

# THE TRANSITION FROM FEUDALISM TO CAPITALISM

A Symposium

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SCIENCE & SOCIETY

**\$1.50**







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30 East 20 Street  
NEW YORK 3, N.Y.

Second Printing 1963



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### NOTE ON CONTRIBUTORS

*Dr. Paul Sweezy*, formerly on the staff of the Economics Faculty of Harvard University, in 1949 founded and has since edited *Monthly Review*, and is author of *The Theory of Capitalist Development* and of *The Present as History*.

*Maurice Dobb* is Lecturer and Fellow of Trinity College, Cambridge.

*H. Kohachiro Takahashi* is Professor at the Imperial University of Tokio and author of *A History of Agrarian Reform in Japan* (Tokio, 1951).

*Rodney Hilton* is Lecturer in History in the University of Birmingham.

*Christopher Hill* is Fellow and Tutor in History of Balliol College, Oxford.



## FOREWORD

FOR historians, whatever their school of thought, the issues involved in the present discussion can hardly fail to be interesting and important. For those who are not students of history, however, discussion of the decline of feudalism and the origins of capitalism may seem remote and academic. Yet there are many parts of the world to-day where such questions are current political issues, as is illustrated by the lively interest that has been shown in this discussion in, for example, India and Japan<sup>1</sup>. Here the influence of feudal survivals and the relation to them of capitalism and the retardation of development are urgent matters of history-in-the-making. Even in Britain or America it must be clear to anyone who is at all historically minded that a study of capitalist beginnings and of the way (or ways) in which capitalism emerged from the social system preceding it is relevant, if not essential, to an understanding of capitalism to-day.

For the student of Marxism there is a special reason why the issues discussed here should claim his attention: the fact that all of them are closely related to the key-question of the English bourgeois revolution. Not only is the bourgeois revolution for Marxists a highly important constituent of the English revolutionary-democratic tradition, but its special features explain much which might otherwise seem obscure in the development of capitalism in Britain in later centuries. On this question of the bourgeois revolution in England there have been considerable differences of opinion—differences that probably still remain among English Marxists despite the discussions of recent years referred to below by Christopher Hill (who has himself contributed so much to bring clarity out of confusion). If one is to summarize what these differences amount to, one can only say briefly that they centre round three main views, as follows:

Firstly, there is the view that in England there was no central event to which (as with the French Revolution of 1789) the name of THE bourgeois revolution can be given (THE revolution in the sense of a crucial shift of class power and in the nature of the State). Instead there was a whole series of minor struggles and partial shifts, among which events like 1485 and 1688 and the reform of Parliament in 1832 must be included on a par with the 17th century civil war. This seems to be a notion of English 'exceptionalism' which comes very close to those espoused by bourgeois and social democratic exponents of 'continuity' and 'gradualism'.

<sup>1</sup> In addition to the attention paid to the discussion in the *Economic Review* of Tokyo (*vide* the article included below), a special issue of *Thought* (*Shiso*, July 1951) of Tokyo, was devoted to it and to cognate matters; also an article in the *Kyoto University Economic Review* for April, 1953. The discussion has also been extensively reviewed in the Italian journal *Cultura e Realtà* (No. 3-4, pp.140-180), and in the Czech journal *Ceskoslovensky Cesopis Historicky* (1953, Vol. 1, No. 3, pp.398-401). The reader may also care to refer to an article by Prof. H. K. Takahashi in *Revue Historique* (Oct.-Dec. 1953, p.229), where similar questions in Japanese history are discussed with particular reference to the Meiji Restoration of 1866.



Secondly, there is the view that political power had already in essentials passed into the hands of the bourgeoisie before the Tudor Period, or at least by the reign of Elizabeth; and that the events of 1640 onwards represented the forestalling and suppression of a counter-revolution staged by Court circles against bourgeois rule. Unless the exponents of this view can point to some earlier event (or series of events) as constituting the crucial change of power, they must inevitably share with the advocates of the first view the latter's denial of any unique bourgeois revolution in England.

Thirdly, there is the view that in 16th century England society was still *predominantly* feudal in form and the State a feudal State, and that the Cromwellian revolution represented THE bourgeois revolution. This was the interpretation advanced by Christopher Hill (drawing on his knowledge of the work of the Soviet historians of this period)<sup>2</sup> in his booklet *The English Revolution 1640* (London, Lawrence and Wishart, 1940), and criticised at the time by a reviewer in the *Labour Monthly*.

Standing between the first two of these and the third is the view advanced by Dr. Sweezy in the second of his contributions below: that in its State-form, as in its economic system, Tudor and Stuart England represented something intermediate in type between feudalism and capitalism.

Closely related to issues such as these are the questions about the mode of production of the time with which discussion in the following pages is mainly occupied: for example, questions about when and how the feudal mode of production can properly be said to have ended, and about the character and rôle of 'merchant capital' and the position of the peasantry. In the view of the present writer a leading obstacle to understanding has been a radical misconception about the rôle of merchant capital in the transition—a misconception which, it may be noted, also occupied a prominent place in the ideas of M. N. Pokrovsky, which were discussed and criticized among Soviet historians some twenty or more years ago. I refer to the notion that merchant capital, as represented by the big merchants of the trading guilds and export companies, was alike the main dissolvent of feudalism and pioneer of 'industrial capitalism', and that a distinctive system of 'merchant capitalism' lay between mediaeval feudalism and the modern industrial revolution. As against this, Professor Takahashi's use of the contrast between the bourgeois revolution 'from below' and 'from above' in the comparative study of capitalist development in different countries strikes me as particularly illuminating.

No one of us could claim that finality has been reached on these issues: for one thing, much research remains to be done in the light of the questions that are here raised. At the same time few could deny that the discussion has served, not only to sharpen the questions which

<sup>2</sup> See his article 'Soviet Interpretations of the English Interregnum' in *Economic History Review*, 1938. Compare also C. Hill, 'Historians on the Rise of British Capitalism', in *Science and Society*, Fall 1950, p.307.



further research is required to answer, but to shed quite a lot of illumination in dark places. At anyrate, the present writer himself feels a good deal clearer about the main issues than he formerly did. For readers who do not share the general assumptions of the participants, I hope it may serve to demonstrate the path-breaking efficacy of Marxism as an historical method as well as to refute the allegations of dogmatism—of giving stereotyped answers to a set of ready-made questions—which have been so common. Inevitably the discussion, being one among Marxists, has related both questions and answers to the general conceptions of historical materialism, using these as a frame of reference for the solutions offered to particular problems. But the ultimate appeal is to historical actuality itself; and that there is no question of cramming facts into the Procrustean bed of ready-made formulae the details of the discussion should make abundantly clear.

February 1954.

MAURICE DOBB

Dr. Sweezy, in kindly consenting to the present reprint of his contributions, asks that it should be made clear that he does not pretend to be an expert on the period under discussion, that he is very far from holding fixed views on any aspect of the subject and that his intention throughout the discussion has been to ask questions rather than to provide answers to them.



# I. A CRITIQUE

## BY PAUL M. SWEEZY

We live in the period of transition from capitalism to socialism; and this fact lends particular interest to studies of earlier transitions from one social system to another. This is one reason, among many others, why Maurice Dobb's *Studies in the Development of Capitalism*<sup>1</sup> is such a timely and important book. Something like a third of the whole volume is devoted to the decline of feudalism and the rise of capitalism. In this article I shall confine my attention exclusively to this aspect of Dobb's work.

### (1) *Dobb's Definition of Feudalism*

Dobb defines feudalism as being 'virtually identical with what we usually mean by serfdom: an obligation laid on the producer by force and independently of his own volition to fulfil certain economic demands of an overlord, whether these demands take the form of services to be performed or of dues to be paid in money or in kind' (p. 35). In keeping with this definition, Dobb uses the two terms, 'feudalism' and 'serfdom,' as practically interchangeable throughout the book.

It seems to me that this definition is defective in not identifying a *system* of production. *Some* serfdom can exist in systems which are clearly not feudal; and even as the dominant relation of production, serfdom has at different times and in different regions been associated with different forms of economic organization. Thus Engels, in one of his last letters to Marx, wrote that 'it is certain that serfdom and bondage are not a peculiarly (*Spezifisch*) medieval-feudal form, we find them everywhere or nearly everywhere where conquerors have the land cultivated for them by the old inhabitants.'<sup>2</sup> It follows, I think, that the concept of feudalism, as Dobb defines it, is too general to be immediately applicable to the study of a particular region during a particular period. Or to put it otherwise, what Dobb is really defining is not *one* social system but a family of social systems, all of which are based on serfdom. In studying specific historical problems, it is important to know not only that we are dealing with feudalism but also which member of the family is involved.

Dobb's primary interest, of course, lies in western European feudalism, since it was in this region that capitalism was born and grew to maturity. Hence it seems to me he ought to indicate very clearly what he regards as the main features of western European feudalism and to follow this with a theoretical analysis of the laws and tendencies of a system with these principal features. I shall try to show later that his failure to follow this course leads him to a number of doubtful generalizations. Moreover, I think the same reason accounts

<sup>1</sup> London: Routledge and Kegan Paul; New York: International Publishers, 1946.

<sup>2</sup> Marx-Engels, *Selected Correspondence*, p. 411 f.



for Dobb's frequent practice of invoking factual support from a wide variety of regions and periods for arguments which are applied to western Europe and can really only be tested in terms of western European experience.

This is not to say, of course, that Dobb is not thoroughly familiar with western European feudalism. At one point (p.36 f.) he gives a concise outline of its most important characteristics: (1) 'a low level of technique, in which the instruments of production are simple and generally inexpensive, and the act of production is largely individual in character; the division of labour . . . being at a very primitive level of development'; (2) 'production for the immediate need of the household or village-community and not for a wider market'; (3) 'demesne-farming: farming of the lord's estate, often on a considerable scale, by compulsory labour-services'; (4) 'political decentralization'; (5) 'conditional holding of land by lords on some kind of service-tenure'; (6) 'possession by a lord of judicial or quasi-judicial functions in relation to the dependent population.' Dobb refers to a system having these characteristics as the 'classic' form of feudalism, but it would be less likely to mislead if it were called the western European form. The fact that 'the feudal mode of production was not confined to this classic form' is apparently Dobb's reason for not analyzing its structure and tendencies more closely. In my judgment, however, such an analysis is essential if we are to avoid confusion in our attempts to discover the causes of the downfall of feudalism in western Europe.

## (2) *The Theory of Western European Feudalism*

Drawing on Dobb's description, we can define western European feudalism as an economic system in which serfdom is the predominant relation of production, and in which production is organized in and around the manorial estate of the lord. It is important to notice that this definition does not imply 'natural economy' or the absence of money transactions or money calculation. What it does imply is that markets are for the most part local and that long-distance trade, while not necessarily absent, plays no determining role in the purposes or methods of production. The crucial feature of feudalism in this sense is that it is a system of *production for use*. The needs of the community are known and production is planned and organized with a view to satisfying these needs. This has extremely important consequences. As Marx stated in *Capital*, 'it is clear . . . that in any given economic formation of society, where not the exchange value but the use value of the product predominates, surplus labor will be limited by a given set of wants which may be greater or less, and that *here no boundless thirst for surplus labor arises from the nature of production itself*.'<sup>3</sup> There is, in other words, none of the pressure which exists under capitalism for continual improvements in methods of production. Techniques and forms of organization settle down in

<sup>3</sup> *Capital*, I, p. 260. Italics added. (All references to *Capital* are to the Kerr edition).



established grooves. Where this is the case, as historical materialism teaches, there is a very strong tendency for the whole life of society to be oriented toward custom and tradition.

We must not conclude, however, that such a system is necessarily stable or static. One element of instability is the competition among the lords for land and vassals which together form the foundation of power and prestige. This competition is the analogue of competition for profits under capitalism, but its effects are quite different. It generates a more or less continuous state of warfare; but the resultant insecurity of life and possession, far from revolutionizing methods of production as capitalist competition does, merely accentuates the mutual dependence of lord and vassal and thus reinforces the basic structure of feudal relations. Feudal warfare upsets, impoverishes, and exhausts society, but it has no tendency to transform it.

A second element of instability is to be found in the growth of population. The structure of the manor is such as to set limits to the number of producers it can employ and the number of consumers it can support, while the inherent conservatism of the system inhibits overall expansion. This does not mean, of course, that no growth is possible, only that it tends to lag behind population increase. Younger sons of serfs are pushed out of the regular framework of feudal society and go to make up the kind of vagrant population—living on alms or brigandage and supplying the raw material for mercenary armies—which was so characteristic of the Middle Ages. Such a surplus population, however, while contributing to instability and insecurity, exercises no creative or revolutionizing influence on feudal society.<sup>4</sup>

We may conclude, then, that western European feudalism, in spite of chronic instability and insecurity, was a system with a very strong bias in favour of maintaining given methods and relations of production. I think we are justified in saying of it what Marx said of India before the period of British rule: 'All the civil wars, invasions, revolutions, conquests, famines . . . did not go deeper than its surface.'

I believe that if Dobb had taken full account of this inherently conservative and change-resisting character of western European feudalism, he would have been obliged to alter the theory which he puts forward to account for its disintegration and decline in the later Middle Ages.

### (3) *Dobb's Theory of the Decline of Feudalism*

Dobb summarizes the commonly accepted explanation of the decline of feudalism as follows:

<sup>4</sup> It might be thought that the vigorous colonization and reclamation movement of the twelfth and thirteenth centuries disproves this argument. I think, however, that this is not the case. The colonization movement seems to have been a reflex of the growth of trade and commodity production, not a manifestation of the internal expansive power of feudal society. See Henri Pirenne, *Economic and Social History of Medieval Europe* (New York, 1937), ch. 3, sec. ii.

Emile Burn', ed., *A Handbook of Marxism* (London, 1935), p. 182.



We are often presented with the picture of a more or less stable economy that was disintegrated by the impact of commerce acting as an external force and developing outside the system that it finally overwhelms. We are given an interpretation of the transition from the old order to the new that finds the dominant causal sequences within the sphere of exchange between manorial economy and the outside world. 'Natural economy' and 'exchange economy' are two economic orders that cannot mix, and the presence of the latter, we are told, is sufficient to cause the former to go into dissolution (p.38).

Dobb does not deny the 'outstanding importance' of this process: 'That it was connected with the changes that were so marked at the end of the Middle Ages is evident enough' (p. 38). But he finds this explanation inadequate because it does not probe deeply enough into the effect of trade on feudalism. If we examine the problem more closely, he argues, we shall find that 'there seems, in fact, to be as much evidence that the growth of money economy *per se* led to an intensification of serfdom as there is evidence that it was the cause of the feudal decline' (p. 40). In support of this contention, he cites a considerable body of historical data, the 'outstanding case' being 'the recrudescence of Feudalism in Eastern Europe at the end of the fifteenth century—that "second serfdom" of which Friedrich Engels wrote: a revival of the old system which was associated with the growth of production for the market' (p.39). On the basis of such data, Dobb reasons that if the only factor at work in western Europe had been the rise of trade, the result might as well have been an intensification as a disintegration of feudalism. And from this it follows that there must have been other factors at work to bring about the actually observed result.

What were these factors? Dobb believes that they can be found inside the feudal economy itself. He concedes that 'the evidence is neither very plentiful nor conclusive,' but he feels that 'such evidence as we possess strongly indicates that it was the inefficiency of Feudalism as a system of production, coupled with the growing needs of the ruling class for revenue, that was primarily responsible for its decline; since this need for additional revenue promoted an increase in the pressure on the producer to a point where this pressure became literally unendurable' (p. 42). The consequence of this growing pressure was that 'in the end it led to an exhaustion, or actual disappearance, of the labour-force by which the system was nourished' (p. 43).

