



## Putting Theory to Work

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### Abstract

This reply defends the need for a specifically materialist historiography of modes of production other than capitalism; argues that Marxists should see history as being driven by the state as much as it is by classes; defends the scientific value of the category 'merchant capitalism'; and explains why Marx came around to seeing the slave plantations as part of 'total capital'. It concludes by suggesting both that Marx allowed for different levels of determination when thinking about the origins of capitalism, and that Brenner's account of the transition in English agriculture has now been seriously weakened by Jane Whittle's critique of it.

### Keywords

materialist historiography, tributary modes of production, merchant capitalism, slave plantations, Brenner

It may help to start by foregrounding what I see as some of the key arguments propounded in the essays under discussion in this Symposium. 1. A major argument that runs through much of the book is the idea that agriculture is typically characterised by a *combination* of forms of labour, a 'much wider range of relationships of exploitation on the land' than simplified uses of Marxist theory are liable to suggest.<sup>1</sup> 2. Since the source of value and surplus-value (as of material production more generally) is *living* labour and not the *form* that labour assumes in this or that society (the 'determinate' 'form' of labour), precapitalist forms of exploitation may well be *integrated into* capitalism (the production and accumulation of capital), where they function as capitalist relations of production (more precisely, as moments in the totalisation of such relations). Thus modern slavery *can* be seen as a purely capitalist institution, since 'the business in which slaves [were] used [was] conducted by capitalists'. 3. Against the classless model of an 'Asiatic despotism' that has dominated and confused Marxist debates about non-European history, I argue that we

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1. The expression in quotes is from Beinart and Delius 1986, p. 33.

need a theory of the tributary mode of production as characterised both by the paramouncy of the state (both practical and legal) and by a form of class struggle that pitted ruler against ruling class. Since the tributary mode envelops rather more than a millennium of written history (an unbroken swathe that starts c.225–c.325), debates about the tributary mode would really have to study each of its forms of evolution separately and then compare them, since the ‘historical surroundings’ were so different, as Marx said in a roughly analogous context in his reply to Mikhailovsky (1877).<sup>2</sup> A comparative history of this sort would crucially have to look at the composition of the ruling class and tensions and conflicts within it, as well as the subtle or dramatic ways in which the balance of power kept changing between rulers and ruling class.<sup>3</sup> This struggle was endemic to the mode of production but took different forms and had different outcomes depending on the nature and strength of the parties involved. 4. To read *Capital* as if Marx were writing *history* runs the risk of radically impoverishing the history of capitalism. Not only is this a history that still has to be written in a coherent way but we also have to start by seeing it as a more complex totalisation than a simple ‘transition’ from the feudal mode of production to capitalism, let alone one that was rehearsed in a purely national setting. ‘The idea of capitalism in one country, taken literally, is only a bit more plausible than that of socialism’.<sup>4</sup> Here the category ‘commercial capitalism’ is one of the important ways in which some perspective can be gained on centuries of history that otherwise remain nebulously suspended in what were, after all, largely agrarian modes of production, whether feudal or tributary. At least three of these issues recur in the discussion below.

To start with John Haldon’s long and stimulating paper; ‘In contrast to Banaji, therefore, I would suggest that what Marx is referring to when he writes of “the specific economic form, in which unpaid surplus labour is pumped out of direct producers”, is *simply* the difference between direct (coercive) and indirect (through the labour-market) exploitation of labour power, and that to read institutional forms as an economic category in order to distinguish

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2. Marx cited in McLellan 1971, p. 136.

3. Pulleyblank 1955, Twitchett 1962, Cheynet 1990, Sifonas 1994, Crone 1980, Jackson 1999, Richards 1975, and Husain 1999 are good examples of this level of analysis. ‘Estate building’ moved in *cycles*, feeding off the growing numbers of landless in a pattern strikingly evident in Byzantine and Chinese history. The apparent immobility of peasant history reflects its cyclical structure, repeated bouts of dispossession, struggle and re-emergence. The state was never simply a passive instrument of the ‘powerful’ in these conflicts.

