labor the instrument appears merely as *a means* of individual labor, and the art of really appropriating the instrument, to employ it as a means of labor, appears as a special skill of the laborer, which makes him the owner of his tools. In short, the essential character of guild or corporative systems (artisan labor as its subject and the constituent element of ownership) is analyzable in terms of a relation to the instrument of production: the tool as property. This differs from the relations to the earth, to the land as one's own, which is rather that of the raw material as property. In this historic state No.2 property is thus constituted by

the laboring subject's relation to this single element of the conditions of production, which makes him into a laboring proprietor; and this state may exist only as contradiction of state No.1, or, if you like, as supplementary to a modified state No.1. The first formula of capital negates this historic state also.

There is a third *possible form* which is to act as proprietor neither of the land nor of the instrument (i.e., nor of labor itself), but only of the means of subsistence, which are then found as the natural condition of the laboring subject. This is at bottom the formula of slavery and serfdom, which is also negated, or assumed to have been historically dissolved, in the relation of the worker to the conditions of production as capital.

The primitive forms of property necessarily dissolve into the relation of property to the different objective elements conditioning production; they are the economic basis of different forms of community, and in turn presuppose forms of community. These forms are significantly modified once labor itself is placed among the *objective conditions of production* (as in slavery and serfdom), as a result of which the simple affirmative character of all forms of property embraced in No.1 is lost and modified. All of these include potential slavery, and therefore their own abolition. So far as No.2 is concerned, in which the particular kind of labor — i.e., its craft mastery and consequently property in the instrument of labor — equals property in the conditions of production, this admittedly excludes slavery and serfdom. However, it may lead to an analogous negative development in the form of a caste system.

The third form, of property in the means of subsistence, cannot contain any relationship of the *laboring* individual to the conditions of production, and therefore of existence, unless it is



dissolved into slavery and serfdom. It can only be the relation of the member of the primitive community founded upon landed property, who happens to have lost his ownership of land without as yet having advanced to property No.2, as in the case of the Roman plebs at the time of “bread and circuses” [that is, of a propertyless mass living on a public dole]. The relation of retainers to their lords, or that of personal service, is essentially different. For it (personal service) forms at bottom merely the mode of existence of the landowner, who no longer labors himself, but whose property includes the laborers themselves as serfs, etc., among the conditions of production. What we have here as an essential relation of appropriation is the *relationship of domination*. Appropriation can create no such relation to animal, the soil, etc., even though the animal serves its master. The appropriation of another’s *will* is presupposed in the relationship of domination. Beings without will, like animals, may indeed render services, but their owner is not thereby *lord and master*. However, what we see here is, how the *relations of domination and servitude* also enter into this formula of the appropriation of the instruments of production; and they constitute a necessary ferment of the development and decay of all primitive relations of property and production. At the same time, they express their limitations. To be sure, they are also reproduced in capital, though in an indirect (mediated) form, and hence they also constitute a ferment in its dissolution, and are the emblems of its limitations.

“The right to sell oneself and one’s dependence in times of distress, was unfortunately general; it prevailed both in the North, among the Greeks and in Asia. The right of the creditor to take the defaulting debtor into servitude, and to redeem the debt either by his labor or by the sale of his person, was almost equally widespread.” (Neibuhr, I, 600)

[In another passage, Niebuhr explains the difficulties and misunderstandings of Greek writers of the Augustan period over the relationship between Patricians and Plebians and their confusion of this relationship with that between Patrons and Clients, as being due to the fact that

“they were writing at a time when rich and poor constituted the only real classes of citizens; where the man in need, no matter how noble his origins, required a Patron and the millionaire, even though only a freedman, was sought after as a Patron. They could find scarcely a trace of inherited relations of attachment”. (I.620)]