In other words, according to Dobb's theory, the essential cause of the breakdown of feudalism was over-exploitation of the labor force: serfs deserted the lords' estates *en masse*, and those who remained were too few and too overworked to enable the system to maintain itself on the old basis. It was these developments, rather than the rise of trade, which forced the feudal ruling class to adopt those expedients—commutation of labor services, leasing demesne lands to tenant farmers, etc.—which finally led to the transformation of productive relations in the countryside.

#### (4) *A Critique of Dobb's Theory*

In order to make his theory stand up, Dobb must show that the



feudal ruling class's growing need for revenue and the flight of serfs from the land can both be explained in terms of forces operating inside the feudal system. Let us see how he attempts to do this.

First with regard to the lords' need for revenue. Here Dobb cites a number of factors which he regards as inherent in the feudal system. Serfs were held in contempt and were looked upon primarily as a source of income (p. 43 f.). The size of the parasitic class tended to expand as a result of natural growth of noble families, sub-infeudation, and the multiplication of retainers—all of whom 'had to be supported from the surplus labor of the serf population.' War and brigandage 'swelled the expenses of feudal households' and 'spread waste and devastation over the land.' Finally, 'as the age of chivalry advanced, the extravagances of noble households advanced also, with their lavish feasts and costly displays, vying in emulation in their cult of *magnificentia*' (p. 45).

Two of these factors—disregard for the interests of the serfs, and war and brigandage—existed throughout the whole period, and if they became more intense with the passage of time, this requires to be explained: it cannot simply be taken for granted as a natural feature of feudalism. Dobb makes no attempt to explain such a trend, however; and even the special drain which he attributes to the crusades during the decisive period of feudal development is of doubtful significance. After all, the crusaders fought in the East, and they naturally lived for the most part off the land; the crusades were to a certain extent looting expeditions which brought material rewards to their sponsors and participants; and they were in large part substitutes for, rather than additions to, the 'normal' feudal warfare of the time. On the whole, it seems to me that these two factors provide little support for Dobb's theory.

It is somewhat different, however, with the other two factors, namely, the growth in the size of the parasitic class and the growing extravagance of noble households. Here we have *prima facie* evidence of a need for increased revenue. But whether we also have the necessary support for Dobb's theory is more doubtful. The growth in the size of the parasitic class was matched by a growth of the serf population. Moreover, throughout the Middle Ages there was plenty of cultivable land to be brought into use. Hence, despite its extremely conservative nature, the feudal system did expand, slowly but steadily. When we take account of the fact that warfare took its main toll from the upper orders (since they alone were permitted to bear arms), we may well doubt whether there was a significant *relative* growth in the size of the parasitic class. In the absence of any clear factual evidence one way or the other, we would certainly not be justified in attributing decisive weight to this factor.

On the other hand there is no reason to doubt the reality of the growing extravagance of the feudal ruling class: here the evidence is plentiful and it all points in the same direction. But was this growing extravagance a trend which can be explained by the nature of the feudal system, or does it reflect something that was happening outside



the feudal system? It seems to me that on general grounds we should expect the latter to be the case. Even under such a dynamic system as capitalism, spontaneous changes in consumers' tastes are of negligible importance,<sup>6</sup> and we should expect this to be true *a fortiori* in a tradition-bound society like feudalism. Moreover, once we look outside the feudal system we find ample reason for the growing extravagance of the feudal ruling class: the rapid expansion of trade from the eleventh century onward brought an ever-increasing quantity and variety of goods within its reach. Dobb recognizes the existence of this relation between trade and the needs of the feudal ruling class, but it seems to me that he passes over it altogether too lightly. If he had given it the weight it deserves, he could hardly have maintained that the growing extravagance of the ruling class was due to causes internal to the feudal system.

Let us now turn to the problem of the flight of the serfs from the land. There is little doubt that this was an important cause of the crisis of the feudal economy that characterized the fourteenth century. Dobb assumes that it was due to the oppression of the lords (which in turn had its origin in their growing need for revenue) and can thus be explained as a process internal to the feudal system. But has he made out a convincing case for this assumption?<sup>7</sup>

I think not. The serfs could not simply desert the manors, no matter how exacting their masters might become, unless they had somewhere to go. It is true, as I have argued above, that feudal society tends to generate a surplus of vagrant population; but this vagrant population, constituting the dregs of society, is made up of those for whom there is no room on the manors, and it is hardly realistic to suppose that any considerable number of serfs would deliberately abandon their holdings to descend to the bottom of the social ladder.

This whole problem, however, takes on an entirely new aspect—to which Dobb pays surprisingly little attention—when we recall that the flight of the serfs took place simultaneously with the growth of the towns, especially in the twelfth and thirteenth centuries. There is no doubt that the rapidly developing towns—offering, as they did, liberty, employment, and improved social status—acted as a powerful magnet to the oppressed rural population. And the burghers themselves, in need of additional labor power and of more soldiers to enhance their

<sup>6</sup> Thus, for example, Schumpeter feels justified in assuming that under capitalism 'consumers' initiative in changing their tastes . . . is negligible and that all change in consumers' tastes is incident to, and brought about by, producers' action,' *Business Cycles*, (New York, 1939), I, p. 73. Needless to say, this assumption is in full accord with the Marxian theory of the primacy of production over consumption.

<sup>7</sup> It should be stressed that it is an assumption, not an established fact. Rodney Hilton, a student of medieval economic history to whom Dobb acknowledges indebtedness in the Preface, states in a review that 'there is not anything like adequate statistical proof that an appreciable number of peasants left their holdings for the reason stated [i.e., intolerable conditions of oppression],' *Modern Quarterly*, II (Summer, 1947), p. 268.



military strength, made every effort to facilitate the escape of the serfs from the jurisdiction of their masters. 'There is frequently,' Marx commented in a letter to Engels, 'something quite pathetic about the way the burghers in the twelfth century invite the peasants to escape to the cities.'<sup>8</sup> Against this background, the movement away from the land, which would otherwise be incomprehensible, is seen to be the natural consequence of the rise of the towns. No doubt the oppression of which Dobb writes was an important factor in predisposing the serfs to flight, but acting by itself it could hardly have produced an emigration of large proportions.<sup>9</sup>

Dobb's theory of the internal causation of the breakdown of feudalism could still be rescued if it could be shown that the rise of the towns was a process internal to the feudal system. But as I read Dobb, he would not maintain this. He takes an eclectic position on the question of the *origin* of the medieval towns but recognizes that their *growth* was generally in proportion to their importance as trading centers. Since trade can in no sense be regarded as a form of feudal economy, it follows that Dobb could hardly argue that the rise of urban life was a consequence of internal feudal causes.

To sum up this critique of Dobb's theory of the decline of feudalism: having neglected to analyse the laws and tendencies of western European feudalism, he mistakes for immanent trends certain historical developments which in fact can only be explained as arising from causes external to the system.

#### (5) *More on the Theory of the Decline of Feudalism*

While I find Dobb's theory of the decline of feudalism unsatisfactory on several counts, I think he has nevertheless made an important contribution to the solution of the problem. Most of his specific criticisms of traditional theories are well taken; and it seems clear that no theory which fails to take into account the factors which Dobb stresses—especially the growing extravagance of the ruling class and the flight of the serfs from the land—can be regarded as correct. Hence the following notes and suggestions owe much to Dobb even where they depart from his views.

It seems to me that Dobb has not succeeded in shaking that part of the commonly accepted theory which holds that the root cause of the decline of feudalism was the growth of trade. But he has shown that the impact of trade on the feudal system is more complicated than

<sup>8</sup> *Selected Correspondence*, p. 74

<sup>9</sup> As I shall argue below, it was the relative absence of urban life in eastern Europe which left the peasantry there at the mercy of the lords and brought about the recrudescence of serfdom in that region in the fifteenth century. Dobb, it will be recalled, cited this 'second serfdom' in eastern Europe against the view that trade necessarily tends to bring about the disintegration of feudal economy. We can now see that the problem is in reality much more complex. Near the centers of trade, the effect on feudal economy is strongly disintegrating; further away the effect tends to be just the opposite. This is an important question to which we shall return later.



has usually been thought: the idea that trade equals 'money economy' and that money economy is a natural dissolvent of feudal relations is much too simple. Let us attempt to explore the relation of trade to the feudal economy more closely.<sup>10</sup>

It seems to me that the important conflict in this connection is not between 'money economy' and 'natural economy' but between production for the market and production for use. We ought to try to uncover the process by which trade engendered a *system* of production for the market, and then to trace the impact of this system on the pre-existent feudal system of production for use.

Any but the most primitive economy requires a certain amount of trade. Thus the local village markets and the itinerant peddlers of the European Dark Ages were props rather than threats to the feudal order: they supplied essential needs without bulking large enough to affect the structure of economic relations. When trade first began to expand in the tenth century (or perhaps even before), it was in the sphere of long-distance, as distinguished from purely local, exchange of relatively expensive goods which could stand the very high transport costs of the time. As long as this expansion of trade remained within the forms of what may be called the peddling system, its effects necessarily remained slight. But when it outgrew the peddling stage and began to result in the establishment of localized trading and transshipment centers, a qualitatively new factor was introduced. For these centers, though based on long-distance exchange, inevitably became generators of commodity production in their own right. They had to be provisioned from the surrounding countryside; and their handicrafts, embodying a higher form of specialization and division of labor than anything known to the manorial economy, not only supplied the town population itself with needed products but also provided commodities which the rural population could purchase with the proceeds of sales in the town market. As this process unfolded, the transactions of the long-distance traders, which formed the seed from which the trading centers grew, lost their unique importance and probably in the majority of cases came to occupy a secondary place in the town economies.

We see thus how long-distance trade could be a creative force, bringing into existence a *system* of production for exchange alongside

<sup>10</sup> It should be noted that the problem of the growth of trade in the Middle Ages is in principle separate from the problem of the decline of feudalism. Granted the fact that trade increased, *whatever the reason may have been*, feudalism was bound to be influenced in certain ways. There is no space here for a discussion of the reasons for the growth of trade; I will only say that I find Pirenne's theory—which stresses the re-opening of Mediterranean shipping to and from the western ports in the eleventh century, and the development by the Scandinavians of commercial routes from the North Sea and the Baltic via Russia to the Black Sea from the tenth century—to be quite convincing. But clearly one does not have to accept Pirenne's theory in order to agree that the growth of trade was the decisive factor in bringing about the decline of western European feudalism.



the old feudal system of production for use.<sup>11</sup> Once juxtaposed, these two systems naturally began to act upon each other. Let us examine some of the currents of influence running from the exchange economy to the use economy.

In the first place, and perhaps most importantly, the inefficiency of the manorial organization of production—which probably no one recognized or at least paid any attention to, as long as it had no rival—was now clearly revealed by contrast with a more rational system of specialization and division of labor. Manufactured goods could be bought more cheaply than they could be made, and this pressure to buy generated a pressure to sell. Taken together, these pressures operated powerfully to bring the feudal estates within the orbit of the exchange economy. ‘Of what use now,’ Pirenne asks, ‘were the domestic workshops which on each important manor used to maintain a few score serfs to manufacture textiles or farming tools, not half as well as they were now made by the artisans of the neighbouring town? They were allowed to disappear almost everywhere in the course of the twelfth century.’<sup>12</sup>

Second, the very existence of exchange value as a massive economic fact tends to transform the attitude of producers. It now becomes possible to seek riches, not in the absurd form of a heap of perishable goods but in the very convenient and mobile form of money or claims to money. The possession of wealth soon becomes an end in itself in an exchange economy, and this psychological transformation affects not only those who are immediately involved but also (though doubtless to a lesser degree) those who come into contact with the exchange economy. Hence not only merchants and traders but also members of the old feudal society acquire what we should call today a business-like attitude toward economic affairs. Since businessmen *always* have a need for more revenue, we have here a part of the explanation of the ruling class’s growing need for revenue, on which, as we have seen, Dobb places so much emphasis in accounting for the decline of feudalism.

Third, and also important in the same connection, is the development of the tastes of the feudal ruling class. As Pirenne describes the process,

in every direction where commerce spread, it created the desire for the new articles of consumption, which it brought with it. As always happens, the aristocracy wished to surround themselves with the luxury, or at least the comfort befitting their social rank. We see at once, for instance, by comparing the life of a knight in the eleventh century with that of one in the twelfth, how the expenses necessitated by food, dress, household furniture and, above all, arms, rose between these two periods.<sup>13</sup>

<sup>11</sup> In this connection, it is important to recognize that the contrast between the two forms of economy is by no means identical with the contrast between town and country. Rural as well as urban production for the market is included in exchange economy. Hence the relative importance of the two forms of economy can never be measured by a simple index like the proportion of urban to rural population.

<sup>12</sup> Pirenne, *op. cit.*, p. 82.

<sup>13</sup> *Ibid.*, p. 81.



Here we have what is probably the key to the feudal ruling class's need for increased revenue in the later Middle Ages.

Finally, the rise of the towns, which were the centers and breeders of exchange economy, opened up to the servile population of the countryside the prospect of a freer and better life. This was undoubtedly the main cause of that flight from the land which Dobb rightly considers to have been one of the decisive factors in the decline of feudalism.

No doubt the rise of exchange economy had other effects on the old order, but I think that the four which have been mentioned were sufficiently pervasive and powerful to ensure the breaking up of the pre-existing *system* of production. The superior efficiency of more highly specialized production, the greater gains to be made by producing for the market rather than for immediate use, the greater attractiveness of town life to the worker: these factors made it only a matter of time before the new system, once strong enough to stand on its own feet, would win out.

But the triumph of exchange economy does not necessarily imply the end of either serfdom or demesne-farming. Exchange economy is compatible with slavery, serfdom, independent self-employed labor, or wage-labor. History is rich in examples of production for the market by all these kinds of labor. Dobb is therefore unquestionably right in rejecting the theory that the rise of trade automatically brings with it the liquidation of serfdom; and if serfdom is identified with feudalism, this is of course true *ex definitione*, of feudalism too. The fact that the advance of exchange economy actually went hand in hand with the decline of serfdom is something which has to be explained; it cannot simply be taken for granted.

In analyzing this problem we can, I think, safely pass over the uneven character of the decline of serfdom in western Europe. Dobb points out that for a time in some regions of western Europe the progress of trade was accompanied by an intensification rather than a relaxation of the bonds of serfdom. This is no doubt true and important, and he succeeds in clearing up a number of apparent paradoxes. But these temporary and partial reversals of trend should not be allowed to obscure the overall picture which is one of the steady replacement of demesne-farming using serf labor by tenant farming using either independent peasant labor or (to a much smaller extent) hired labor. The real problem is to account for this underlying trend.

It seems to me that of the complex of causes at work, two stand out as decisively important. In the first place, the rise of the towns, which was fairly general throughout western Europe, did a great deal more than merely offer a haven of refuge to those serfs who fled the manors; it also altered the position of those who remained behind. Probably only a relatively small proportion of the total number of serfs actually packed up and moved to the towns, but enough did to make the pressure of the higher standards enjoyed in the towns effectively felt in the countryside. Just as wages must rise in a low-wage area when workers have the possibility of moving to a high-wage



area, so concessions had to be made to serfs when they had the possibility of moving to the towns. Such concessions were necessarily in the direction of more freedom and the transformation of feudal dues into money rents.

In the second place, while the manor could be, and in many cases was, turned to production for the market, it was fundamentally inefficient and unsuited to that purpose. Techniques were primitive and division of labor undeveloped. From an administrative point of view, the manor was unwieldy: in particular there was no clear-cut separation of production from consumption, so that the costing of products was almost impossible. Moreover, everything on the manor was regulated by custom and tradition. This applied not only to the methods of cultivation but also to the quantity of work performed and its division between necessary and surplus labour: the serf had duties, but he also had rights. This whole mass of customary rules and regulations constituted so many obstacles to the rational exploitation of human and material resources for pecuniary gain.<sup>14</sup> Sooner or later, new types of productive relations and new forms of organization had to be found to meet the requirements of a changed economic order.