4. Anderson 2005, p. 251, about Brenner; from the brilliant review of *Merchants and Revolution*.

between modes of production is misleading' (italics mine).<sup>5</sup> Now apart from the fact that the last thing the labour market is, in any *capitalist* society, is a purely 'economic' mechanism (one that has nothing to do with law, politics, social policy, etc. and the sorts of coercion they bring to bear), it is odd to deprive Marx's use of the term 'specific' of the resonance it clearly has by suggesting that it refers 'simply' to the general (and putative) contrast between 'economic' and 'extra-economic'. When Marx refers to precapitalist modes of production as 'all previous modes of production based on the exploitation of the masses *in one form or the other*'<sup>6</sup> or credits Richard Jones with a 'sense of the *historical* differences in modes of production',<sup>7</sup> he cannot mean that these 'forms' and 'historical differences' refer only to the contrast between capitalism and everything before it or have nothing to do with major differences in the way the subjection of labour is constructed and organised in long swathes of history before capitalism. 'Epochs of production', 'historical stages of production', 'different forms of society', 'different economic epochs', etc. were all Marx's way of insisting that there was considerable diversity within and among precapitalist modes of production. Volume One of *Capital* even refers to 'economic formations of society of the most diverse kinds'.<sup>8</sup>

The pervasive grip of formalism over Marxist theory in the seventies and eighties explains why a whole generation of Marxists would end up subscribing to a deep scepticism about doing much with 'modes of production' beyond paying the customary lip-service expected of a loyal congregation. I suspect that neither Anderson nor Haldon escaped this dilemma entirely. In *The State and the Tributary Mode of Production*, a seminal contribution, Haldon cites Anderson as saying 'All modes of production in class societies prior to capitalism extract surplus labour from the immediate producers by means of extra-economic coercion'<sup>9</sup> and concludes, 'it is therefore [according to Anderson – JB] impossible to identify them *on the basis of economic relationships as such*'.<sup>10</sup> This may be a fair statement of Anderson's position in *Lineages* since he does say, 'All other previous modes of exploitation operate through *extra-economic* sanctions', yet Haldon's own position is essentially not very different. According to him, for Marx 'the crucial distinguishing element, which makes one mode of production different from another, lies precisely in "the mode in which . . . surplus labour is in each case extracted from the actual

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5. Haldon 2013, p. 47.

6. Marx 1981, p. 754.

7. Marx 1968, p. 399; Marx's emphasis.

8. Marx 1976, p. 745.

9. Anderson 1974, p. 403.

10. Haldon 1993, pp. 92ff.; my emphasis.

producer, the labourer”<sup>11</sup> Since ‘the mode in which surplus labour is extracted from the actual producer’ is reducible to only two general categories, ‘rent’ and ‘surplus-value’, and all class-based precapitalist modes of production are based fundamentally and uniformly on ‘rent’, it does not seem to make a great deal of difference in the end whether, like Anderson, one uses ‘the forms of their superstructures’ to demarcate the different modes, or, with Haldon, bases the differences between them or their actual histories on ‘institutional forms’. What evaporates in both conceptions (superstructures/institutions) is any sense that we can write a specifically materialist history of anything other than capitalism. But the armature of a materialist historiography lies not in abstractions like ‘rent’ or ‘the mode in which surplus labour is extracted’ or ‘methods of surplus-appropriation’ but in the fundamental categories of history (‘objects to be constructed’, as Vilar reminded us)<sup>12</sup> – class, labour (including the labour of *war*), the state, money, etc., but also the ‘productive forces’ conceived as the inert totality of ‘worked matter’ – all of which define the ‘economic structure of society’ and count therefore as ‘relations of production’ that are neither simply reducible to particular forms of exploitation of labour nor conceived so loosely as to count as the totality of *all* ‘institutions’, economic and non-economic. The truly great works of economic and social history in the past ninety years, starting with Georges Lefebvre’s *Les paysans du Nord pendant la Révolution française* (1924) – both the *grands ouvrages* and numerous excellent monographs – all exemplify what a materialist historiography is and should look like even if, with Labrousse, one still believes *l’histoire est à faire* [history has yet to be invented]. If Braudel called Labrousse’s *La crise de l’économie française à la fin de l’Ancien Régime* (1944) ‘the greatest work of history to have appeared in France in the course of the last twenty-five years’,<sup>13</sup> Labrousse himself, more interestingly, described *La crise* as ‘a new affirmation of the “materialist” interpretation of history’, clearly seeing it as a contribution to the kind of history Marx would have liked to see written.<sup>14</sup>