“Artisans were to be found in both classes (resident aliens and freedmen together with their descendants), and plebians who abandoned agriculture passed into the limited citizen status enjoyed by these. Nor did they lack the honor of legally recognized guilds, and these were so highly respected that Numa was supposed to have been their founder. There were nine such guilds; pipers, goldsmiths, carpenters, dyers, harness-makers, tanners, saddlers, coppersmiths, and potters, the ninth corporation embracing the rest of the crafts.... Those among them were independent citizens, or who enjoyed a status equivalent to citizenship, independent of any patron (supposing such status was recognized); or those who were descendants of dependent men whose bond had lapsed with the extinction of their patrons’ families: these undoubtedly remained as remote from the quarrels of ancient citizens and the commons [*der Gemeinde*] as the Florentine guilds remained outside the feuds of the Guelf and Ghibelline families. It is probable that the population in servitude were still as a whole at the disposal of the patricians.” (I,623)

On the one hand, we presuppose historical processes which transform a mass of individuals of a nation, if not perhaps immediately into genuine free laborers, then at any rate into potential free laborers, whose property is their labor-power and the possibility of exchanging it for the existing values. Such individuals confront all objective conditions of production as *alien property*, as their own *non-property*, but at the same time as

something which can be exchanged as *values* and therefore to some extent appropriated by living labor.

Such historic processes of dissolution are the following:

- the dissolution of the servile relationship which binds the laborer to the soil, and to the lord of the soil, but in fact assumes his property in the means of subsistence (which amounts in truth to his reparation from the soil);
- the dissolution of relations of property which constitute a laborer as yeoman, or free, working, petty landowner or tenant (*colonus*), or free peasant [*note by Marx: We take for granted the dissolution of the even more ancient forms of communal property and real community*];
- the dissolution of guild relations which presuppose the laborer's property in the instrument of production and labor itself, as a certain form of craft skill [*handwerksmassig bestimmte Geschicklichkeit*] not merely as the source of property but as property itself;
- also the dissolution of the relation of clientship in its different types, in which *non-proprietors* appear as co-consumers of the surplus produce in the retinue of their lord, and in return wear his livery, take part in his feuds, perform real or imaginary acts of personal service, etc.

Closer analysis will show that what is dissolved in all these processes of dissolution are relations of production in which use-value predominates; production for immediate use. Exchange-value and its production presuppose the predominance of the other form. Thus in all the above circumstances, deliveries in kind and labor services [*Naturaldienste*] predominate over money payments and services remunerated by money. But this is only incidental [or this could be translated as "But this observation is by the way"]. Again, closer examination will also reveal that all the dissolved relations were rendered possible only by a certain degree of

development of the material (and therefore also of the mental) productive forces.

What concerns us at this point is the following. The process of dissolution which turns a mass of individuals in a nation, etc., into potential free wage-laborers — individuals obliged merely by their lack of property to labor and to sell their labor — does *not* presuppose the *disappearance* of the previous sources of income or (in part) of the previous conditions of property of these individuals. On the contrary, it assumes that *only* their use has been altered, that their mode of existence has been transformed, that they have passed into other people's hands as a *free fund*, or perhaps that they have partly remained in *the same hands*. But this much is evident. The process which has in one way or another separated a mass of individuals from its previous affirmative relations to the *objective conditions of labor*, which negated these relations and thereby transformed these individuals into *free laborers*, is also the same process which has liberated these *objective conditions of labor* potentially from *their previous ties* to the individuals which are now separated from them. (These conditions of labor comprise land, raw material, means of subsistence, instruments of labor, money or all of these.) They are still *present*, but present in a different form, as a *free fund*, one in which all the old political, etc., relations are obliterated, and which now confront those separated, propertyless individuals merely in the form of *values*, of values maintaining themselves and each other [*an sich festhaltenden Werten*]. The same process which counterposes the masses of free laborers to the *objective conditions of labor*, has also counterposed these conditions to them as *capital*. The historic process was one of the separation of hitherto combined elements; its results is therefore not the disappearance of one of these elements, but a situation in which each of them appears negatively related to the other: the

(potentially) free laborer on one hand, (potential) capital on the other. The separation of the objective conditions from the classes which are now transformed into free laborers, must equally appear at the opposite pole as the establishment of independence by these very conditions.