Is this reasoning refuted by the 'second serfdom' of the sixteenth century and after in eastern Europe, on which Dobb places so much stress? How did it happen that in this case the growth of opportunities to trade led to a dramatic and enduring intensification of the bonds of serfdom?

The answer to these questions will be found, I think, in the geography of the second serfdom, in the fact that the phenomenon becomes increasingly marked and severe as we move eastward away from the center of the new exchange economy.<sup>15</sup> At the center, where town life is most highly developed, the agricultural laborer has an

<sup>14</sup> Dobb often seems to overlook this aspect of feudalism and to assume that only the villein stood to gain from the abolition of serfdom. He tends to forget that 'the enfranchisement of the peasants was in reality the enfranchisement of the landowner, who, having henceforth to deal with free men who were not attached to his land, could dispose of the latter by means of simple revocable contracts, whose brief duration enabled him to modify them in accordance with the increasing rent of the land,' Pirenne, *A History of Europe from the Invasions to the XVI Century* (New York, 1939), p. 533.

<sup>15</sup> Pirenne gives the following graphic description: 'To the west of the Elbe the change had no particular consequences beyond a recrudescence of corvées, prestations, and arbitrary measures of every kind. But beyond the river, in Brandenburg, Prussia, Silesia, Austria, Bohemia, and Hungary, the most merciless advantage was taken of it. The descendants of the free colonists of the thirteenth century were systematically deprived of their land and reduced to the position of personal serfs (*Leibeigene*). The wholesale exploitation of estates absorbed their holdings and reduced them to a servile condition which so closely approximated to that of slavery that it was permissible to sell the person of the serf independently of the soil. From the middle of the sixteenth century the whole of the region to the east of the Elbe and the Sudeten Mountains became covered with *Rittergüter* exploited by *Junkers*, who may be compared, as regards the degree of humanity displayed in their treatment of their white slaves, with the planters of the West Indies,' *ibid.*, p. 534.



alternative to remaining on the soil; and this gives him, as it were, a strong bargaining position. When the ruling class turns to production for the market with a view to pecuniary gain, it finds it necessary to resort to new, more flexible, and relatively progressive forms of exploitation. On the periphery of the exchange economy, on the other hand, the relative position of the landlord and the agricultural laborer is very different. The worker cannot run away because he has no place to go: for all practical purposes he is at the mercy of the lord, who, moreover, has never been subjected to the civilizing proximity of urban life. When the expansion of trade instills a lust for gain into a ruling class in this position, the result is not the development of new forms of exploitation but the intensification of old forms. Marx, in the following passage (even though he was not specifically concerned with the second serfdom in eastern Europe), went to the root of the matter:

As soon as people, whose production still moves within the lower forms of slave-labor, corvée labor, etc., are drawn into the whirlpool of an international market dominated by the capitalistic mode of production, the sale of their products for export becoming their principal interest, the civilized horrors of overwork are grafted on the barbaric horrors of slavery, serfdom, etc.<sup>16</sup>

Dobb's theory holds that the decline of western European feudalism was due to the overexploitation by the ruling class of society's labor power. If the reasoning of this section is correct, it seems to me that it would be more accurate to say that the decline of western European feudalism was due to the inability of the ruling class to maintain control over, and hence to overexploit, society's labor power.

#### (6) *What Came After Feudalism in Western Europe?*

According to Dobb's chronology—which would probably not be seriously disputed by anyone—western European feudalism entered a period of acute crisis in the fourteenth century and thereafter disintegrated, more or less rapidly in different regions. On the other hand, we cannot speak of the beginning of the capitalist period until the second half of the sixteenth century at the earliest. This raises the following question: 'how are we to speak of the economic system in the intervening period between then [i.e. the disintegration of feudalism] and the later sixteenth century: a period which, according to our dating, seems to have been neither feudal nor yet capitalist so far as its mode of production was concerned?' (p. 19). This is an important question, and we should be grateful to Dobb for raising it in this clear-cut form.

Dobb's answer to his own question is hesitant and indecisive (p. 19-21). True, the feudal mode of production 'had reached an advanced stage of disintegration'; 'a merchant bourgeoisie had grown to wealth and influence'; 'in the urban handicrafts and in the rise of well-to-do and middling-well-to-do freehold farmers one sees a mode of production which had won its independence from Feudalism'; 'the majority

<sup>16</sup> *Capital*, I, p. 260.



of small tenants . . . paid a money rent'; and 'the estates were for the most part farmed by hired labor.' But Dobb qualifies almost every one of these statements and sums up by saying that 'social relations in the countryside between producers and their lords and masters retained much of their medieval character, and much of the integument at least of the feudal order remained.' In other words, Dobb's answer, I take it, is that the period was feudal after all.

This answer, however, is not very satisfactory. If the period is to be regarded as feudal, even from the point of view of Dobb's comprehensive definition, then at the very least it ought to have been characterized by the continued predominance of serfdom in the countryside. And yet there is good authority for the view that this was precisely the period during which serfdom declined to relatively small proportions all over western Europe.

In England [Marx wrote] serfdom had practically disappeared in the last part of the fourteenth century. The immense majority of the population consisted then, and to a still larger extent in the fifteenth century, of free peasant proprietors, whatever the feudal title under which their right of property was hidden.<sup>17</sup>

It seems that Marx had reservations about how widespread this development was on the continent, but before the end of his life he must have given them up. At the end of 1882, three months before Marx's death, Engels wrote a paper dealing with the *Mark*, the old German land system. He sent the manuscript to Marx, commenting that 'the point about the almost total disappearance (*Zurücktreten*) of serfdom—legally or actually—in the thirteenth and fourteenth centuries is the most important to me, because formerly you expressed a divergent opinion on this.'<sup>18</sup> Two days later Marx wrote back: 'Returning the manuscript: *very good*.'<sup>19</sup> And to this Engels replied: 'I am glad that on the history of serfdom we "proceed in agreement," as they say in business.'<sup>20</sup>

These passages show that it was the considered judgment of Marx and Engels that by the fifteenth century the substance had largely gone out of feudal forms and that serfdom had ceased to be the dominant relation of production throughout western Europe. There is nothing in the evidence cited by Dobb to convince me that we would be justified in reversing this judgment.

Dobb might answer that he does not disagree, that he concedes the substantial disappearance of serfdom, and that his characterization of this period as essentially feudal is based on the fact that the peasant was still restricted in his movements and in many ways dependent upon the landlord. What he says (pp. 65-66) could, I think, be construed in this sense; and Christopher Hill, who is in a good position

<sup>17</sup> *Ibid.*, I, p. 788.

<sup>18</sup> *Selected Correspondence*, p. 408.

<sup>19</sup> *Briefwechsel*, Marx-Engels-Lenin Institute ed., IV, p. 694. This letter is not included in the *Selected Correspondence*.

<sup>20</sup> *Selected Correspondence*, p. 411.



to know Dobb's meaning, lends support to this interpretation. According to Hill:

Mr. Dobb's definition of feudalism enables him to make clear what rural England in the fifteenth and sixteenth centuries was like. He rejects the view which identifies feudalism with labour services and attributes fundamental significance to the abolition of serfdom in England. Mr. Dobb shows that peasants paying a money rent (the overwhelming majority of the sixteenth-century English countryside) may be dependent in numerous other ways on the landlord under whom they live . . . Capitalist relations in agriculture were spreading in sixteenth-century England, but over most of the country the dominant relation of exploitation was still feudal . . . The important thing is not the *legal form* of the relationship between lord and peasant, but the economic content of this relationship.<sup>21</sup>

It seems to me that to stretch the concept of feudalism in this way is to deprive it of the quality of definiteness which is essential to scientific usefulness. If the fact that tenants are exploited by, and 'in numerous ways' dependent on, landlords is the hallmark of feudalism, we should have to conclude, for example, that certain regions of the United States are today feudal. Such a description may be justified for journalistic purposes; but if we were to go on from there and conclude that the economic system under which these regions of the United States live today is in fundamental respects identical with the economic system of the European Middle Ages, we should be well on the way to serious confusion. I think the same applies, though obviously in less extreme degree, if we assume a fundamental identity between the economic system of England in the sixteenth century and the economic system of England in the thirteenth century. And yet to call them both by the same name, or even to refrain from giving them different names, is inevitably to invite such an assumption.

How, then, shall we characterize the period between the end of feudalism and the beginning of capitalism? I think Dobb is on the right track when he says that the 'two hundred-odd years which separated Edward III from Elizabeth were certainly transitional in character' and that it is 'true, and of outstanding importance for any proper understanding of this transition, that the disintegration of the feudal mode of production had already reached an advanced stage *before* the capitalist mode of production developed, and that this disintegration did not proceed in any close association with the growth of the new mode of production within the womb of the old' (p. 20). This seems to me to be entirely correct, and I believe that if Dobb had followed it up he would have arrived at a satisfactory solution of the problem.

We usually think of a transition from one social system to another as a process in which the two systems directly confront each other and fight it out for supremacy. Such a process, of course, does not exclude the possibility of transitional forms; but these transitional forms are thought of as mixtures of elements from the two systems which are vying for mastery. It is obvious, for example, that the transition from

<sup>21</sup> *The Modern Quarterly*, II (Summer, 1947), p. 269.



capitalism to socialism is proceeding along some such lines as these; and this fact no doubt makes it all the easier for us to assume that earlier transitions must have been similar.

So far as the transition from feudalism to capitalism is concerned, however, this is a serious error. As the foregoing statement by Dobb emphasises, feudalism in western Europe was already moribund, if not actually dead, before capitalism was born. It follows that the intervening period was not a simple mixture of feudalism and capitalism: the predominant elements were *neither* feudal *nor* capitalist.

This is not the place for a detailed discussion of terminology. I shall simply call the system which prevailed in western Europe during the fifteenth and sixteenth centuries 'pre-capitalist commodity production' to indicate that it was the growth of commodity production which first undermined feudalism and then *somewhat later*, after this work of destruction had been substantially completed, prepared the ground for the growth of capitalism.<sup>22</sup> The transition from feudalism to capitalism is thus not a single uninterrupted process—similar to the transition from capitalism to socialism—but is made up of two quite distinct phases which present radically different problems and require to be analysed separately.

It might be thought that this characterization of the transition from feudalism to capitalism is in conflict with the traditional Marxian view. But I think this is not so: all it does is to make explicit certain points which are implicit in this view.

Although [Marx wrote] we come across the first beginnings of capitalist production as early as the fourteenth or fifteenth century, sporadically, in certain towns of the Mediterranean, the capitalistic era dates from the sixteenth century. Wherever it appears, the abolition of serfdom has long been effected, and the highest development of the middle ages, the existence of sovereign towns, has long been on the wane.

And again:

The circulation of commodities is the starting point of capital. Commodity production and developed commodity circulation, *trade*, form the historical

<sup>22</sup> It is not necessary to specify that the period is non- or post-feudal, since commodity production and feudalism are mutually exclusive concepts. On the other hand, capitalism is itself a form of commodity production, and for this reason the qualification 'pre-capitalist' must be explicitly made.

It could be argued that the best name for the system would be 'simple commodity production,' since this is a well-established concept in Marxian theory. It seems to me, however, that to use the term in this way might lead to unnecessary confusion. Simple commodity production is usually defined as a system of independent producers owning their own means of production and satisfying their wants by means of mutual exchange. Such a theoretical construction is useful for a number of reasons: for example, it enables us to present the problem of exchange value in its simplest form; and it also is helpful in clarifying the nature of classes and their relations to the means of production. In pre-capitalist commodity production, however, the most important of the means of production—the land—was largely owned by a class of non-producers, and this fact is enough to differentiate the system sharply from the usual concept of simple commodity production.



*preconditions* under which it arises. World trade and the world market open up in the sixteenth century the modern life history of capital.<sup>23</sup>

Such statements, I think, unmistakably imply a view of the transition from feudalism to capitalism such as I have suggested.<sup>24</sup>

We should be careful not to push this line of reasoning about the transition from feudalism to capitalism too far. In particular, it seems to me that it would be going too far to classify pre-capitalist commodity production as a social system *sui generis*, on a par with feudalism, capitalism and socialism. There was no really dominant relation of production to put its stamp on the system as a whole. There were still strong vestiges of serfdom and vigorous beginnings of wage-labor, but the forms of labor relation which were most common in the statistical sense were pretty clearly unstable and incapable of providing the basis of a viable social order. This holds especially of the relation between landlords and working tenants paying a money rent ('the overwhelming majority of the sixteenth-century English countryside,' according to Christopher Hill). Marx analyzed this relation with great care in a chapter called 'The Genesis of Capitalist Ground Rent,' and insisted that it could be properly understood only as a transitional form:

The transformation of rent in kind into money rent, taking place first sporadically, then on a more or less national scale, requires a considerable development of commerce, of city industries, of the production of commodities in general, and with them of the circulation of money. . . . Money rent, as a converted form of rent in kind and as an antagonist of rent in kind is the last form and at the same time the form of the dissolution of the type of ground rent which we have considered so far, namely ground rent as the normal form of surplus value and of the unpaid surplus labor which flows to the owner of the means of production. . . . In its further development money rent must lead . . . either to the transformation of land into independent peasants' property, or into the form corresponding to the capitalist mode of production, that is to rent paid by the capitalist tenant.<sup>25</sup>

Moreover, this is not the only type of unstable relation in the pre-capitalist commodity-producing economy. Dobb has shown in a very

<sup>23</sup> *Capital*, I, p. 787 and 163. I have translated this passage anew. The Moore and Aveling translation is inaccurate and omits the emphasis which appears in the original.

<sup>24</sup> I have, of course, selected these particular quotations from Marx for their conciseness and clarity. But obviously isolated quotations can neither prove nor disprove the point. The reader who wishes to make up his own mind about Marx's view of the transition from feudalism to capitalism will have to study carefully at least the following parts of *Capital*: I, Part viii; and III, ch. 20 and 47.

In some respects, the recently published manuscripts which Marx wrote during the winter of 1857-58 in preparation for the *Critique of Political Economy* are even more valuable in throwing light on his ideas about the nature of the transition from feudalism to capitalism: see *Grundrisse der Kritik der politischen Ökonomie (Rohentwurf)*, Marx-Engels-Lenin Institute (Moscow, 1939), especially the section entitled 'Formen der kapitalistischen Produktion vorhergehn' which begins on I, p. 375. An adequate examination of this source, however, would require a long article by itself; and I can only say here that my own interpretation of Marx, which was fully formed before the *Grundrisse* became available to me, was confirmed by this new material.

<sup>25</sup> *Capital*, III, ch. 47, p. 926 f. Changes have been made in the Untermann translation.



illuminating section of his chapter on the growth of the proletariat 'how unstable an economy of small producers can be in face of the disintegrating effects of production for the market, especially a distant market, unless it enjoys some special advantages which lends it strength or special measures are taken to give protection to its poorer and weaker members' (p. 254).

We are, I think, justified in concluding that while pre-capitalist commodity production was neither feudal nor capitalist, it was just as little a viable system in its own right. It was strong enough to undermine and disintegrate feudalism, but it was too weak to develop an independent structure of its own: all it could accomplish in a positive sense was to prepare the ground for the victorious advance of capitalism in the seventeenth and eighteenth centuries.