Finally, in downplaying the major economic differences between feudal and tributary ‘systems’, Haldon also states, ‘the pre-eminence of state power is, I think, greatly exaggerated, even in those social formations touched on by Banaji’.<sup>15</sup> This is an extraordinary statement, not least because Haldon’s own work seems to me to demonstrate the opposite. In fact, tributary modes of production encapsulate a wider principle of historical materialism (at

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11. Haldon 1993, p. 93.

12. Vilar 1974, p. 196; Vilar 1973, p. 93.

13. Burke 1990, p. 55.

14. Borghetti 2005, p. 63, citing Saly 1989.

15. Haldon 2013, p. 58.

least they *should* do), which is that history is driven and shaped by the state as much as it is by classes. This general principle, of the *protagonism of the state in history*, was one that impressed Trotsky no end. As we know, he begins *The History of the Russian Revolution* with a brilliant sketch of the peculiarities of Russia's development that chiefly invokes the active role of the state in shaping the evolution of Russia's 'possessing classes'.<sup>16</sup> This was of course as true of the later Roman empire or of Sung China or the Indo-Muslim states as it was of Tsarism. It is *this* image of the autocratic state as a 'state power which ... creates its own bureaucratic apparatus', 'dissociates itself' from the landowning class, and 'acquires its own enormous power, i.e., a state power which, while protecting the interests of the exploiters against the exploited, becomes a relatively independent force'<sup>17</sup> that Haldon's *historical* argument (in *The State and the Tributary Mode of Production*) reinforces powerfully against the instrumentalism that sees the absolutist state as the 'repressive machine of a feudal class',<sup>18</sup> a conception (Anderson's) worth contrasting with Hilferding's more correct idea that the emergence of the 'absolute monarchy' encapsulated a 'struggle of the state power *against* the ruling class', one that for Hilferding was merely 'supported by' the bourgeoisie.<sup>19</sup> The implications for Marxist theory are huge. For one thing, 'it is not possible to deduce the nature of the state or explain its emergence by reference to the unmediated consequences of developments within the base', as David Parker argued in relation to French absolutism.<sup>20</sup> And secondly, states are not the passive instruments of classes they are sometimes made out to be but embody a distinct dialectical intelligibility, radically heterogeneous with classes, viz., that of organised institutional *groups* that can act *both* as organs of 'contraction and integration' of the ruling class *and* as the sovereign unity of all classes, a 'negation of the class struggle' at the level of the nation or the empire, and play both these roles by virtue of their 'autonomy'.<sup>21</sup>

It seems to me that many of the issues that Neeladri Bhattacharya raises are addressed, beyond my own general approach and arguments, to historical materialism and Marxist theory more generally. Bhattacharya asks if a Marxist

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16. Trotsky 1967, pp. 23–4.

17. Trotsky 1972, p. 338.

18. Anderson 1974, p. 195.

19. Hilferding 1981; based on Hilferding 1954 (not seen by me).

20. Parker 1990, p. 297. He also says, 'there is a basis for suggesting that if one wished to find a motor of historical change in this period [the *ancien régime*] it is not to be found in the class struggle, in the development of the productive forces or in any aspect of the economy, but *in the activities of the state*'.