Let us consider the relationship of capital and wage labor not as something which has already reached decisive importance, and encroaches on production as a whole (Marx note: For in this case capital, presupposed as the condition of wage-labor, is the product of labor, and established as condition by labor itself, created by labor as its own presupposition), but as something which is still in the process of historical formation. We consider the original transformation of money into capital, the process of exchange between capital existing only potentially on one hand, and the free laborers existing potentially on the other. We then find ourselves naturally making the simple observation, with which the economists make great play — namely, that the side which appears as capital must possess raw materials, tools, and food enough to enable the worker to live before production is completed. Moreover, it would appear that accumulation — an accumulation prior to labor and not arising from labor — must have taken place on the part of the capitalist, which enables him to set the laborer to work and to maintain him in activity, as living labor power.

(Marx note: Once capital and wage labor have been established as their own prerequisites, i.e., as a base presupposed for production, the following state of affairs appears to exist: In the first instance, it seems that the capitalist must possess not only a fund of raw materials and means of subsistence sufficient for the laborer to reproduce himself, to produce the necessary means of subsistence, to realize *necessary labor*; but also a fund of raw material and

instruments of production, by means of which the laborer realizes his surplus labor, i.e., the capitalist's profit. Further analysis will reveal that the laborer is constantly creating a double fund for the capitalist, or in the form of capital. One part of this fund constantly fulfils the conditions of his own existence, the other part, the conditions of existence of capital. As we have seen, surplus capital — and surplus capital in its relation to its prehistoric relation to labor — includes the *appropriation* of all *real, present capital*, and of each element of such capital, which is appropriated uniformly as *alien labor* transformed into an object and appropriated by capital, without exchange, without the transfer of an equivalent for it.)

This action of capital, which is independent and not established by labor, is then transferred from this history of its origin into the present, and transformed into a factor of its reality and effectiveness, of its self-creation [*Selbstformation*]. Finally, the eternal right of capital to the fruit of other men's labor is derived from this state of affairs, or rather what happens is, that the mode of acquisition of capital is derived from the simple and "just" laws of the exchange of equivalents.

Wealth occurring in the form of money can only be realized against the objective conditions of labor, because and if these have been separated from labor itself. We have seen that money can in part be accumulated by the sheer exchange of equivalents; however, this is so insignificant a source that it is not worth mention historically — assuming, that is, that we suppose this money to have been earned by the exchange of one's own labor. It is rather money accumulated by usury — especially usury on landed property — and mobile (monetary) wealth accumulated through mercantile profits, that turns into capital in the strictest sense, into industrial capital. We will have occasion to deal with

both forms below — that is, insofar as they themselves appear not as forms of capital but as prior forms of wealth which are the prerequisites for capital.

As we have seen, the concept — the origin — of capital implies *money* as its starting point, and therefore it implies a derivation from circulation; capital appears as the *product* of circulation. Capital formation does not therefore arise from landed property (though it might arise from the agricultural tenant insofar as he is also a trader in farm products), nor from the gild (though this provides a possibility) but from mercantile and usurious wealth. But the merchant and usurer only encounter the conditions which permit the purchase of free labor, once free labor has been detached from the objective conditions of its existence as a result of a historical process. At this point, it also becomes possible to buy these *conditions* themselves. Under gild conditions, for instance, mere money (unless it is the money of gild masters) cannot purchase looms in order to put men to work on them; there are regulations determining how many looms a man may employ, etc. In short, the instrument of labor is still so intimately merged with living labor, appearing as the domain of living labor, that it does not truly circulate. What enable monetary wealth to run into capital is, on the one hand, that it finds free laborers, and on the other hand, it finds means of subsistence, materials, etc., which would otherwise be in one form or another the *property* of the now objectiveless masses, and are also *free* and available for sale.

However, the other condition of labor — a certain craft skill, the existence of the instrument as a means of labor, etc. — is found *ready to hand* by capital in this preparatory or first period of capital. This is partly the result of the urban gild system, partly of domestic industry, or such industry as exists as an accessory to agriculture. The historic process is not the result of capital, but its



prerequisite. By means of this process, the capitalist then inserts himself as a (historical) middleman between landed property and labor. History ignores the sentimental illusions about capitalist and laborer forming an association, etc.; nor is there a trace of such illusions in the development of the concept of capital. Sporadically, *manufacture* may develop locally in a framework belonging to quite a different period, as in the Italian cities *side by side* with the guilds. But if capital is to be the generally dominant form of an epoch, its conditions must be developed not merely locally, but on a large scale. (This is compatible with the possibility that during the dissolution of the guilds individual guild-masters may turn into industrial capitalists; however, in the nature of the phenomenon, this happens rarely. All in all, the entire guild system — both master and journeyman — dies out, where the capitalist and laborer emerge.)