### (7) *A Few Remarks on the Rise of Capitalism*

In general, I agree fully with Dobb's analysis of the rise of capitalism. It seems to me that his treatment of this problem is exceptionally clear and illuminating: I would be inclined to rate it the high point of the whole volume. But there are two theses, clearly regarded by Dobb himself as important, which seem to me to require critical examination. The first concerns the origin of the industrial capitalist in the full sense of the term; the second concerns the process of original accumulation.<sup>26</sup>

Dobb cites Marx's chapter on 'Merchant Capital' (III, ch. 20) in support of the view that industrial capital develops in two main ways. The following is the key passage from Dobb:

According to the first—'the really revolutionary way'—a section of the producers themselves accumulated capital and took to trade, and in course of time began to organize production on a capitalist basis free from the handicraft restrictions of the guilds. According to the second, a section of the existing merchant class began to 'take possession directly of production'; thereby 'serving historically as a mode of transition,' but becoming eventually 'an obstacle to a real capitalist mode of production and declin(ing) with the development of the latter.'<sup>27</sup>

Dobb puts much stress on the first of these methods. On p.128 he writes:

While the growing interest shown by sections of merchant capital in controlling production—in developing what may be termed a deliberately contrived system of 'exploitation through trade'—prepared the way for this final outcome [i.e., the subjection of production to genuine capitalist control], and may in a few cases have reached it, this final stage generally seems, as Marx pointed out, to have been associated with the rise from the ranks of the producers themselves of a capitalist element, half-manufacturer, half-merchant, which began to subordinate and to organize those very ranks from which it had so recently risen (p. 128).

<sup>26</sup> Dobb follows the Moore and Aveling translation in speaking of 'primitive' accumulation. This is likely to be misleading, however, since the point is not that the process is primitive in the usual sense of the term (though it may be and usually is), but that it is not preceded by previous acts of accumulation. Hence 'original' or 'primary' is a better rendering of *ursprünglich* in this context.

<sup>27</sup> Dobb, p. 123. The internal quotes are from *Capital*, III, p. 393 f.



Again:

The opening of the seventeenth century witnessed the beginnings of an important shift in the centre of gravity: the rising predominance of a class of merchant-employers from the ranks of the craftsmen themselves among the yeomanry of the large companies—the process that Marx described as the ‘really revolutionary way’ (p. 134).

And later, after a lengthy analysis of the failure of capitalist production despite early and promising beginnings, to develop in certain areas of the continent, Dobb says:

When seen in the light of a comparative study of capitalist development, Marx’s contention that at this stage the rise of a class of industrial capitalists from the ranks of the producers themselves is a condition of any revolutionary transformation of production begins to acquire a central importance (p.161).

It is noteworthy, however, that Dobb admits that ‘the details of this process are far from clear, and there is little evidence that bears directly upon it’ (p. 134). In fact, so little evidence, even of an indirect character, seems to be available that one reviewer felt constrained to remark that ‘it would have been desirable to find more evidence for the view, derived from Marx, that the really revolutionary transformation of production and the breaking of the control of merchant capital over production, was accomplished by men coming from the ranks of former craftsmen.’<sup>28</sup>

I think, however, that the real trouble here is not so much a lack of evidence (for my part, I doubt if evidence of the required kind exists) as a misreading of Marx. Let us reproduce the entire passage in which Marx speaks of the ‘really revolutionary way’:

The transition from the feudal mode of production takes two roads. The producer becomes a merchant and capitalist, in contradistinction from agricultural natural economy and the guild-encircled handicrafts of medieval town industry. This is the really revolutionary way. Or the merchant takes possession in a direct way of production. While this way serves historically as a mode of transition—instance the English clothier of the seventeenth century, who brings the weavers, although they remain independently at work, under his control by selling wool to them and buying cloth from them—nevertheless it cannot by itself do much for the overthrow of the old mode of production, but rather preserves it and uses it as its premise.<sup>29</sup>

As can be readily seen, Marx does not say anything about capitalists rising from the ranks of the handicraft producers. It is, of course, quite true that the expression used by Marx—‘the producer becomes a merchant and capitalist’—might have that implication; but it might equally well mean that the producer, whatever his background, *starts out* as both a merchant and an employer of wage-labor. It seems to me that the whole context goes to show that the latter is the more reasonable interpretation. What Marx was contrasting, I believe, was the launching of full-fledged capitalist enterprises with the slow

<sup>28</sup> Perez Zagorin in *SCIENCE & SOCIETY*, XII (Spring, 1948), p. 280 f.

<sup>29</sup> *Capital*, III, p. 393.



development of the putting-out system. There is no indication that he was concerned about producers' rising from the ranks. Moreover, when he does deal explicitly with this problem in the first volume of *Capital*, what he says is quite impossible to reconcile with Dobb's interpretation of the above-quoted passage.

The genesis of the industrial capitalist '[Marx wrote] did not proceed in such a gradual way as that of the farmer. Doubtless many small guild-masters, and yet more independent small artisans, or even wage-laborers, transformed themselves into small capitalists, and (by gradually extending exploitation of wage-labor and corresponding accumulation) into full-blown capitalists . . . The snail's-pace of this method corresponded in no wise with the commercial requirements of the new world market that the great discoveries of the end of the fifteenth century created.'<sup>30</sup>

These are the opening remarks of a chapter entitled 'Genesis of the Industrial Capitalist'; most of the rest of the chapter is devoted to describing the methods of trade and plunder by which large amounts of capital were brought together much more rapidly than this 'snail's-pace.' And while Marx says very little about the actual methods by which these accumulations found their way into industry, it is hardly credible that he would have assigned an important role in the process to the producer risen from the ranks.

If we interpret Marx to mean that the 'really revolutionary way' was for those with disposable capital to launch full-fledged capitalist enterprises without going through the intermediate stages of the putting-out system, we shall, I think, have little difficulty in finding a wealth of evidence to support his contention. Nef has shown conclusively (of course without any reference at all to Marx) that what he calls the first industrial revolution in England (about 1540 to 1640) was very largely characterized by precisely this kind of investment in such 'new' industries as mining, metallurgy, brewing, sugar refining, soap, alum, glass, and salt-making.<sup>31</sup> And the proof that it was a 'really revolutionary way' was provided by the results of England's first industrial revolution: economic supremacy over all rival nations and the first bourgeois political revolution.

I turn now to the second of Dobb's theses on the rise of capitalism which seems to me to require critical examination. Here I can be briefer.

Dobb sees the process of original accumulation as involving two quite distinct phases (p. 177 ff.). First, the rising bourgeoisie acquires at bargain prices (or in the most favorable case for nothing: e.g., the church lands under Henry VIII) certain assets and claims to wealth. In this phase, wealth is not only transferred to the bourgeoisie; it is also concentrated in fewer hands. Second, and later, comes the realization phase. Dobb writes that

of no less importance than the first phase of the process of accumulation was the second and completing phase, by which the objects of the original ac-

<sup>30</sup> *Ibid.*, I, p. 822.

<sup>31</sup> J. U. Nef., *Industry and Government in France and England, 1540-1640* (Philadelphia, 1940), especially ch. 1 and 3.



cumulation were realized or sold (at least in part) in order to make possible an actual investment in industrial production—a sale of the original objects of accumulation in order with the proceeds to acquire (or to bring into existence) cotton machinery, factory buildings, iron foundries, raw materials and labour-power (p. 183).

So far as I can see, Dobb offers no evidence at all of the existence of this realization phase. Nor is this surprising because it seems to me equally clear that there are no reasons to suppose that such a phase must have existed or actually did exist. As Dobb himself makes perfectly plain, the assets acquired and concentrated in fewer hands during the acquisition phase were of various kinds, including land, debt-claims, and precious metals: in other words, frozen and liquid assets alike. He recognizes, too, that this was the period during which the bourgeoisie developed banking and credit machinery for turning its frozen assets (especially the public debt) into liquid assets. Under the circumstances, it is impossible to see why the bourgeoisie should be under any compulsion to sell in order to realize capital for industrial investment. Further, it is impossible to see what *class* could buy assets from the bourgeoisie in order to supply it with liquid funds. Naturally, this does not mean that individual members of the bourgeoisie could not or did not sell assets to other members of the same class or to members of other classes in order to acquire funds for industrial investment, but there was surely no other class to which the bourgeoisie *as a whole* could sell assets in this period of capitalist development.

Actually Dobb, aside from asserting the necessity and importance of the realization phase, makes very little of it. When it comes down to analysing the necessary pre-conditions for industrial investment, he shows that the required complement to acquisition on the part of the bourgeoisie was not realization by the bourgeoisie, but the break-up of the old system of production and especially dispossession of enough landworkers to form a class willing to work for wages. This is certainly correct, and I can only regret that Dobb's reiterated statements about the importance of the realization phase may serve to divert the attention of some readers from his excellent treatment of the essential problems of the period of original accumulation.



## II. A REPLY

BY MAURICE DOBB

Paul Sweezy's article on the transition from feudalism to capitalism raises in a clear and stimulating manner a number of important issues, discussion of which can only be beneficial to an understanding both of historical development and of Marxism as a method of studying that development. May I state at the outset that I personally welcome his contribution to such discussion as a distinguished challenge to further thought and study? With a good deal of what he says I feel no disagreement. In some places where he dissents from what I have said, the difference between us is one of emphasis and of formulation. But in one or two places a more fundamental difference over method and analysis seems to emerge; and here I feel that his interpretation is misleading.

(1) First, I am not quite clear whether Sweezy rejects my definition of feudalism or merely considers it to be incomplete. This definition, as he says, rests on a virtual identification of feudalism with serfdom—if by the latter is meant, not merely the performance of obligatory *services*, but exploitation of the producer by virtue of direct politico-legal compulsion.<sup>1</sup> If he means that feudalism thus defined covers something wider than the medieval form of European economy and embraces a wide variety of types which (in any fuller study of feudalism) deserve careful analysis, I readily agree. But in referring to a 'system of production' he seems to be saying something other than this, and to be contrasting a *system* of production with a mode of production in Marx's use of this term. What precisely a system of production is intended to cover I am not clear. But what follows indicates that the term is intended to include the relations between the producer and his market. There are even hints that these relations of exchange (by contrast with relations of production) are the focus of attention in Sweezy's interpretation of the historical process. (He regards 'the crucial feature of feudalism,' for example, as being 'that it is a system of *production for use*.')

If this is so, then I think we have a fundamental issue between us. The definition which I was using in my *Studies* was advisedly in terms of the relations of production characteristic of feudalism: namely the relations between the direct producer and his overlord. The coercive relationship, consisting in the direct extraction of the surplus labour of producers by the ruling class, was conditioned, of course, by

<sup>1</sup> Sweezy suggests that such a widening of the term is unsatisfactory since elements of direct politico-legal compulsion over labour may be found at widely separated periods of history, including modern times. Where such elements predominate, they would on this definition constitute the form of economy in question feudal; but if they are merely incidental and subordinate, their presence no more suffices to do so than does the incidental existence of hired wage-labour suffice to constitute a particular society capitalist. In most of the 'incongruous' cases which Sweezy has in mind, compulsory labour is purely incidental, not typical.



a certain level of development of the productive forces. Methods of production were relatively primitive, and (so far as the producers' own subsistence, at least, was concerned) were of the type of which Marx spoke as the 'petty mode of production,' in which the producer is in possession of his means of production as an individual producing unit. This I regard as the crucial characteristic; and when different economic forms have this characteristic in common, this common element which they share is of greater significance than other respects in which they may differ (e.g., in the relation of production to the market). Admittedly this production-relationship is itself capable of considerable variation, according to the form which the compulsory extraction of the surplus product takes: e.g., direct labour services or the appropriation of tribute either in kind or in money.<sup>2</sup> But the distinction between these does not correspond to that between 'western European feudalism,' which Sweezy thinks that I should have distinguished and concentrated upon, and feudalism in eastern Europe (although in Asiatic feudalism the tributary relationship would seem to have predominated and to have given this its distinctive impress). While there were important differences undoubtedly between conditions in western and eastern Europe, there were also striking similarities as regards 'the form in which unpaid surplus labor was pumped out of the direct producers'; and it is my belief that the desire to represent 'western European feudalism' as a distinctive *genus* and to endow it alone with the title of 'feudal' is a product of bourgeois historians and of their tendency to concentrate upon juridical characteristics and *differentia*.

(2) Regarding the 'conservative and change-resisting character of western European feudalism,' which needed some external force to dislodge it, and which I am accused of neglecting, I remain rather sceptical. True, of course, that, by contrast with capitalist economy, feudal society was extremely stable and inert. But this is not to say that feudalism had no tendency within it to change. To say so would be to make it an exception to the general Marxist law of development that economic society is moved by its own internal contradictions. Actually, the feudal period witnessed considerable changes in technique;<sup>3</sup> and the later centuries of feudalism showed marked dif-

<sup>2</sup> See Marx's analysis of 'Labor Rent, Rent in Kind and Money Rent,' *Capital*, III. I would particularly draw attention to the passage in the course of Marx's treatment of this subject in which he says: 'The specific economic form in which unpaid surplus labour is pumped out of the direct producers determines the relation of rulers and ruled, as it grows immediately out of production itself and reacts upon it as a determining element . . . It is always the direct relation of the owners of the conditions of production to the direct producers which reveals the innermost secret, the hidden foundation of the entire social construction . . . The form of this relation between rulers and ruled naturally corresponds always with a definite stage in the development of the methods of labor and of its productive social power. This does not prevent the same economic basis from showing infinite variations and gradations in its appearance, even though its principal conditions are everywhere the same,' *Capital*, III, p. 919.

<sup>3</sup> Molly Gibbs, *Feudal Order* (London, 1949), p. 5-7, 92 f.



ferences from those of early feudalism. Moreover, it would seem to be not to western Europe but to the East that we have to look for the most stable forms: in particular, to Asiatic forms of tributary serfdom. And it is to be noted that it was of the form where surplus labour is appropriated *via* dues in kind—and of this form specifically—that Marx spoke as ‘quite suitable for becoming the basis of stationary conditions of society, such as we see in Asia.’<sup>4</sup>

Sweezy qualifies his statement by saying that the feudal system is not necessarily static. All he claims is that such movement as occurs ‘has no tendency to transform it.’ But despite this qualification, the implication remains that under feudalism class struggle can play no revolutionary role. It occurs to me that there may be a confusion at the root of this denial of revolutionary and transforming tendencies. No one is suggesting that class struggle of peasants against lords gives rise, in any simple and direct way, to capitalism. What this does is to modify the dependence of the petty mode of production upon feudal overlordship and eventually to shake loose the small producer from feudal exploitation. It is then from the petty mode of production (in the degree to which it secures independence of action, and social differentiation in turn develops within it) that capitalism is born. This is a fundamental point to which we shall return.

(3) In the course of supporting his own thesis that an internally stable feudalism could only be disintegrated by the impact of an external force<sup>5</sup>—trade and markets—Sweezy represents my own view as being that the decline of feudalism was *solely* the work of internal forces and that the growth of trade had nothing to do with the process. He seems to see it as a question of *either* internal conflict *or* external forces. This strikes me as much too simplified, even mechanical, a presentation. I see it as an *interaction* of the two; although with primary emphasis, it is true, upon the internal contradictions; since these would, I believe, operate in any case (if on a quite different time-scale), and since they determine the particular form and direction of the effects which external influences exert. I am by no means denying that the growth of market towns and of trade played an important role in accelerating the disintegration of the old mode of production. What I am asserting is that trade exercised its influence to the extent that it accentuated the internal conflicts within the old mode of production. For example, the growth of trade (as I pointed out in my *Studies* in several places, e.g., p. 60-62 and 253 f.) accelerated the process of social differentiation within the petty mode of production, creating a *kulak* class, on the one hand, and a semi-proletariat, on the other. Again, as Sweezy emphasizes, towns acted as magnets to fugitive serfs. I am not much concerned to argue whether this flight of serfs was due more to the attraction of these urban magnets (and

<sup>4</sup> *Capital*, III, p. 924.