21. Sartre 1976, pp. 635–42.

history of modes of production must inevitably see workers as ‘docile bodies, victims of exploitation’;<sup>22</sup> whether the calculations of employers are not shaped by ‘the choices of workers and peasants, the strategies they deploy’, etc.;<sup>23</sup> why notions like ‘rationality’ must have a purely economic meaning;<sup>24</sup> and so on. I have no disagreement with any of this, least of all with his own sense as a historian that history deals with ‘form’ more than ‘essence’ and that no materialist historiography would be complete that did not integrate *all* determinations of human and social life including its cultural instruments and meanings. Apart from an early reading of Hegel, my own sense of method has always been maximally indebted to Sartre’s *The Problem of Method* and the two stupendous volumes it led into. The posthumous second volume of the *Critique* restates the methodological perspectives of that seminal essay in some interesting passages, in one of which Sartre states: ‘every incarnation is tied in two ways to the historical ensemble: on the one hand, in fact, it realizes in itself the latter’s condensation; on the other hand, it refers back in a decompressive blossoming to the ensemble of practical significations which determine it in its belonging to the social and historical field’.<sup>25</sup> And again,

two dialectical procedures are possible on the basis of an identical social reality. On the one hand, a procedure of decompressive expansion which starts off from the object to arrive at *everything* . . . in this case, thought may be termed *detotalizing* and the event loses out to the signified ensembles. On the other hand, a procedure of totalizing compression which, by contrast, grasps the centripetal movement of all the significations attracted and condensed in the event or in the object.<sup>26</sup>

Thus we have here a more mature description of what Sartre in *The Problem of Method* called the ‘progressive-regressive method’, with Sartre saying that the best history is defined as a synthetic movement, as what he calls ‘totalising compression’.

It may be worth clarifying, therefore, that the essays in *Theory as History* (with one or two exceptions, and even those are simply papers) are not exercises in actual history-writing so much as attempts to lay the groundwork for a better, more rigorous kind of (social and economic) history. Their moment is that of ‘regression’ more than synthesis, of the ‘decompressive blossoming’ to a set of ‘signified ensembles’, ‘elementary and fundamental structures’, but explored historically to combat primitivist constructions of history that are less

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22. Bhattacharya 2013, p. 14.

23. Bhattacharya 2013, p. 15.

24. Bhattacharya 2013, p. 22.

25. Sartre 1991, p. 188.

26. Sartre 1991, p. 49.

aggressively argued today but still widely shared across the political spectrum. In the heyday of this kind of historiography scholars would flatly deny or downplay the elements of economic rationalism in ‘precapitalist’ agriculture, the extent of wage-labour and landlessness, the growth of a money economy, the reality of banking, etc.<sup>27</sup>

Among the various points that Charlie Post makes in his critique is that ‘Conceptually, the notion of merchant or commercial capitalism represents a step backwards for historical materialism’.<sup>28</sup> But backwards from what exactly? The hermetic stagnation of a formalist historiography that remains thoroughly introverted both intellectually and theoretically? Certainly, infinitely less productive (of good *history*) than the substantial body of work (both Marxist and non-Marxist) on diverse groups of merchant capitalists across vast swathes of history – from Spanish traders in the Roman Mediterranean<sup>29</sup> to the *consorterie* of powerful capitalists who controlled Venice’s trade to the Levant and Venice itself some ten centuries later,<sup>30</sup> or the Glasgow firms that dominated the tobacco trade in the eighteenth century,<sup>31</sup> or the London West-India merchant houses who were the backbone of the sugar industry in sectors of the Caribbean that had seen the most rapid expansion of slavery in the seventeenth century,<sup>32</sup> or the London merchant-directors who were pivotal to the De Beers diamond business.<sup>33</sup> As if any of these groups, or for that matter the large Italian mercantile and banking houses of the fourteenth century, were suspended in an economic void and not part of emerging or established networks of commercial capitalism! Indeed, in one of his earliest papers Brenner himself notes:

In marked contrast to the established London trades colonial operations required investment in commodity production, not merely in commodity exchange . . . The nascent plantation economy needed constant injections of outside capital to get it started and keep it going . . . Merchants might purchase and directly operate their own plantations. Otherwise they could enter into partnership with colonial planters, supplying them with land, tools and servants and marketing the final

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27. On the other side see excellent works like Stone 1962; Stone 2005; Campbell 2003 (medieval estates); Rathbone 1991 (Roman estates); Cohen 1992 (Athenian banking); and Swain 2013 (commercial mentalities, Roman and Islamic).

28. Post 2013, p. 88.

29. Mayet 1984.

30. Cracco 1967; *consorterie* were aristocratic cliques or factions made up of groups of families.

31. Devine 1975.

32. Smith 2006; Dunn 1972, p. 224.

33. Newbury 1989.

product . . . As the number of participants grew, competition became increasingly fierce.<sup>34</sup>

*How is this not capitalism* except by the circular abstraction that confines it by definition to industrial capital? In any case, it is almost thirty years since David Ormrod produced an excellent critique of the ‘false antithesis’ between production and circulation, capitalist agriculture and merchant capitalism, that underpins the whole of this tendency.<sup>35</sup>

Related to this is our assessment of the place of modern slavery in the growth of capitalism. Post’s further argument that ‘plantation slavery, even when subordinated to a capitalist world-market, cannot be understood as a capitalist form of social labour’<sup>36</sup> contradicts Marx’s own repeated assertions to the effect that the American plantation owners were capitalists, e.g., ‘The business in which slaves are used is conducted by *capitalists*’;<sup>37</sup> ‘we now not only call the plantation owners in America capitalists, but . . . they *are* capitalists’;<sup>38</sup> and so on. Not so Post, who refers evasively to planters being ‘compelled to maximise *absolute* surplus-labour extraction’<sup>39</sup> (his italics). But ‘absolute surplus-labour’ is of course a meaningless expression. Marx nowhere talks about ‘absolute’ and ‘relative’ surplus-labour (how could he?), the distinction he makes is between absolute and relative surplus-value.<sup>40</sup> For obvious reasons, Post is reluctant to talk about American slaves being compelled to produce surplus-value, as that would be conceding too much ground.

Post’s key objection is that ‘the slaves could not be *expelled* from production to allow the introduction of labour-saving tools and methods and a shift to *relative* surplus-labour [sic!] extraction . . . instead they must be *sold* to another master’.<sup>41</sup> But this distinction affects only the determination of form (slaves were fixed capital, the price paid for a slave is, for Marx, an ‘anticipated and capitalized surplus-value’).<sup>42</sup> To sustain the argument, Post would have to show

34. Brenner 1972.

35. Ormrod 1985; the term ‘Political Marxism’ is already there in this excellent monograph.

36. Post 2013, p. 83.

37. Marx 1968, p. 303; his emphasis.

38. Marx 1973, p. 513; his emphasis.

39. Post 2013, p. 84.

40. See Marx 1976, Chapter 16. In the *Grundrisse* Marx does in one passage (Marx 1973, p. 338) use the expression ‘relative surplus labour’ but the context, a discussion of the quantitative boundaries of surplus-value, clearly shows that he only means relative surplus *labour-time* (as in Marx 1968, p. 439, where he refers to ‘absolute surplus-time’ and ‘relative surplus-time’, or later in the *Grundrisse* itself, when he says ‘Absolute, not relative surplus time predominates in manufacture’, Marx 1973, p. 588).