However, it is evident, and borne out by closer analysis of the historic epoch which we are now discussing, that the *age of dissolution* of the earlier modes of production and relations of the worker to the objective conditions of labor, is *simultaneously an age* in which *monetary wealth* has already developed to a certain extent, and also one in which it is rapidly growing and expanding, by means of the circumstances which accelerate this dissolution. Just as it is itself an agent of that dissolution, so that dissolution is the condition of its transformation into capital. But the *mere existence of monetary wealth*, even its conquest of a sort of supremacy, is not sufficient for this *dissolution to result in capital*. If it were, then ancient Rome, Byzantium, etc., would have concluded their history with free labor and capital, or rather, would have entered upon a new history. There the dissolution of the old relations of property was also tied to the development of monetary wealth — of commerce, etc. However, in fact the result

of this dissolution was not industry, but the domination of countryside over city.

The *original formations of capital* does not, as is often supposed, proceed by the *accumulation* of food, tools, raw materials or in short, of the *objective* conditions of labor detached from the soil and already fused with human labor.

[Marx note: Nothing is more obviously and superficially circular than the reasoning which argues (a) that the *workers* who must be employed by capital if capital is to exist as such, must first be *created* and called into life by *its* accumulation (waiting, as it were, on its “Let there be labor”); while (b) capital could not accumulate without alien labor, except perhaps its own labor. I.e., that capital might itself exist in the form of *non-capital* and *non-money*, for prior to the existence of capital, labor can only realize its value in the form of handicraft work, of petty agriculture, etc.; in short, of forms, all of which permit little or *no accumulation*, allow for only a small surplus produce, and *consume* the greater part of that. We shall have to return to the concept of “accumulation” later.]

Not by means of capital creating the objective conditions of labor. Its *original formation* occurs simply because the historic process of the dissolution of an old mode of production, allows value, existing in the form of *monetary wealth* to *buy* the objective conditions of labor on one hand, to exchange the *living* labor of the now free workers for money, on the other. All these elements are already in existence. What separates them out is a historical process, a process of dissolution, and it is *this* which enables money to turn into *capital*. Insofar as money itself plays a part here, it is only to the extent that it is itself an extremely powerful agent of dissolution which intervenes in the process, and hence

contributes to the creation of the *plucked*, objectiveless, *free laborers*. It is certainly not by *creating* the objective conditions of such laborers' existence, but rather by accelerating their separation from them — i.e., by accelerating their loss of property.

For instance, when the great English landowners dismissed their retainers, who had consumed a share of their surplus produce of their land; when their farmers drove out the small cottagers, etc., then a doubly free mass of living labor power was thrown on to the *labor market*: free from the old relation of clientship, villeinage, or service, but also free from all goods or chattels, from every real and objective form of existence, *free from all property*. Such a mass would be reduced either to the sale of its labor power or to beggary, vagabondage, or robbery as its only source of income. History records the fact that it first tried beggary, vagabondage, and crime, but was herded off this road on to the narrow path which led to the labor market by means of the gallows, pillory, and whip. (Hence the *governments* of Henry VII, VIII, etc., also appear as conditions of the historic process of dissolution and as creators of the conditions for the existence of capital.) Conversely, the means of subsistence formerly consumed by the lords and their retainers, were now available for purchase by money, and money wished to purchase them in order through their instrumentality to purchase labor. Money had neither created nor accumulated these means of subsistence. They were already present, consumed, and reproduced, before they were consumed and reproduced through the intervention of money. The only change was that these means of production were now thrown on to the *exchange-market*. They had now been detached from their immediate connection with the mouths of the retainers, etc., and transformed from use-values into exchange-values, thus falling under the government and sovereignty of monetary wealth. The same applies to the instruments of labor. Monetary wealth neither

invented nor manufactured spinning wheel and loom. But once spinners and weavers had been separated from their land, they and their wheels and looms came under the sway of monetary wealth, etc.