<sup>5</sup> His reference to ‘historical developments which in fact can only be explained as arising from causes external to the system’ leaves us in no doubt that this is his view.



alternatively in some parts of Europe to the lure of free land) or to the repulsive force of feudal exploitation. Evidently it was a matter of both, in varying degrees at different times and places. But the specific effect which such flight had was due to the specific character of the relationship between serf and feudal exploiter.<sup>6</sup>

Hence I do not agree that I am called upon to 'show that the feudal ruling class's growing need for revenue and the flight of serfs from the land can both be explained in terms of forces operating inside the feudal system,' or 'that the rise of towns was a process internal to the feudal system.' (although to some extent I believe that the latter is true, and that, precisely because feudalism was far from being a purely 'natural economy,' it encouraged towns to cater for its need of long-distance trade). At the same time, I think that Sweezy is wrong in asserting that there is necessarily correlation between feudal disintegration and 'nearness to centers of trade.' In my *Studies* I cited several pieces of evidence to rebut the simplified view which has been popularized by the vulgar theorists of 'money economy.' Of these I will repeat here only two. It was precisely in the backward north and west of England that serfdom in the form of direct labour services disappeared earliest, and in the more advanced south-east, with its town markets and trade routes, that labour services were most stubborn in their survival. Similarly, in many parts of eastern Europe intensification of serfdom in the fifteenth and sixteenth centuries was associated with the growth of trade, and the correlation was, not between nearness to markets and feudal disintegration (as Sweezy claims), but between nearness to markets and strengthening of serfdom (cf. my *Studies*, p. 38-42). These facts are mentioned by Sweezy. Yet this does not prevent him from maintaining that it was only 'on the periphery of the exchange economy' that feudal relations were proof against dissolution.

The fact that the 'system of production' on which Sweezy focuses attention is more concerned with the sphere of exchange than with relations of production is indicated by a rather surprising omission in his treatment. He nowhere pays more than incidental attention to what has always seemed to me a crucial consideration: namely, that the transition from coercive extraction of surplus labour by estate-owners to the use of free hired labour must have depended upon the existence of cheap labour for hire (i.e., of proletarian or semi-proletarian elements). This I believe to have been a more fundamental factor than proximity of markets in determining whether the old social relations survived or were dissolved. Of course, there was interaction between this factor and the growth of trade: in particular (as I have already mentioned) the effect of the latter upon the process of social differentiation within the petty mode of production. But this

<sup>6</sup> Incidentally, I agree entirely with the important consideration which Sweezy stresses that it was not so much the magnitude of the flight to the towns which was significant, but that the threat of it (accompanied perhaps by no more than a small movement) might suffice to force the lords into making concessions, seriously weakening to feudalism.



factor must, surely, have played a decisive role in determining the precise effect which trade had in different places and at different periods? Possibly Sweezy plays down this factor because he thinks it too obvious to stress; or possibly because he is thinking of the leasing of farms for a money rent as the immediate successor of labour-services. This latter consideration brings us to his question: 'What came after feudalism in Europe?'

(4) I entirely agree with Sweezy in regarding economic society in western Europe between the fourteenth century and the end of the sixteenth as being complex and transitional, in the sense that the old was in process of rapid disintegration and new economic forms were simultaneously appearing. I also agree with him in thinking that during this period the petty mode of production was in process of emancipating itself from feudal exploitation, but was not yet subjected (at least in any significant degree) to capitalist relations of production, which were eventually to destroy it. Moreover, I regard the recognition of this fact as vital to any true understanding of the passage from feudalism to capitalism. But Sweezy goes further than this. He speaks of it as transitional in a sense which excludes the possibility of its still being feudal (even if a feudal economy at an advanced stage of dissolution). There seems to me to be point in doing this only if one wishes to speak of it as a distinct mode of production *sui generis*, which is neither feudal nor capitalist. This is to my mind an impossible procedure; and Sweezy agrees in not wishing to go so far as this. In the final picture, therefore, these two centuries are apparently left suspended uncomfortably in the firmament between heaven and earth. In the process of historical development they have to be classified as homeless hybrids. While this sort of answer might be adequate enough in a purely evolutionary view of historical development through successive systems or stages, I suggest that it will not do for a revolutionary view of historical development—a view of history as a succession of class systems, with social revolution (in the sense of a transfer of power from one class to another) as the crucial mechanism of historical transformation.

The crucial question which Sweezy has apparently failed to ask (or if he has, he would seem to have burked the answer to it) is this: what was the ruling class of this period? Since (as Sweezy himself recognises) there was not yet developed capitalist production, it cannot have been a capitalist class. If one answers that it was something intermediate between feudal and capitalist, in the shape of a bourgeoisie which had not yet invested its capital in the development of a bourgeois mode of production, then one is in the Pokrovsky-bog of 'merchant capitalism.' If a merchant bourgeoisie formed the ruling class, then the state must have been some kind of bourgeois state. And if the state was a bourgeois state already, not only in the sixteenth century but even at the beginning of the fifteenth, what constituted the essential issue of the seventeenth century civil war? It cannot (according to this view) have been *the* bourgeois revolution.



We are left with some such supposition as the one advanced in a preliminary discussion of the matter some years ago: that it was a struggle against an attempted *counter-revolution* staged by Crown and Court against an *already existent* bourgeois state power.<sup>1</sup> Moreover, we are faced with the alternative of either denying that there was any crucial historical moment describable as the bourgeois revolution, or of seeking for this bourgeois revolution in some earlier century at or before the dawn of the Tudor age.

This is a matter which has occupied a good deal of discussion among Marxist historians in England in the last few years. The larger question of the nature of the absolute states of this epoch was also the subject of discussion among Soviet historians just before the war. If we reject the alternatives just mentioned, we are left with the view (which I believe to be the right one) that the ruling class was still feudal and that the state was still the political instrument of its rule. And if this is so, then this ruling class must have depended for its income on surviving *feudal* methods of exploiting the petty mode of production. True, since trade had come to occupy a leading place in the economy, this ruling class had itself an interest in trade (as also had many a medieval monastery in the heyday of feudalism), and took certain sections of the merchant bourgeoisie (specially the export merchants) into economic partnership and into political alliance with itself (whence arose many of the figures of the 'new Tudor aristocracy'). Hence, this late, dissolving form of feudal exploitation of the period of centralised state power had many differences from the feudal exploitation of earlier centuries; and admittedly in many places the feudal 'integument' was wearing very threadbare. True also, feudal exploitation of the petty mode of production only rarely took the classical form of direct labour services, and had assumed predominantly the form of money rent. But as long as political constraint and the pressures of manorial custom still ruled economic relationships (as continued to be the case over very large areas of the English countryside), and a free market in land was absent (as well as free labour mobility), the form of this exploitation cannot be said to have shed its feudal form—even if this was a degenerate and rapidly disintegrating form.

In this connection I would draw attention to the fact that in the passage about money rent which Sweezy quotes from Marx (*Capital*, III, ch. 47), the money rent of which Marx is here speaking is not yet capitalist ground rent, with the farmer as an independent tenant paying a contractual rent, but is still (by manifest implication) a form of *feudal* rent, even if a dissolving form ('money rent, as a converted form of rent in kind and as an antagonist of rent in kind is *the last form* and *at the same time the form of dissolution* of the type of ground rent which we have considered so far. . . .'). Earlier in the same section Marx says: 'the basis of this rent remains the same as that of the rent in kind, from which it starts. The direct producer still is the

<sup>1</sup> P. F., in the course of a discussion on Christopher Hill's booklet, *The English Revolution 1640*, in the *Labour Monthly* (1941).



possessor of the land . . . and he has to perform for his landlord . . . forced surplus labor . . . and this forced surplus labor is now paid in money obtained by the sale of the surplus product' (p. 926).

(5) On the two final points of Sweezy's criticism I will try to be brief. Of the outstanding role played at the dawn of capitalism by capitalists who had been spawned by the petty mode of production I suggest that there is abundant evidence,<sup>8</sup> whatever the proper interpretation may be of that crucial passage from Marx's discussion of the matter (and I still think it bears the interpretation customarily placed upon it). Some of this evidence I quoted in my *Studies* (ch. 4). This is doubtless a matter deserving of more research than it has had hitherto. But the importance of the rising small and middle bourgeoisie of this period has already been shown by Tawney, for one. There is accumulating evidence that the significance of *kulak* enterprise in the village can hardly be overestimated. There are signs of him at a quite early date, hiring the labour of the poorer 'cotter' and in the sixteenth century pioneering new and improved methods of enclosed farming on a fairly extensive scale. Historians of this period have recently pointed out that a distinctive feature of English development in the Tudor age was the ease with which these *kulak* yeomen farmers rose to become minor gentry, purchasing manors and joining the ranks of the squirearchy. It may well be (as Kosminsky has suggested) that they played a leading role even in the Peasants' Revolt in 1381. Undoubtedly they prospered greatly (as employers of labour) from the falling real wages of the Tudor Inflation; and smaller gentry and rising *kulaks* were organisers of the country cloth industry on an extensive scale. Evidently they were a most important driving force in the bourgeois revolution of the seventeenth century, providing in particular the sinews of Cromwell's New Model Army. Moreover, the fact that they were is, I believe, a key to understanding the class alignments of the bourgeois revolution: in particular the reason why merchant capital, far from always playing a progressive role, was often to be found allied with feudal reaction.

Similarly, in the urban craft guilds there were many entrepreneurs of a similar type, who took to trade and employed poorer craftsmen on the putting-out system. I have suggested (and if I remember rightly the suggestion originally came from Unwin) that these developments were responsible for the movements to be observed among the guilds at the end of the sixteenth century and the beginning of the seventeenth: in particular for the rise of the new Stuart corporations. So far as one can see, it was they (certainly it was the country clothiers) who were firm supporters of the English revolution, and not the rich patentees, such as those of whom Nef has talked, many of whom were royalist since they still depended on privilege and derived their privilege from court influence. I cannot see how the importance of this line of de-

<sup>8</sup> The passage of mine which Sweezy quotes, referring to 'little evidence that bears directly upon it,' relates to 'the details of the process' and not to the existence of this type of capitalist or to the role which he played.



velopment in generating the first, pre-industrial-revolution, stage of capitalism can possibly be denied." Even at the time of the industrial revolution many of the new entrepreneurs were small men who had started as 'merchant-manufacturers' of the putting-out system. True, in some industries (e.g., iron, copper and brass), where larger capitals were needed, it was already different. But it was conditions of technique which determined whether the small capitalist, risen from the ranks, could or could not become a pioneer of the new mode of production; and until the technical changes associated with the industrial revolution (*some* of which, it is true, were already occurring two centuries before 1800) the small capitalist could still play a leading role.

(6) With regard to the so-called 'realisation phase' in the accumulation process, I must acknowledge that Sweezy has laid his finger on a weak place in the analysis, about which I myself had doubts, and on which I was aware that the evidence was inadequate. Whether such a phase exists or not does not affect my main contention; since this was that *dispossession* of others is the essence of the accumulating process, and not merely the acquisition of particular categories of wealth by capitalists. This is not to deny, however, that the bourgeois-enrichment aspect of the matter had a place; in which case I believe that the distinguishing of the 'two phases' retains some importance. I suggest that it is a topic to which Marxist research might usefully be directed; and I continue to think that 'the second phase' is a hypothesis which corresponds to something actual.

We can agree that it was not a case of the bourgeoisie realising assets, previously accumulated, to some *new class*. Indeed, there is no need for them to do so *as a class*, since, once a proletariat has been created, the only 'cost' to the bourgeoisie as a whole in the extension of capitalist production is the subsistence which they have to advance to workers (in the form of wages)—a fact of which the classical economists were well aware. Ownership of land and country houses, etc., did not of itself assist them in providing this subsistence. Even if they could have sold their properties to third parties, this would not necessarily—leaving foreign trade apart—have augmented the subsistence fund for capitalist society as a whole. But what is the case for the class as a whole may not be the case for one section of it, which (as Sweezy implies) may be handicapped by lack of sufficient liquid funds to serve as working capital; and there may well be substan-

<sup>9</sup> Sweezy quotes Marx's reference to such developments as proceeding 'at a snail's pace,' compared with the full possibilities of expansion. But so was the development of capitalism 'at a snail's pace' (relatively to later developments) in the period of 'the infancy of capitalist production' of which Marx is here speaking. It was, surely, because of this that the transformation could only be completed after the new bourgeoisie had won political power, and (as Marx says later in the same chapter) had begun to 'employ the power of the State . . . to hasten, hothouse fashion, the process of transformation of the feudal mode of production into the capitalist mode, and to shorten the transition'. Then, but only then, could the snail's pace of earlier development be accelerated and the ground laid for the rapid growth of the industrial revolution.



tial meaning in speaking of one stratum of the bourgeoisie (imbued with a desire to buy labour power: i.e., to invest in production) selling real estate or bonds to other strata of the bourgeoisie which still have a taste for acquiring wealth in these forms. It is, of course, possible that all the investments needed to finance the industrial revolution came from the *current income* of the new captains of industry of the period: the Darbys, Dales, Wilkinsons, Wedgwoods and Radcliffes. In this case nothing remains to be said. Previous bourgeois enrichment in the forms we have mentioned can be ignored as a factor in the financing of industrial growth. This, however, seems *prima facie* unlikely. I am not aware that much work has been done on the sources from which such constructional projects as the early canals and railways in England were financed. We know that many of the new entrepreneurs were handicapped for lack of capital, and that much of the capital for the expanding cotton industry in the early nineteenth century came from textile merchants. That the credit system was not yet adequately developed to meet the needs of developing industry is shown by the mushroom growth of the unstable 'country banks' in the early nineteenth century precisely to fill this gap. It seems an hypothesis worthy of investigation that in the eighteenth century there was a good deal of selling of bonds and real estate to such persons as retired East Indian 'nabobs' by men who, then or subsequently, used the proceeds to invest in the expanding industry and commerce of the time; and that it was by some such route—by a process having two stages—that the wealth acquired from colonial loot fertilized the industrial revolution.

Even if there was no significant amount of transfer of assets, I think that my 'second phase' may not altogether lack justification. It may have significance (if, admittedly, a somewhat different one) as denoting a period in which there had been a shift for the bourgeoisie as a whole from an earlier preference for holding real estate or valuable objects or bonds to a preference for investing in means of production and labour-power. Even if no considerable volume of selling of the former actually took place, the shift may nevertheless have had a large influence on the prices of such assets and on economic and social activities.



### III. A CONTRIBUTION TO THE DISCUSSION

BY H. K. TAKAHASHI

(Translated by Henry F. Mins from the Japanese of *Economic Review* [Keizai kenkyu], Tokio, April 1951, Vol. II, No. 2, p. 128-146.)

Maurice Dobb's *Studies in the Development of Capitalism* (London, 1946) raises many important problems of method. It presents a concrete case of a problem in which we cannot but be deeply interested—the problem of how a new and higher stage of the science of economic history can take up into its own system and make use of the positive results of preceding economic and social historians. The criticism of Dobb's *Studies* by the able American economist Paul M. Sweezy<sup>1</sup> and Dobb's rejoinder,<sup>2</sup> by indicating more clearly the nature and location of the questions in dispute, give Japanese historians an opportunity (after having been isolated during the years of the last war) to evaluate the theoretical level of economic history in Europe and America today.

Dobb's *Studies*, while not confined to the development of English capitalism, pays inadequate attention to French and German writing, both certainly on no lower a plane than the English work. These sources must be studied not only to obtain a more comprehensive knowledge of comparative capitalist structures but also to establish more accurate historical laws. I shall confine my comments here and for the present to Western Europe; it would be premature to introduce into the present discussion the historical facts of feudal organization in Japan and other Asiatic countries, or of the formation of capitalism there. The Sweezy-Dobb controversy, if participated in critically by historians with the same awareness of problems in every country, could lay the foundation for cooperative advances in these studies.

#### I

Both Dobb's *Studies* and Sweezy's criticism start with general conceptual definitions of feudalism and capitalism, which are not mere questions of terminology, but involve methods of historical analysis. Since Sweezy has not given a clear and explicit definition of feudalism, we do not know precisely what he considers to be its root. In any case, however, the transition from feudalism to capitalism relates to a change in the mode of production, and feudalism and capitalism must be stages of socio-economic structure, historical categories. A rational comprehension of feudalism presupposes a scientific understanding of capitalism as an historical category.<sup>3</sup> Dobb, rejecting the traditional concepts current among 'bourgeois' historians, looks for

<sup>1</sup> 'The Transition from Feudalism to Capitalism,' in SCIENCE & SOCIETY, Vol. XIV, No. 2, 1950, p. 134-157.