41. Post 2013, p. 84.

42. Marx 1981, p. 945.

that the US slave economy entailed inherent constraints on the liquidation of slave capital, in other words, that there was no market for slave labour, whereas the evidence suggests that the buying and selling of slaves occurred on a large scale.<sup>43</sup> Slaves *could* be expelled, planters *could* introduce labour-saving machinery,<sup>44</sup> and massive investments in slave labour *could* ‘enhance the productivity of future laborers’, as with the creation of South Carolina’s tidal rice plantations.<sup>45</sup>

In any case, it is worth noting that the position Post and other ‘political Marxists’ espouse is even less nuanced than the one Genovese took in *The World the Slaveholders Made*. For the latter there was clearly no essential conflict between using slave labour and running a capitalist enterprise. If there had been, it would be hard to see how Genovese could have written, ‘The rise of the sugar *ingenio* in nineteenth-century Cuba represented the rise of a new class of *capitalist slaveholders* for whom slavery was an economic expedient’, or described the slaveholders of the British Caribbean as installing a regime that ‘bore the *clear stamp of capitalist enterprise*’.<sup>46</sup>

Sébastien Rioux’s paper is an excellent rebuttal of a kind of Marxism which, because it sees ‘extra-economic’ coercion as ‘non-capitalist by definition’,<sup>47</sup> logically ends up giving tacit support to the widespread view on the Left in

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43. E.g., Dusinberre 1996, pp. 401ff., where he refers to the ‘perpetual buying and selling of rice slaves’.

44. See Tomich’s critique of Moreno Fraginals, Tomich 2004, pp. 88–93.

45. Dusinberre 1996, pp. 405, 6ff.

46. Genovese 1969, pp. 70, 29; italics mine. To allude finally to another strand of his criticisms, Post claims that ‘Banaji does not demonstrate that the estate owners’ ability to acquire, maintain or expand their land holdings depended upon successful commodity production’. (Post 2013, p. 85.) Since ‘successful commodity production’ is clearly meant in the sense of the ability to compete successfully, this verges on a vast subject that can scarcely be discussed here. But note that the drive to *control* competition through cartel-like arrangements that Mickwitz discussed for late antiquity would make little sense unless there was at least ‘competition among producers of the same type of commodity’ (Marx 1981, p. 281), see Mickwitz 1936 and Banaji 2007a, pp. 32–6. That commodity production was not *central* to the fortunes of the aristocracy (whichever period of Roman history one looks at) is unlikely. It is argued at length in Banaji 2007b that the huge monetary assets of the late Roman aristocracy must to a very large degree have depended on their business activities, from trading and commercial enterprises to industrial-scale monocultures (wine, olive-oil), operations in the money market (bankers, *nummularii*, were the proverbial economic elite), and of course a very wide range of industries. And what I did demonstrate in *Agrarian Change in Late Antiquity* was the existence of a powerful monetary economy, with estates generating thousands of *solidi* a year. Unless the aristocracy engaged in commodity production (‘successful’ or otherwise), it is hard to see how it could have generated this scale of resources (as much as 1200lbs of gold from Theodahad’s estates in Tuscany in the second quarter of the sixth century; equivalent to \$15 million at the current US price of gold).