*Capital unites the masses of hands and instruments which are already there. This and only this is what characterizes it. It brings them together under its sway.*

This is its *real accumulation*; the accumulation of laborers plus their instruments at given points. We shall have to go into this more deeply when we come to the so-called accumulation of capital.

Admittedly, monetary wealth in the form of merchants' wealth had helped to accelerate and dissolve the old relations of production, and had, e.g., enabled the landowner to exchange his corn, cattle, etc., for imported use-values, instead of squandering his own production with his retainers, whose number, indeed, was to a large extent taken as the measure of his wealth. (This point has already been neatly made by A. Smith.) Monetary wealth had given greater significance to the exchange-value of his retinue. This was also true of his tenants, who were already semi-capitalists, though in a rather disguised manner. The evolution of exchange-value is favored by the existence of *money* in the form of a social order of merchants. It dissolves a production whose object is primarily immediate use-value, and the forms of property which correspond to such production — the relations of labor to its objective conditions — thus giving an impetus to the creation of a *labor market* (not to be confused with a slave market). However, even this effect of money is possible only if we presuppose the existence of *urban craft activity*, which rests *not* on capital and wage-labor, but on the organization of labor in guilds,

etc. Urban labor itself had created the means of production, for which the guilds became as great an embarrassment as were the old relations of landed property in an improved agriculture, which was in turn partly the consequence of the greater sale of agricultural products to the cities, etc.

Other circumstances assisted the dissolution of the old relations of production, accelerated the separation of the laborer or the non-laborer capable of work, from the objective conditions of his reproduction, and thus advanced the transformation of money into capital. Such were, e.g., the factors which in the 16th century increased the mass of commodities in circulation, the mass of currency in circulation, creating new needs and consequently raising the exchange value of native products, raising prices, etc. Nothing can therefore be more foolish than to conceive the *original formation* of capital as if it meant the accumulation and creation of the *objective conditions of production* — food, raw materials, instruments — which were then offered to the *dispossessed* workers. What happened was rather that monetary wealth partly helped to detach the labor power of the individuals capable of work from these conditions. The rest of this process of separation proceeded without the intervention of monetary wealth. Once the original formation of capital had reached a certain level, monetary wealth could insert itself as an intermediary between the objective conditions of life, now “liberated” and the equally liberated, but now also *unfettered and footloose*, living labor powers, buying the one with the other. As to the *formation of monetary wealth* itself, before its transformation into capital: this belongs to the prehistory of the bourgeois economy. Usury, trade, the cities and government finance which arise with them, play the chief parts in it. Also *hoarding* by tenant farmers, peasants, etc., though to a smaller extent.

Trade is everywhere the intermediary for exchange value, or alternatively, the transfer of exchange value can be described as trade — for just as circulation acquires an independent existence in commerce, so does money in the social stratum of the merchants. We may see that the development of exchange and exchange-value brings about both the dissolution of labor's relations of property in its conditions of existence and also of labor as something which is itself part of the objective conditions of production. All these are relations which express both a predominance of use-value and of production directed towards immediate consumption, and also the predominance of a real community which is still present as an immediate prerequisite of production. Production based on exchange-value and a community based on the exchange of these exchange-values, and labor as the general condition of wealth, all presuppose and produce the separation of labor from its objective conditions. Though, as we saw in the last chapter on money, production for exchange and community based on exchange may appear to posit property as deriving solely from *labor*, and private property in the production of one's labor as a precondition, this appearance is deceptive. The exchange of equivalents occurs (but it is merely) the surface layer of a production which rests on the appropriation of other people's labor *without exchange*, but under the *guise of exchange*. This system of exchange has *capital* as its basis. If we consider it in isolation from capital, as it appears on the surface, as an *independent* system, this is mere *illusion*, though a *necessary illusion*. It is therefore no longer surprising to find that the system of exchange-values — the exchange of equivalents measured in labor — turns into the *appropriation of other people's labor without exchange*, the total separation of labor and property, or rather that it reveals this appropriation as its concealed background. For the rule of exchange-values, and of production producing exchange-values, *presupposes* alien labor power as

itself an exchange-value. I.e., it presupposes the separation of living labor power from its objective conditions; a relationship to these — or to its own objectivity — as someone else's property; in a word, a relation to them as *capital*.