<sup>2</sup> 'Reply,' *ibid.*, p. 157-167; above, p. 20-28.

<sup>3</sup> Marx, *A Contribution to the Critique of Political Economy* (Chicago, 1904), 'Introduction,' p. 300 f.



the essence of feudal economy in the relations between the direct producers (artisans and peasant cultivators) and their feudal lords. This approach characterized feudalism as a mode of production; it is central to Dobb's definition of feudalism, and in general coincides with the concept of serfdom. It is 'an obligation laid on the producer by force and independently of his own volition to fulfil certain economic demands of an overlord, whether these demands take the form of services to be performed or of dues to be paid in money or in kind . . . This coercive force may be that of military strength, possessed by the feudal superior, or of custom backed by some kind of judicial procedure, or the force of law.'<sup>4</sup> This description coincides in essence with the account given in Vol. III of *Capital* in the chapter on 'Genesis of Capitalist Ground Rent.'<sup>5</sup> This sort of feudal serfdom

'contrasts with Capitalism in that under the latter the labourer, in the first place, . . . is no longer an independent producer but is divorced from his means of production and from the possibility of providing his own subsistence, but in the second place . . . his relationship to the owner of the means of production who employs him is a purely contractual one . . . in the face of the law he is free both to choose his master and to change masters; and he is not under any obligation, other than that imposed by a contract of service, to contribute work or payment to a master.'<sup>6</sup>

Sweezy criticizes Dobb's identification of feudalism with serfdom. He cites a letter in which Engels says: 'it is certain that serfdom and bondage are not a peculiarly (*spezifisch*) medieval-feudal form, we find them everywhere or nearly everywhere where conquerors have the land cultivated for them by the old inhabitants.'<sup>7</sup> Sweezy denies that serfdom is a specific historical category.<sup>8</sup> He does not, however, indicate what it is that constitutes the special existence-form of labor power proper to feudalism as a mode of production.

My own opinion would be as follows: When we consider the ancient, the feudal and the modern bourgeois modes of production as the chief stages in economic history, the first thing to be taken into account must always be the social existence-form of labor power, which is the basic, the decisive factor in the various modes of production. Now certainly the basic forms (types) of labor are slavery, serfdom and free wage labor; and it is surely erroneous to divorce serfdom from feudalism as a general conception. The question of the transition from feudalism to capitalism is not merely one of a transformation in forms of economic and social institutions. The basic

<sup>4</sup> Dobb, *Studies*, *op. cit.*, p. 35 f.

<sup>5</sup> Or again, 'In all previous [*i.e.*, pre-capitalist] forms the land-owner, not the capitalist, appears as the immediate appropriator of others' surplus labor. . . . Rent appears as the general form of surplus labor, unpaid labor. Here the appropriation of this surplus labor is not mediated by exchange, as with the capitalist, but its basis is the coercive rule of one part of society over the other part, hence direct slavery, serfdom, or a relation of political dependence.'<sup>7</sup> Marx, *Theorien über den Mehrwert*, ed. Kautsky, Vol. III (Stuttgart, 1910), ch. VI, p. 451.

<sup>6</sup> Dobb, *Studies*, p. 36.

<sup>7</sup> Marx-Engels, *Selected Correspondence* (New York, n.d.), p. 411 f., cited in Sweezy, above, p. 1

<sup>8</sup> 'Critique,' above, p. 1-2.



problem must be the change in the social existence-form of labor power.

Although the peasants' lack of freedom, as serfs, naturally showed variations and gradations according to region or stage of feudal economic development, serfdom is the characteristic existence-form of labor power in the feudal mode of production, or as Dobb puts it, 'exploitation of the producer by virtue of direct politico-legal compulsion.'<sup>9</sup> Sweezy, having divorced serfdom from feudalism and neglected the characteristically feudal existence-form of labor power, had to seek the essence of feudalism elsewhere. In feudal society, in his opinion, 'markets are for the most part local and . . . long-distance trade, while not necessarily absent, plays no determining role in the purposes or methods of production. The crucial feature of feudalism in this sense is that it is a system of *production for use*.' Sweezy does not assert that market- or commodity-economy did not exist in feudal society. He does say that ' . . . commodity production and feudalism are mutually exclusive concepts.'<sup>10</sup> But it is too simple to present the essence of feudalism as 'a system of production for use' as a contradictory to 'production for the market'. Exchange-value (commodities) and money (different from 'capital') lead an 'antediluvian' existence,<sup>11</sup> as it were, could exist and ripen in various kinds of historical social structures. In these early stages almost all of the products of labor go to satisfying the needs of the producers themselves and do not become commodities, and so exchange-value does not entirely control the social production-process; still some commodity production and circulation does take place. Therefore, the question to ask as to a given social structure is not whether commodities and money are present, but rather how those commodities are produced, how that money serves as a medium in production. The products of the ancient Roman latifundia entered into circulation as slave-produced commodities, and the feudal land-owners' accumulations of the products of forced labor or of feudal dues in kind entered into circulation as serf-produced commodities. Again there are the simple commodities produced by the independent self-sufficient peasants or artisans, and the capitalist commodities based on wage labor, and so forth. But it is not the same with capital or capitalism as a historical category. Even on a feudal basis, the products of labor could take the commodity form, for the means of production were combined with the direct producers.<sup>12</sup> For this reason, a 'system of production for the market' cannot define specific historical productive relations (nor, therefore, class relations.) Sweezy clearly misses the point when, in the passage relating to the definition of feudalism, he hardly mentions feudal ground-rent, the concentrated embodiment of the antagonistic seigneur-peasant relationship and lays principal stress on 'system of production for use'

<sup>9</sup> 'Reply,' above, p. 21. Cf. Marx, *Capital*, Vol. III (Chicago, 1909), p.918.

<sup>10</sup> 'Critique,' above, p. 2 and p. 15, n. 22.

<sup>11</sup> *Capital*, Vol. I (Chicago, 1906), p. 182; Vol. III (Chicago, 1909) p. 696.

<sup>12</sup> *Capital*, Vol. I, p. 394.



or 'system of production for the market,' i.e. on the relations obtaining between producers and their markets, on exchange relationships rather than productive relationships. His position seems to be a sort of circulationism.

We should prefer to start from the following theses: The contradiction between feudalism and capitalism is not the contradiction between 'system of production for use' and 'system of production for the market,' but that between feudal land-property—serfdom and an industrial capital—wage-labor system. The first terms of each pair are modes of exploitation and property relationship, the latter terms are existence-forms of labor power and hence of its social reproduction. It is possible to simplify this as the contradiction of feudal land property and industrial capital.<sup>18</sup> In feudalism, since the immediate producers appear in combination with the means of production, and hence labor power cannot take the form of a commodity, the appropriation of surplus labor by the feudal lords takes place directly, by extra-economic coercion without the mediation of the economic laws of commodity exchange. In capitalism, not merely are the products of labor turned into commodities, but labor power itself becomes a commodity. In this stage of development the system of coercion disappears and the law of value holds true over the entire extent of the economy. The fundamental processes of the passage from feudalism to capitalism are, therefore: the change in the social form of existence of labor power consisting in the separation of the means of production from the direct producers; the change in the social mode of reproduction of labor power (which comes to the same thing); and the polarization of the direct producers, or the dissociation of the peasantry.

Dobb's analysis started directly from feudal land property and serfdom themselves. But for example, when we are analyzing the concept of 'capital,' we cannot start directly from capital itself. As the well-known opening passage of *Capital* says, 'the wealth of those societies in which the capitalist mode of production prevails, presents itself as an immense accumulation of commodities,' and the single commodities appear as the elementary form of this wealth. Thus, just as the study of *Capital* starts with analysis of the commodity, and goes on to show the development of the categories Commodity → Money → Capital, so likewise when analysing feudal

<sup>18</sup> c.f. *Capital*, Vol. 1, p. 182. And also Vol. II (Chicago, 1907), p. 63: 'Industrial capital is the only form of existence of capital, in which not only the appropriation of surplus value or surplus product, but also its creation is a function of capital. Therefore it gives to production its capitalist character. Its existence includes that of class antagonisms between capitalists and laborers. To the extent that it assumes control over social production, the technique and social organization of the labor process are revolutionized and with them the economic and historical type of society. The other classes of capital, which appear before industrial capital amid past or declining conditions of social production, are not only subordinated to it and suffer changes in the mechanism of their functions corresponding to it, but move on it as a basis, live and die, stand and fall with this basis.'



land property obviously the method cannot be restricted to a mere historical narration, but must go on to deal with the nature of the laws of feudal society. That is, starting from the simplest and most abstract categories and advancing systematically, we finally reach the most concrete and complex category, feudal land-ownership. Then, taking the inverse logical path, the initial categories now reappear as containing a wealth of specifications and relationships.<sup>14</sup> What will be the elementary form, cell, or unit of a society based on the feudal mode of production? What categories will occupy the first place in the analysis of feudal land property? Tentatively the elementary unit should be set as the *Hufe* (virgate, *manse*); then the *Gemeinde* ([village] community, *communauté rurale*) should be taken as the intermediate step; and we should end by developing in orderly fashion the highest category of feudal land property (*Grundherrschaft*, manor, *seigneurie*).<sup>15</sup>

<sup>14</sup> *A Contribution to the Critique of Political Economy* (Chicago, 1904), p. 294 f.

<sup>15</sup> The *Hufe* (virgate) is a total peasant share (*Werteinheit*, Lamprecht calls it) composed of a *Hof* (a plot of ground with a house on it), a certain primary parcel of arable land (*Flur*) and a part in the common land (*Allmende*); or, roughly, 'land enough to support the peasant and his family' (Waitz). It is the natural object by which the peasant maintains himself (or, labor power reproduces itself). Its economic realization, in that sense the *Hufe's* general form, is the community or the communal collective regulations: the *Flurzwang* or *contrainte communautaire* (G. Lefebvre), *servitudes collectives*, (Marc Bloch) which go with the *Dreifelderwirtschaft* and the open-field system, *Gemengelage* or *vaine pâture collective*. The collective regulations constitute an apparatus of compulsion by which the labor process is mediated. However, the inevitable expansion of productivity arising out of the private property inherent in the *Hufe* led, and could not but lead, to men's 'rule over men and land' (Wittich). The relationships of domination and dependence into which this sort of *Hufe* community branched off constituted the feudal lord's private property, i.e., the manor, or feudal land property. In this way we have the sequence of categorical development, *Hufe* → *Gemeinde* → *Grundherrschaft*. Conversely, as this sort of domination by the feudal lord took over the village community and the *Hufe*, and the rules of seigneurial land property penetrated them, *Hufe* and village community as 'natural' objects and their mutual relations were changed into a historical (specifically, the feudal) form and relationships. Now, under feudal land property, the *Hufe* appears as a peasant holding (*Besitz*, tenure) and the communal regulations of customs are turned into instruments of seigneurial domination. They become historical conditions for realizing feudal rent and making sure of labor power; the peasant is tied to his land (appropriation). At the same time, the peasant's labor process becomes the process of rent formation; the unity of the two will constitute the feudal productive process. In general, coercion (communal regulations and the forced exaction of feudal dues by the lord) is the mediating factor in feudal reproduction, just as in capitalist society the circulation process of capital appears as the mediating factor in capitalist reproduction. The collapse of feudal society therefore is the disappearance of this system of coercion. On the other hand, since these feudal compulsions operate within a framework in which the direct producer is linked with the means of production, the dissolution of these compulsions (the prerequisite for modern private property and the bourgeois freedom of labor) produces the conditions for the separation of the means of production from the direct producers (expropriation). For details, see my *Skimin kakumei no kozo* (*Structure of the Bourgeois Revolution*), (Tokyo, 1950), p. 77-85.



Of course this sort of logical development of the categories virgate → community → manor is not the historical process itself. However, it is precisely the study of the logical structure of feudal land-property, starting from its elementary form, which makes clear the historical law of the rise, development and decline of feudal society, something which 'bourgeois' historical science has not yet obtained, but the first volume of *Capital* suggests. On this account, questions of basic method arise in connection with the excellent analysis of feudal society which Sweezy and Dobb, as we should naturally expect, have given us.

## II

Sweezy looked for the crucial feature of feudalism in a 'system of production for use,' and so had to explain the decline of feudalism in the same way. He is certainly not unaware of the existence of the feudal mode of production in Eastern Europe and Asia; why then did he restrict his consideration of the question to Western Europe alone? Is he going along with the bourgeois legal historians in describing the feudal system as *Lehnswesen*? For example, J. Calmette's *La société féodale*, in the popular Collection Armand Colin,<sup>16</sup> states on its first page that feudalism is peculiar to the middle ages in Western Europe, and denies the reality of a Japanese feudalism. Or was Sweezy's treatment motivated by the historical fact that modern capitalism arose and grew to maturity in Western Europe? He says that 'western European feudalism . . . was a system with a very strong bias in favor of maintaining given methods and relations of production' and refers to 'this inherently conservative and change-resisting character of western European feudalism.'<sup>17</sup> It means little, however, to point out that feudalism was conservative with respect to its categorical opposite, modern capitalism. Compared with the feudalism of Eastern Europe or the Orient, Western European feudalism does not appear as more conservative: quite the contrary. The decisive factor in checking the autonomous growth of modern capitalist society in Eastern Europe and Asia was precisely the stability of the internal structure of feudal land property in those countries. The fact that modern capitalism and bourgeois society may be said to have taken on their classic form in Western Europe indicates rather an inherent fragility and instability of feudal land property there. Sweezy's meaning is perhaps that Western European feudalism, being intrinsically conservative and change-resisting, could not collapse because of any force internal to feudalism; the collapse began only because of some external force. Since for Sweezy feudalism was 'a system of production for use,' the force coming from outside such a system to destroy it was 'production for the

<sup>16</sup> Paris, 1932. Other French historians, notably Marc Bloch and Robert Boutruche, think otherwise, however, and are deeply interested in Japanese feudalism. Marx already in ch. 24 of the first volume of *Capital* speaks of the 'purely feudal organization' in Japan.

<sup>17</sup> Above, p. 3.



market' ('an exchange economy') or 'trade.' About half of his whole essay in criticism of Dobb is devoted to a detailed discussion on this point.

Now in the 14th and 15th centuries the devastation of village communities, the decrease in the rural population, and the consequent shortage of money on the part of feudal lords were general, and gave rise in England, France and Germany to the *crise des fortunes seigneuriales*.<sup>18</sup> The exchange- or money-economy which began to make strides during the late middle ages led to the ruin of a large part of the feudal nobility whose basis was the traditional 'natural' economy.<sup>19</sup> The so-called medieval emancipation of the serfs was based chiefly on the seigneurs' need for money—usually for war or for the increasing luxury of the feudal nobility.<sup>20</sup>

On Sweezy's hypothesis, the feudal ruling class' constantly increasing demand for money in this 'crisis' of feudalism arose from the ever greater luxury of the feudal nobility, a conception similar to that presented in the first chapter on the *Hof*<sup>21</sup> of Sombart's *Luxus und Kapitalismus*. The excessive exploitation of the peasants by their lords, to which Dobb would ascribe the source of the collapse of feudalism, was really, in Sweezy's view, an effect of the lords' need for cash. With the resultant flight of the peasants there came the establishment of the cities, which produced the money economy. Thus, according to Sweezy, Dobb 'mistakes for immanent trends certain historical developments [of feudalism] which in fact can only be explained as arising from causes external to the system.'<sup>22</sup> The 'external' force which brought about the collapse of feudalism was 'trade, which cannot be regarded as a form of feudal economy,' especially long-distance trade, not the local or inter-local market.<sup>23</sup>

'We ought,' Sweezy says, 'to try to uncover the process by which trade engendered a *system* of production for the market, and then to trace the impact of this process on the pre-existent feudal system of production for use.' Thus he saw 'how long-distance trade could

<sup>18</sup> Marc Bloch, *Caractères originaux de l'histoire rurale française* (Oslo, 1931), p. 117-19; H. Maybaum, *Die Entstehung der Gutswirtschaft im Mecklenburg* (Stuttgart, 1926), p. 109-13; and the recent excellent work of R. Boutruche, *La crise d'une société* (Paris, 1947), II.