47. Rioux 2013, p. 94.

countries like India that much of the economy still labours under precapitalist regimes, whether we call those ‘semi-feudalism’ or something else. It is worth noting that one of the most orthodox and classic accounts of Marx’s *Capital*, namely, Henryk Grossman’s book on breakdown theory, devoted a substantial part of its exposition to the central role played by slavery and the colonies more generally in the accumulation of capital, not least through the latter’s drive to expand the available mass of surplus-value.<sup>48</sup> At a methodological level, Rioux notes that the slave-based capitalism of the US South is a striking illustration of the distinction between individual and total capital and of Marx’s ability to conceptualise accumulation and tie it together at different levels of abstraction. I agree completely. On the other hand, the passage cited from Marx’s letter to Annenkov is less revealing in this respect than it might have been. Slavery, Marx says there, is pivotal to modern industry because the slave-based colonies ‘created world trade’ and ‘it is world trade that is the precondition of large-scale industry’. What this image reflects is a purely external characterisation of the links between the slave colonies and British capitalism, a set of functional descriptions. By the 1860s this was no longer how Marx conceived the relationship between slavery and capitalism, and I would like to suggest that the real reason why Marx had to acknowledge the capitalist nature of the plantations was the *impact of the colonial trades on the equalisation of the general rate of profit*, in particular their role in ‘raising the general level of profit’.<sup>49</sup> The crucial passage comes in Volume Three: ‘As far as capital invested in the colonies, etc. is concerned... the reason why this can yield higher rates of profit is that the profit rate is generally higher there on account of the lower degree of development, and so too is the exploitation of labour, *through the use of slaves and coolies, etc.* Now there is no reason why the higher rates of profit that capital invested in certain branches yields in this way, and brings home to its country of origin, *should not enter into the equalization of the general rate of profit* and hence raise this in due proportion, unless monopolies stand in the way.’<sup>50</sup> Again, ‘the average rate of profit depends on the level of exploitation of *labour as a whole* by capital as a whole’.<sup>51</sup> ‘Labour as a whole’, thus including *slave* labour and any other form of labour whose exploitation generated capital. It was Marx’s recognition of the contribution of the colonial trades to the general rate of profit that tilted his conception decisively in favour of seeing the Atlantic slave economies as essentially capitalist.<sup>52</sup>

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48. Grossmann 1970, pp. 388–421.

49. Marx 1968, p. 436.

50. Marx 1981, p. 345; italics mine.

51. Marx 1981, p. 299.

52. So too in Banaji 2014, forthcoming.

The most stimulating review of *Theory as History* to my mind is the series of questions that course through Henry Bernstein's review essay in the *Journal of Agrarian Change*, and this may be a good chance to take up at least one or two of the points made there.<sup>53</sup> When Bernstein states that a fundamental part of my conception is the view that 'long histories of merchant capital/commercial capitalism are integral to the development of modern (industrial) capitalism', the mediation presupposed here is of course the world market. And this was certainly Marx's position in *Capital*, both in the famous chapter on the 'Genesis of the Industrial Capitalist' where he sets out the 'different moments of primitive accumulation' as a dispersed but increasingly integrated global process, and in Volume Three, Chapter 20 ('Historical Material on Merchant's Capital'), despite the claim here that the development of commercial capital '*taken by itself*' is insufficient to explain the transition from one mode of production to the other'.<sup>54</sup> In the famous 'Appendix', merchant's capital is even described as 'the form that provides the soil from which modern capitalism has grown'.<sup>55</sup> But as Thompson noted, 'Marx never pretended, when writing *Capital*, that he was writing the history of capitalism'.<sup>56</sup>

Whether the 'colonisation of Latin America was a *feudal* colonisation, a response to the crisis of feudal profitability', as Vilar argued,<sup>57</sup> or driven by capitalist interests, or a combination of both, the opening of the Atlantic (and the colonial system more widely) was for Marx decisive to 'the development of capitalist production during the period of manufacture'.<sup>58</sup> Trade revolutionised industry, even if (Marx claims) 'the modern mode of production in its first period, that of manufacture, developed only where the conditions for it had been created in the Middle Ages'.<sup>59</sup> Marx works here *at different levels*, knowing that 'capitalism cannot have emerged from a single confined source'<sup>60</sup> and *retaining the tension between the different dynamisms at work*.

Since Bernstein rightly notes that 'Brenner's position directly confronts Banaji's arguments for commercial capitalism as the source of the (eventual) emergence of modern capitalism in the West',<sup>61</sup> it may be worth adding that Brenner's own account of the transition in England's countryside is scarcely impregnable and has been left seriously weakened by Jane Whittle's

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53. Bernstein 2013.