The golden age of labor emancipating itself occurred only in those periods when feudalism was in decay, but still engaged in internecine conflict — as in England in the 14th and the first-half of the 15th centuries. If labor is once again to be related to its objective conditions as to its property, another system must replace that of private exchange, for as we have seen private exchange assumes the exchange of labor transformed into objects against labor-power, and thereby the appropriation of living labor without exchange.

Historically, money is often transformed into capital in quite simple and obvious ways. Thus, the merchant sets to work a number of spinners and weavers, who formerly engaged in these activities as subsidiary occupations to their agricultural work, and turns a subsidiary occupation into a principal one, after which he has them under his control and sway as wage-laborers. The next step is to remove them from their homes and to assemble them in a single house of labor. In this simple process, it is evident that the merchant has prepared neither raw materials nor instruments nor means of subsistence for the weaver or the spinner. All he has done is gradually to confine them to one sort of labor, in which they are dependent on the *buyer*, the *merchant*, and thus eventually find themselves producing solely *for* and *by means of* him. Originally, he has bought their labor merely by the purchase of their product. As soon as they confine themselves to the production of this exchange-value, and are therefore obliged to produce immediate *exchange-values*, and to exchange their labor entirely for money in order to go on living, they come under his



domination. Finally, even the illusion of *selling* him their products, disappears. He purchases their labor and takes away first their property in the product, soon also their ownership of the instrument, unless he allows them the *illusions of ownership* in order to diminish his costs of production.

The original historical forms in which capital appears at first sporadically or *locally, side by side* with the old modes of production, but gradually bursting them asunder, make up *manufacture* in the proper sense of the word (not yet the factory). This arises, where there is mass-production for export — hence on the basis of large-scale maritime and overland trade, and in the centres of such trade, as in the Italian cities, Constantinople, the Flemish, Dutch cities, some Spanish ones such as Barcelona, etc. Manufacture does not initially capture the so-called urban crafts, but the rural subsidiary occupations, spinning and weaving, the sort of work which least requires craft skill, technical training. Apart from those great emporia, in which it finds the basis of an *export* market, and where production is, as it were *by its spontaneous nature*, directed towards exchange-value — i.e., manufactures directly connected with shipping, including shipbuilding itself, etc. The rural subsidiary occupations contain the broad basis of manufactures, whereas a high degree of progress in production is required in order to carry on the urban crafts as factory industries. Such branches of production as glassworks, metal factories, sawmills, etc., which from the start demand a greater concentration of labor-power, utilize more natural power, and demand both mass-production and a concentration of the means of production, etc.: these also lend themselves to manufacture. Similarly, paper mills, etc.

The other aspect of this process is the appearance of the tenant farmer and the transformation of the agricultural population into

free day-laborers. Though the last place where this transformation triumphs in its purest and most logical forms, is the countryside, some of its earliest developments occur there. Hence the ancients, who never advanced beyond specifically urban craft skill and application, were never able to achieve large-scale industry. For its first prerequisite is the involvement of the entire countryside in the production, not of use-values, but of exchange values. Glassworks, papermills, ironworks, etc., cannot be conducted on guild principles. They require mass-production, sales to a general market, *monetary wealth* on the part of the entrepreneur. Not that he creates the subjective or objective conditions; but under the old relations of property and production these conditions cannot be brought together. (After this, the dissolution of the relations of serfdom and the rise of manufacture gradually transform all branches of production into branches operated by capital.) However, the towns themselves contain an element for the formation of genuine wage-labor — namely, day-laborers outside the guild system, unskilled laborers, etc.

We thus see that the transformation of money into capital presupposes a historic process which separates the objective conditions of labor, and makes them independent of and sets them against the laborers. However, once capital and its process have come into being, they conquer all production and everywhere bring about and accentuate the separation between labor and property, labor and the objective conditions of labor. Subsequent development will show in what ways capital destroys artisan labor, small working landownership, etc., and also itself in those forms in which it does *not* appear in contradiction to labor: *petty capital*, and intermediate or hybrid types between the classic, adequate mode of production of capital itself, and the old modes of production (in their original form), or as renewed on the basis of capital.