<sup>19</sup> Cf., eg., R. Boutruche, 'Aux origines d'une crise nobiliaire,' *Annales d'histoire sociale*, Vol. I. No. 3 (Paris, 1939), p. 272 f.

<sup>20</sup> Marc Bloch, *Rois et serfs* (Paris 1920), p. 59 f., p. 174 f., etc.; A. Dopsch, *Naturalwirtschaft und Geldwirtschaft in der Weltgeschichte* (Wien, 1930), p. 178.

<sup>21</sup> Sombart, *Luxus und Kapitalismus*, 2nd ed., (München, 1922), Ch. I.

<sup>22</sup> Above, p. 7.

<sup>23</sup> From the point of view of the social division of labor I should like to stress rather the local or inter-local exchange, or internal market; on this subject we must take into consideration Hilton's valuable suggestions in his *Economic Development of Some Leicester Estates in the 14th and 15th Centuries*. Dobb was able to grasp both the rise of industrial capital and the formation of the 'internal market' in an indivisible relation; see *Studies*, p. 161 f. On this point cf. the method of *Capital*, Vol. I. ch. xxx.



be a creative force, bringing into existence a system of production for exchange alongside the old feudal system of production for use.' While Sweezy is well aware of the many historical facts showing that an 'exchange economy is compatible with slavery, serfdom, independent self-employed labor and wage-labor,' he does not properly appreciate one of the strong points of Dobb's theory, concerning the feudal reaction and what Engels calls the second serfdom in Eastern Europe. Sweezy, following Pirenne, looks for the explanation 'in the geography of the second serfdom, in the fact that the phenomenon becomes increasingly marked and severe as we move eastward away from the centre of the new exchange economy.'<sup>24</sup> Dobb, however, using various recent studies, brings out the fact that:

'It was precisely in the backward north and west of England that serfdom in the form of direct labour services disappeared earliest, and in the more advanced south-east, with its town markets and trade routes, that labour services were most stubborn in their survival. Similarly, in . . . eastern Europe intensification of serfdom in the fifteenth and sixteenth centuries was associated with the growth of trade, and the correlation was, not between nearness to markets and feudal disintegration . . . , but between nearness to markets and strengthening of serfdom.'<sup>25</sup>

The essential cause therefore is not trade or the market itself; the structure of the market is conditioned by the internal organization of the productive system. Kosminsky has formulated this point even more clearly than Dobb. 'Production for exchange' on the large feudal estates and church lands of Southern and Eastern England, which had the structure of the 'classical manor,' evoked the obvious response of the growth of labor services and the intensification of serfdom; whereas in Northern and Western England, with their small and medium-sized secular estates, the obvious response called forth was the formation of money rents and the decline of serfdom. Actually, as the exchange- or money-economy developed, 'feudalism dissolved soonest and most easily in those areas and on those estates [the 'non manorial estates'] where it had been least successful in establishing itself,' while in those places (on the 'classical manors') which successfully set up and maintained domination over the unfree serf population in the process of 'adapting the system of labour services to the growing demands of the market' it could lead to an intensification of the feudal exploitation of the peasantry, and in many cases did. Thus, it is precisely the *Rittergut* or *Gutswirtschaft* production for the market that took form in Eastern Germany (the fullest embodiment of Kosminsky's and Postan's 'feudal reaction') that typifies

<sup>24</sup> Above, p. 11.

<sup>25</sup> 'Reply,' above, p. 24 *Studies*, p. 34-42, 51-59. Chapters 20 and 36 of Vol. III of *Capital* tend to bear Dobb out; see p. 384 f., 389, 391 f. '... in the 16th and 17th centuries the great revolutions, which took place in commerce with the geographical discoveries and rapidly increased the development of merchants' capital, form one of the principal elements in the transition from feudal to capitalist production. . . . However, the modern mode of production, in its first period, the manufacturing period, developed only in places, where the conditions for it had been previously developed during medieval times,' p. 391 f.



the 'second serfdom' to which Sweezy and Dobb refer. The essential point is that 'the development of exchange in the peasant economy, whether it served the local market directly, or more distant markets through merchant middlemen, led to the development of money rent. The development of exchange in the lords' economy, on the other hand, led to the growth of labour services.'<sup>28</sup>

Sweezy is right in regarding the 'crisis' at the end of the middle ages as a product of the disintegrating action of trade on the system of production for use. He falls into error when he is so absorbed in trade, especially the development of long-distance trade, as to ascribe to it the collapse of feudalism itself. Certainly the disintegrative action of trade, in England at least,—and in general too, as Dobb points out in reply to Sweezy's criticism<sup>27</sup>—accelerated the process of differentiation among the petty producers, tending to create a class of yeoman kulaks on the one hand and a local semi-proletariat on the other, with the final result of the collapse of feudalism and the establishment of capitalist production. R. H. Tawney<sup>28</sup> showed the presence in 16th century England of such a capitalist disintegrative process—the trend toward 'the tripartite division into landlord, capitalist farmer and landless agricultural laborer' which is characteristic of modern English agriculture. However, this division had its origin within the structure of already existing English feudal society, and there is no reason to ascribe it to trade as such. In taking up this point, Dobb's reply to Sweezy is inadequate and makes unnecessary concessions. He should have pointed out more concretely how in Western Europe too the destruction of the class of small peasant producers by trade did not always result in the formation of capitalist production but also in bringing about the feudal reaction. In France, for example, the 'crisis' had the effect of restoring feudalism, not of finally destroying it.<sup>29</sup> In France at that time, the dissolution by trade of the class of small peasant producers did not establish

<sup>28</sup> E. A. Kosminsky, 'Services and Money Rents in the 13th Century,' *Economic History Review*, Vol. V. (London, 1935), No. 2, p. 42-45. Hence, 'The rise of money economy has not always been the great emancipating force which nineteenth-century historians believed it to have been . . . the expansion of markets and the growth of production is as likely to lead to the increase of labour services as to their decline. Hence the paradox of their increase in Eastern Germany, at the time when the production of grain for foreign markets was expanding most rapidly, and hence also the paradox of their increase in England, too, at the time and in the places of the highest development of agricultural production for the market during the middle ages [viz., the 13th century].' M. Postan, 'The Chronology of Labour Service,' *Transactions of the Royal Historical Society*, 4th series, Vol. XX (London, 1937), p. 192 f., p. 186.

<sup>27</sup> 'Reply,' above, p. 23.; cf. *Studies*, p. 60. —

<sup>28</sup> *Agrarian Problem in the Sixteenth Century*. (London 1912).

<sup>29</sup> In this crisis 'though the lords may have changed frequently, the framework of the feudal hierarchy appeared as it had been during the previous century,' Y. Bezard, *La vie rurale dans le sud la région parisienne* (Paris, 1929), p. 54. 'The seigneurial regime was untouched. Even more: it will not be long in acquiring a new vigor. But seigneurial property, to a great extent, has changed hands,' Bloch, *Caractères originaux*, op. cit., p. 129.



a capitalist wage-labor system, but initiated usurious land-proprietorship, *Laboureurs-fermiers* and *Labourers-marchands* on the one hand and semi-serfs on the other.<sup>30</sup> The latter were the prototype of those and cf. p. 82, 93, 121, 268-271.

*métayers* whom Arthur Young, in his *Travels in France*, describes as victims of 'a miserable system that perpetuates poverty'; but at the time we are speaking of they were neither in the category of the proletariat nor in the stage of *métayage* which marks the transition from feudal dues to capitalist rent.<sup>31</sup> Both Sweezy and Dobb treat of the disintegrative action of trade on feudalism and the 'feudal reaction' without going beyond feudal land property with its labor services, whereas they should have considered rents in kind too; the latter would be the more important question for France and Japan.<sup>32</sup>

Sweezy does not take the break-up of a given social structure as the result of self-movement of its productive forces; instead he looks for an external force.' If we say that historical development takes place according to external forces, the question remains, however, how those external forces arose, and where they came from. In the last analysis these forces which manifest themselves externally must be explained internally to history. The dialectics of history cannot go for-

<sup>30</sup> Raveau gives a vivid picture confirming this fact, *L'agriculture et les classes paysannes au XVI<sup>e</sup> siècle* (Paris, 1926), p. 249 f. In Poitou, the development of the exchange-money economy divorced the peasants from the land, but did not make them into a proletariat. When the peasants sold their holdings, they were not driven off the land, but were bound to it by the new proprietors to cultivate it on half-shares (*à demi-fruits*). The new *métayers* could only subsist by selling the following harvest ahead of time or by getting advances in grain or money from the stocks of the new proprietors. The new debts compelled the peasants to sacrifice the next harvest too, and they were caught in a vicious circle from which they could not escape. 'They were riveted down to their holdings; the merchants created a new serfdom by means of their capital,' *Ibid.*, p. 80; and of p. 82, 93, 121, 268-271.

<sup>31</sup> The written *métayage* contracts of the old regime bind the peasant renters to personal, that is feudal obligations of *fidélité*, *obéissance*, *soumission*, J. Donat, *Une communauté rurale à la fin de l'ancien régime* (Paris, 1926) p. 245. *Métayage* gave rise to 'veritable bonds of personal dependence between bourgeois and peasant', Bloch, *Caractères originaux*, *op. cit.*, p. 143. And G. Lefebvre, the authority on agrarian and peasant questions at the time of the French Revolution, points out the existence in *métayage* of an aristocratic tradition of relations of *protection et obéissance*—that is, of feudal subordination—between landed proprietor and *métayer* in the old regime, Lefebvre, *Questions agraires au temps de la Terreur* (Paris, 1932), p. 94.

<sup>32</sup> This point is the more important one in Asia, where natural rents (rents in kind) predominate. The form of dues in kind 'is quite suitable for becoming the basis of stationary conditions of society, such as we see in Asia . . . This rent may assume dimensions which seriously threaten the reproduction of the conditions of labor, of the means of production. It may render an expansion of production more or less impossible, and grind the direct producers down to the physical minimum of means of subsistence. This is particularly the case, when this form is met and exploited by a conquering industrial nation, as India is by the English,' *Capital*, Vol. III, p. 924 f. See 'Hoken shakai kaitai e no taio ni tsuite' ('On the Opposition to the Break-Up of Feudalism') in my *Kindai shakai seiritsu shiron* (*Historical Essay on the Formation of Modern Society*) (Tokyo, 1951), p. 113 f.



ward without self-movements (the contradictions of inner structure). Internal movements and external influences of course react on each other; and Dobb points out how enormous an influence external circumstances can exert; still, 'the internal contradictions . . . determine the particular form and direction of the effects which external influences exert,'<sup>33</sup> Sweezy's insistence that the collapse of Western European feudalism was due to the impact of external causes only—trade and the market, especially the external one—follows from his very method of historical analysis.<sup>34</sup>

### III

One very important point of Dobb's is his emphasis on the fact that capitalism grew out of a petty mode of production, which attained its independence and at the same time developed social differentiation from within itself. Dobb's thesis presents the historical question in two phases: first, this petty production gradually established itself solidly as the basis of feudal society; then this small-scale production, as the result of the development of productivity, escapes from feudal restrictions, arrives at its own disintegration, and thereby creates the capitalist relationships.<sup>35</sup>

(A.) However, the firm establishment of the petty mode of production as the basis of feudalism occurs in the dissolution process of the 'classical' manorial system (the labor rent stage of feudal landed property), the system of direct exploitation of the seigneurial demesne on the classical manor system, namely weekly forced labor by the serfs (week-work). The way in which the emancipation of the serfs went along with this process is shown in a general way at least by modern historians. The process can be seen in the commutation of services in 14th and 15th century England, with a complete change from labor rent directly to money rent, signifying actually the disappearance of serfdom; or again in Southwestern Germany and especially France, where the first stage in the abolition of labor services was the establishment of fixed rents in kind which gradually were changed into money rents. From the 12th and 13th century on, in France and Southwest Germany, the lords' demesne lands (*domaine proche, Salland*), which had hitherto been cultivated

<sup>33</sup> 'Reply,' above, p. 23.

<sup>34</sup> The historical conception of the decline of a society as self-disintegration as the result of this sort of internal self-development, is confirmed even by 'bourgeois' historians, e.g., with respect to the decline of classical antiquity, Eduard Meyer emphasized that the decline of the Roman Empire did not come about because of the invasions of barbarian tribes from without, but that the invasions took place only at a time when the Empire had already decayed internally: E. Meyer, *Kleine Schriften*, Vol. I, 2nd ed., (Berlin 1924), p. 145f., 160. Also Max Weber, 'Die sozialen Gründe des Untergangs der antiken Welt,' (1896) in *Gesammelte Aufsätze zur Soz. u. W.G.* (Tübingen, 1924), p. 290 f., 293-97. Cf. *Capital*, Vol. III, p. 390 f.

<sup>35</sup> *Capital*, Vol. I, p. 367, *Ibid.*, Vol. III, p. 393. See 'Shoki shihon shugi no keizai kozo' ('Economic Structure of Early Capitalism') in my *Kindai shihon shugi no seiritsu* (*Formation of Modern Capitalism*) (Tokyo, 1950), p. 3 f.



by the serfs' forced labor (*Frondienst, corvée*), was parcelled out to the peasants and entrusted to them for cultivation. The peasants no longer rendered forced labor services to the lord, but turned over to him a fixed proportion of the crop as dues (*campi pars, champart, terrage, agrier*).<sup>36</sup> Although this process was a necessary concomitant of a partially established money rent, yet the basic part of the feudal rent was now no longer labor services, but a 'rent' (*redevance, Abgabe*), as historians call it. This sort of feudal land property, arising as a result of the collapse of the manorial system (or *Villikationssystem*), was feudal land property under small-scale peasant management, or what German historians term *Rentengrundherrschaft* or *reine Grundherrschaft*.<sup>37</sup>

This change in the structure of feudal land property accompanying the decline of the manorial system brought a change in the form of rent: in England to money rent, in France and Germany to rent in kind; but it did not produce any basic change in the nature of feudal rent. The peasants had previously contributed surplus labor directly in the form of work, and now paid it in realized forms—products or their money price. The change came to nothing more than this. In both cases the rent appears as the 'normal form' of surplus labor, and does not have the nature of a part of the 'profit,' realized by the producers and paid in the form of capitalist rent. Although a 'profit' actually does arise, the rent constitutes a 'normal limit' to this profit formation. In both cases the feudal landlords, in virtue of that ownership, use 'extra-economic coercion' directly, without the intervention of the laws of commodity exchange, to take the surplus labor from the peasant producers (*tenanciers, Besitzer*) who actually occupy the land, the means of production. However, the method of exacting rent, the form of extra-economic coercion, is changing. At the time of the classical manorial system, the labor of the peasants on the demesne was organized under the direct supervision and stimulation of the lord or his representative (*villicus, bailiff, maire, sergent*). On the *reine Grundherrschaft*, however, the entire process of agricultural production was now carried out on the peasants' own parcels, and their necessary labor for themselves and their surplus labor for the lord were no longer separate in space and time. The direct producers were able to arrange their entire labor time pretty much as they wished. The emancipation of the peasants in medieval France and Southwest Germany, that is, the change from the status of serfs (*Leibeigene*) to sokemen or yeomen (*Hörige, vilains francs*) took place on a large scale in the 13th-15th centuries. Thus the method of exacting rent changed from various sorts of per-

<sup>36</sup> Bloch, *Caractères originaux*, op cit., p. 100 f.; Olivier Martin, *Histoire de la prévôté de vicomte de Paris*, Vol. I (Paris, 1922), p. 420 f.