54. Marx 1981, p. 444.

55. Marx 1976, p. 1023.

56. Thompson 1978, p. 249.

57. Vilar 1971; followed by me in Chapter 2 (written in 1974).

58. Marx 1976, p. 924.

59. Marx 1981, p. 450, adding: 'Compare Holland with Portugal, for example'.

60. Braudel cited in Burke 1990, p. 49.

61. Bernstein 2013, p. 324.

critique in *The Development of Agrarian Capitalism*. As she argues, ‘Agrarian capitalism must have developed by the late sixteenth century, because only then can Brenner explain why England was experiencing wider, dynamic capitalist development by the seventeenth century’.<sup>62</sup> Yet, ‘we cannot accept a chronology which argues that agrarian capitalism had developed by the late sixteenth century: the mid-eighteenth century would be a more convincing date. It was only by this time that a significant proportion of agricultural labourers were capitalist workers, and small subsistence-orientated farmers firmly on the decline’.<sup>63</sup> ‘[T]he widespread existence of hired workers in the sixteenth century did not indicate new capitalist development’.<sup>64</sup> And finally, ‘To assert that economic development was not inevitable in pre-capitalist societies, as Brenner does, avoids the question of how and why it did occur. The creation of capitalist class relations... cannot be explained without considering the economic developments that did occur in medieval and early modern England’.<sup>65</sup>

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62. Whittle 2000, p. 25.

63. Whittle 2000, p. 24.

64. Whittle 2000, p. 303.

65. Whittle 2000, p. 26. A final comment on one of Henry Bernstein’s many valid queries: ‘It is not clear whether Banaji believes that “commercial capitalism” did exist in tributary modes of production or in late antiquity, as distinct from, and more than, variously designated capitalist “elements”, “sectors”, “tendencies” and so on...’ (Bernstein 2013, pp. 320–1). Yes, I do believe that, as long as the ‘economic system’ described in that way does not overstate its claims. It may be worth adding therefore that the other impressive feature of the tributary mode was the vast scale of monetary circulation that characterised *most* regimes based on powerful taxing states. Not only was the state (‘largely’) independent from the ruling classes’, as Trotsky said of Tsarism, but it ‘absorbed a disproportionately large share of the surplus product’ (Trotsky 1972, pp. 6, 10). This means that collection of the land tax *in cash* (if and when this happened) was bound to have major implications for the long-term dynamic of these modes of production, both in terms of the extent of their monetary sector and for the economic activities of bankers, merchants and power-elites within the wider imperial nobility. Thus Athar Ali 1997, pp. 154ff., tells us ‘the income of the *jagirdars* was derived mainly in cash... [W]e find nobles of the period accumulating enormous treasures in specie, cash and jewels... A big source for capital needed for sea-borne trade came from the Mughal aristocrats’. Cf. Richards 1981, p. 292: ‘Numerous examples attest that the Mughal nobles freely entered the market. As investors, speculators, engrossers, merchants, or ship-owners, they used their own funds, and occasionally monopoly powers, to make a profit’, describing them later in the same paper as ‘the more and more commercially minded nobles of the empire’. Byzantine aristocrats were no different. Cheynet 2006, I, p. 27, notes that ‘it is now well established that members of the aristocracy, both in Constantinople and in the provinces, engaged resolutely in commerce, often through complacent intermediaries’. Oikonomidès 1979, pp. 64ff., describes Byzantine ‘private capital’ as ‘abundant’ under the Paleologues, suggests that business partnerships were common, and notes that the leading bankers [*argyropatai*] were also involved in commercial ventures. But Italian merchants discouraged their expansion to the West (p. 85), and Byzantium failed to develop a textile industry of its own thanks to ‘the impossibility of sustaining the competition of the more advanced industries of western Europe’ (p. 104). In any case, by the twelfth century Venice dominated the markets of the Greek Empire, just as the

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competition of Indian merchant networks was later progressively eliminated by the Portuguese and other European powers. Why did the tributary modes not evolve further towards 'modern' capitalism? A model of combined development would almost certainly give more weight to capitalist *competition* than to 'cultural' explanations.

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