The only accumulation which is a prerequisite for the rise of capital, is that of *monetary wealth*, which, when considered in isolation, is entirely unproductive, emerges only from circulation and belongs only to circulation. Capital rapidly creates itself an internal market by destroying all rural subsidiary crafts — i.e., by spinning and weaving for all, providing clothing for all, etc.; in short, by turning the commodities formerly produced as immediate use-values into exchange-values. This process is the automatic result of the separation of the laborers from the soil and from their property (though even only serf property) in the conditions of production.

Though urban crafts are based substantially on exchange and the creation of exchange-values, the main object of production is not *enrichment or exchange-value as exchange-values*, but the *subsistence of man as an artisan, as a master-craftsman*, and consequently use-value. Production is therefore everywhere subordinate to a presupposed consumption, supply to demand, and its expansion is slow.

*The production of capitalists and wage-laborers is therefore a major product of the process by which capital turns itself into values.* Ordinary political economy, which concentrates only on the objects produced, forgets this entirely. Inasmuch as this process establishes reified labor as what is simultaneously the *non-reification* of the laborer, as the reification of a subjectivity opposed to the laborer, as the *property* of someone else's will, capital is necessarily also a *capitalist*. The idea of some socialists, that we need capital but not capitalists, is completely false. The concept of capital implies that the objective conditions of labor — and these are its own product — acquire a *personality* as against labor, or what amounts to the same thing, that they are established as the property of a personality other than the worker's. The

concept of capital implies the capitalist. However, this error is certainly no greater than that of, e.g., all philologists who speak of the existence of *capital* in classical antiquity, and of Roman or Greek capitalists. This is merely another way of saying that in Rome and Greece labor was *free*, an assertion which these gentlemen would hardly make. If we now talk of plantation-owners in America as capitalists, if they *are* capitalists, this is due to the fact that they exist as anomalies within a world market based upon free labor. Were the term capital to be applicable to classical antiquity — though the word does not actually occur among the ancients (but among the Greeks the word *arkhais* is used for what the Roman's called the *principalis summa reicreditae*, the principal of a loan) — then the nomadic hordes with their flocks on the steppes of Central Asia would be the greatest capitalists, for the original meaning of the word capital is cattle. Hence the contract of *metairie* (crop-sharing) which is frequent in the South of France, because of capital shortage, is still sometimes called “*bail de bestes a cheptel*” (contract of leasing cattle). If we permit ourselves a little bad Latin, then our capitalists or *Capitales Homines* (headmen) would be those “*qui debent censum de capite*” (who pay a head tax).

Difficulties which do not arise in the conceptual analysis of money do arise in that of capital. Capital is essentially a *capitalist*; but at the same time production in general is *capital*, as an element in the existence of the capitalist quite distinct from him. Thus we shall later find that in the term *capital* much is subsumed that does not apparently belong to the concept. E.g., capital is loaned. It is accumulated, etc. In all these relations it appears to be a mere object, and entirely to coincide with the matter of which it consists. However, further analysis will clarify this and other problems. (In passing, the following amusing observation: The good Adam Mueller, who takes all figurative phrases in a mystical

sense, had also heard about *living capital* in ordinary life, as opposed to *dead capital*, and dresses up the notion *theosophically*. King Atheistan could have taught him a thing or two about this:

*“Reddam de meo propio decimas Deo tam in Vivente Capitale quam in mortuis fructuis terrae.”*

(I shall give a tithe of my property to God, both in living cattle and in the dead fruits of the soil.)

Money always retains the same form in the same substratum, and is therefore more readily conceived as an object. But the same thing, commodity, money, etc., can represent capital or revenue, etc. Thus even the economists recognize that money is nothing tangible, but that the same thing can be subsumed now under the heading capital, now under some other and quite contrary term, and accordingly that it *is* or *is not* capital. It is evidently *a relation and can only be a relation of production*.