<sup>37</sup> Max Weber, *Wirtschaftsgeschichte* (Tübingen, 1923), p. 101; G. v. Below, *Ges. der deutschen Landwirtschaft in Mittelalter* (Jena, 1937), p. 73-76. Cf. among Japanese studies of Western European medieval history Senroku Uehara's 'Grundherrschaft in Klosterburg Monastery' (1920) in his collection *Doitsu chusei no shakai to keizai* (*German Medieval Society and Economy*).



sonal and arbitrary obligations to certain *real* (*dinglich*) relations of things, and the feudal payment-exaction relations between lords and peasants became contractually fixed. These contractual relations were, to be sure, not like those of modern bourgeois society, where free commodity owners mutually bind themselves as mutually independent personalities, legally on a single plane; they took the form rather of customary law (rent in kind itself was often called *coutumes*, *Gewohnheitsrecht*, and the peasants who paid it *coutumiers*). Thus for the first time it is possible for us to speak of 'peasant agriculture on a small scale' and the independent handicrafts, which together formed 'the basis of the feudal mode of production.'<sup>38</sup>

As rent in kind gives way to money rent, these small-scale peasant farms, the petty mode of production in agriculture, become more and more clearly independent, and at the same time their self-disintegration too goes on more rapidly and freely. As money rent establishes itself, not only do the old traditional personal relations between lord and peasant change into the more objective impersonal money relations, but, as with the 'rent of assize,' the part of the surplus labor which is set as fixed money rent becomes relatively smaller, with the advance of labor productivity and the consequent fall in money-value. To this extent surplus labor forms what has been called an 'embryonic profit,' something going to the peasants (direct producers) over and above the amount necessary for subsistence, which the peasants themselves could transform into commodities. As for the money rent, its value became so low that in effect the peasants were released from the obligation of paying it.<sup>39</sup>

The original peasant holdings had been turned into free peasant property. The peasants formerly on the old tenures set for themselves the rate at which they redeemed the feudal rents, freed themselves from the regulations of feudal land property, and became proprietors of their lands. The formation of this sort of independent self-sustaining peasants—historically, the typical representative is the English yeomanry—resulted from the disintegration process of feudal land property and established the social conditions for money rent. Looking at the process from another angle, we can say that when money rent had been established generally and on a national scale, the peasants (the direct producers), in order merely to maintain and

<sup>38</sup> See *Capital*, Vol. I, p. 367, note; and cf. my 'Iwayuru nodo kaiho ni tsuite' ('On so-called Serf Emancipation') in *Shigaku zasshi* (*Zeitschrift für Geschichtswissenschaft*), Vol. 51, 1940, No. 11-12; and my *Kindai shakai seiritsu shiron* (*Historical Essay on the Formation of Modern Society*), p. 36-51.

<sup>39</sup> '... sometimes the freeholders shook themselves loose from all payments and services altogether . . . the connection of the freeholders with the manor was a matter rather of form and sentiment than of substance,' Tawney, *Agrarian Problem in the Sixteenth Century*, *op. cit.*, p. 29-31, 118. Up to the sixteenth century their relations with respect to their manorial lords were mainly formal. The situation was the same in parts of France. For example, in Poitou during the 16th century, many deeds of sale end by saying, 'The seller could not say of what lord and under what dues the places which are the object of the present sale are held,' Raveau, *op. cit.*, p. 70, 102 f, 264, 288.



reproduce such a state of affairs, did to be sure satisfy the major part of their direct requirements for sustenance by the activities of a natural economy (production and consumption); but a part of their labor power and of the product of their labor, at the very least a part corresponding to the previous feudal rent, always had to be turned into commodities and realized in money by the peasants themselves. In other words, the peasants were in the position of commodity producers who simply had to put themselves always in contact with the market,<sup>40</sup> and whose position as commodity producers brought about the inevitable social differentiation of that condition, the petty mode of production.<sup>41</sup>

(B.) Now there was an interval of two centuries between the passage from labor services to money rents and the disappearance of serfdom, in the 14th century, and the initial point of the true capitalist era in the 16th century (in England, the 200 years from Edward III to Elizabeth). Let us examine the way in which Sweezy and Dobb handle this interval, the recognition of which, in Dobb's words, is 'vital to any true understanding of the passage from feudalism to capitalism.'<sup>42</sup>

\* Sweezy holds that serfdom came to an end in the 14th century. This is correct, for labor services actually had been replaced by money rents by that time. Although he warns us that this change is not identical with the end of feudalism itself, still he treats them alike when he deals with the two centuries between the termination of feudalism and the inception of capitalism, and to this extent he is wrong. For, although the peasants had been freed from direct serfdom (labor services), they were still burdened with and regulated by the money rent which was the expression of feudal land property; and although the money rent contained a smaller and smaller part of their surplus labor, the peasants did not shake off the servile category. Sweezy's conception of money rent as essentially a transitional form between feudal rents and capitalist rent corresponds to his methodology. In the words of the passage Dobb refers to, the basis of money rent was breaking up, but 'remains the same as that of the

<sup>40</sup> Where a definite [viz., contractual] social productivity of labour has not evolved or, what comes to the same thing, when the peasants do not have a corresponding social position as commodity producers, the money rent is imposed and exacted from above, and cannot completely replace the traditional rents in kind. Not only do both forms appear side by side, as for example in the old regime in France; but very often history presents the spectacle of a reversion to rents in kind (the reappearance of labor services in the *Ostelbe* in Germany, or of rent in kind in France). When money rent was imposed on the peasants in such circumstances, despite their unripeness in various respects as commodity producers, it did not work toward peasant emancipation, but toward their impoverishment.

<sup>41</sup> Tawney's *Agrarian Problem in the Sixteenth Century*, *op. cit.*, gives many instances of this breaking up of the peasant class. The virgate system (*Hufenverfassung*), the comparatively uniform standard system of peasant holdings as seen in the 13th century manor, now disappears for good. It gets to the point where, to cite Tawney (*op. cit.*, p. 59 f.), 'Indeed there is not much sense in talking about virgates and half-virgates at all.'

<sup>42</sup> 'Reply,' above, p. 25.



rent in kind [in England, labor services], from which it starts."<sup>43</sup> That is, the direct producers were, as before, peasant landholders (*Besitzer*); the difference is only that they now paid their surplus labor changed into money form to their landlords, in accordance with extra-economic coercion, 'political constraint and the pressures of manorial custom,' as Dobb put it.<sup>44</sup> Money rent, in its 'pure' form, is only a variant of rent in kind, or labor services, and in essence 'absorbs' profit in the same 'embryonic' way as does rent in nature.<sup>45</sup> Out of this economic condition there arose both the peasants that were to do away with feudal rent altogether and the industrial capitalists that were to remove limits to industrial profit, both necessarily allied in the bourgeois revolution against the landed aristocracy and the monopolistic merchants.

Why then did Dobb find it necessary to assert that 'the disintegration of the feudal mode of production had already reached an advanced stage before the capitalist mode of production developed, and that this disintegration did not proceed in any close association with the growth of the new mode of production within the womb of the old,' and that therefore this period 'seems to have been neither feudal nor yet capitalist so far as its mode of production was concerned'?<sup>46</sup> He does see beyond the usual view that with the establishment of money rent, and hence the disappearance of serfdom, the end of feudalism had come. Now, the overwhelming majority of peasants in 16th century England paid money rents. The prosperous freehold farmers no longer paid feudal dues and had risen to the status of independent free producers (Tawney's 'prosperous rural middle class'). These 'kulak yeomen farmers' employ their poorer neighbours both in agriculture and in industry, although still on a small scale (Tawney's 'Lilliputian capitalists'). Since Dobb is fully aware of these facts, his meaning is probably that although the class of independent semi-capitalist farmers was expanding during this interval, labor itself as a whole did not yet come intrinsically into subordination to capital.

However, it is not the case that after the peasant class had been emancipated from the feudal mode of production, then this free and independent peasantry disintegrated or polarized. Historically the peasant class had already split to a certain extent at the time of serfdom. Serfs were not emancipated under the same economic conditions; and in England, in the rural districts, the peasantry as commodity producers matured especially early; accordingly their emancipation itself sprang also from the self-disintegration of the peasant class. Thus Dobb had to correct his formulation in the *Studies* by now saying that these centuries were 'transitional, in the sense that

<sup>43</sup> *Capital*, Vol. III, p. 926. Cf., 'Reply,' above, p. 26.

<sup>44</sup> 'Reply,' above, p. 26.

<sup>45</sup> 'To the extent that profit arises in fact as a separate portion of the surplus labor by the side of the rent, money rent as well as rent in its preceding forms still is the normal barrier of such embryonic profit,' *Capital*, Vol. III, p. 927.

<sup>46</sup> *Studies*, p. 19 f.



the old was in process of rapid disintegration and new economic forms were simultaneously appearing.<sup>47</sup>

Sweezy on the other hand, remains too much of a prisoner of Dobb's earlier formulation, 'neither feudal nor yet capitalist.' For Sweezy, 'the transition from feudalism to capitalism is not a single uninterrupted process . . . but is made up of two quite distinct phases which present radically different problems and require to be analysed separately.' He entitles the 'neither feudal nor capitalist' system which prevailed in Western Europe during the 15th and 16th centuries 'pre-capitalist commodity production.' This 'first undermined feudalism and then *somewhat later*, after this work of destruction had been substantially completed, prepared the ground for the growth of capitalism.'

Sweezy deliberately rejects the term of 'simple commodity production' here, although he notes that in value theory it is a term which 'enables us to present the problem of exchange value in its simplest form.' He thinks the term historically inappropriate, since simple commodity production is 'a system of independent producers owning their own means of production and satisfying their wants by means of mutual exchange,' while 'in pre-capitalist commodity production . . . the most important of the means of production—the land—was largely owned by a class of non-producers.'<sup>48</sup> To the extent that the peasants' land was still burdened with feudal rents, even though in money form, the peasant was not an owner of land, in the modern sense, and it is improper to call them independent producers. However, actually in England at that time an upper group of freeholders and customary tenants had been transformed from the status of feudal tenants to that of free independent self-subsistent peasant proprietors.

An even more fundamental matter is Sweezy's unhistorical method in introducing the notion of modern property rights, precisely in treating of feudal land property and tenure. Feudal or seigniorial land property, on our premises, is a form of domination forming the basis for the lord's possession (forcible grasp); the lord's property was *Obereigentum*, *propriété éminente*, and the peasants were *Untereigentümer* or holders (*Besitzer*) of their lands; the peasants' possession (*domaine utile*) was their actual ownership. In view of all this, the legal concepts of private property in modern bourgeois society are inapplicable.<sup>49</sup> Rather, it is precisely the economic content

<sup>47</sup> 'Reply,' above, p. 25.

<sup>48</sup> Above, p. 15.

<sup>49</sup> This is a well-known criticism of *propriété paysanne* in historical circles. For an early phase of the controversy, see Minzes, *Beitrag zur Geschichte der National-güterveräußerung im Laufe der französischen Revolution* (Jena, 1892). Criticizing him later, G. Lefebvre proves that peasants with *une tenure héréditaire*, although still liable to feudal dues, were *paysans propriétaires*, 'Les recherches relatives à la répartition de la propriété et de l'exploitation foncières, à la fin de l'ancien régime,' *Revue d'histoire moderne*, No. 14, 1928, p. 103 f., 108 f. Further see in Raveau, *op. cit.*, p. 126 and M. Bloch, *Annales d'histoire économique et sociale*, Vol. I. 1929, p. 100, further proof that peasant *tenanciers féodaux* were *véritables propriétaires*.



which is important here,<sup>50</sup> namely the combination of the peasants as direct producers with their means of production (land, etc.); capitalism is premised on the separation of the peasants from the land. This is the key to the peasant-bourgeois development of that period. The prosperity arising out of the labor of this sort of producers, subsequent to the disintegration of feudalism but not yet deprived of their means of production, was a *Volksreichtum* and was the effectual social base of the absolute monarchy.<sup>51</sup>

Sweezy falls into contradiction when he calls this period neither feudal nor capitalist, using the transitional category of 'pre-capitalist commodity production,' and at the same time denies the possibility that the peasant basic producers might be 'independent producers.' This contradiction he tries to overcome by describing the money rent paid by these peasants as a transitional form (from feudal rent to capitalist rent). Marx discerns such transitional forms in the *Metäriesystem* or *Parzelleneigentum* of the *kleinbäuerlicher Pächter*,<sup>52</sup> but not in money rent itself. Sweezy's position may be that absolutism was in its essence already no longer feudal. Chapter IV of Dobb's *Studies* and his 'Reply' give an adequate reply on this point and its connection with the bourgeois revolution. In any case, the introduction of the category of 'pre-capitalist commodity production' in this connection is not only unnecessary, but obscures the fact that feudal society and modern capitalist society were ruled by different historical laws. In capitalist society the means of production, as capital, are separated from labor, and the characteristic law of development is that productivity develops (broadening organic composition of capital; formation of an average rate of profit; tendency of the rate of profit to fall; crises) as if it were the productivity of capital. In feudal society, on the other hand, the means of production are combined with the producer, and productivity develops (collapse of the manorial system and development of small-scale peasant agriculture; formation of money rents; tendency of the rent rate to fall; *crise seigneuriale*) as the productivity of the direct producer himself; and therefore the law of development in feudalism can only lead in the direction of the liberation and the independence of the peasants themselves. It is clear again that absolutism was nothing but a system of concentrated force for counteracting the crisis of

<sup>50</sup> "The private property of the laborer in his means of production is the foundation of petty industry, whether agricultural, manufacturing or both; petty industry, again, is an essential condition for the development of social production and of the free individuality of the laborer himself. Of course, this petty mode of production exists also under slavery, serfdom, and other states of dependence. But it flourishes, it lets loose its whole energy, it attains its adequate classical form, only where the laborer is the private owner of his own means of labor set in action by himself," *Capital*, Vol. I, p. 834 f.

<sup>51</sup> *Ibid.*, Vol. I, p. 789.

<sup>52</sup> *Ibid.*, Vol. III, ch. xlvii, sec. 5; Vol. I, p. 814 f.



feudalism arising out of this inevitable development.<sup>53</sup> These, I think, are the 'laws and tendencies,' to use Sweezy's expression, of feudal society, as the method of Volume III of *Capital* suggests.<sup>54</sup>

#### IV

We come finally to the relations between the formation of industrial capital and the 'bourgeois' revolution. The basic economic process of the bourgeois revolution was the abolition of feudal productive relations, in accordance with the development of industrial capital; and we held that this constitutes the *logical* content of the 'passage from feudalism to capitalism,' and that a rational analysis of the historical character of feudalism would first be possible *post festum*, when we take the bourgeois revolution as the starting point. It is therefore most important to explain the development of productive forces which historically made inevitable the bourgeois movement which abolished the traditional feudal productive relations; and the social forms of existence of industrial capital at that time. One of Dobb's most valuable contributions to historical science is that he sought the genesis of industrial capitalists not among the *haute bourgeoisie* but in what was taking form within the class of the petty-commodity-producers themselves in the process of freeing themselves from feudal land property; that is, he looked for their origin in what was being born from the internal economy of the body of small producers; and therefore that he set a high value on the role played by this class of small- and medium-scale commodity-producers as the chief agents of productivity in the early stage of capitalism. According to Dobb, the representatives of capitalist productive relations at that time were to be found in the independent self-sustaining peasant class and the small and middle-scale craftsmen. In particular, the kulak yeoman farmers improved their farms and farming by degrees and purchased the labor power of their poorer neighbours, the cotters; not only did they keep expanding the scale of their productive operations, initiating the country cloth industry (manufacture as the early form of capitalist production) but entrepreneurs of the same type appeared in the town crafts as well.<sup>55</sup> 'Cromwell's New Model Army and the Independents, who were the real driving force of the [English bourgeois] revolution drew their main strength from the provincial manufacturing centres and . . . from sections of the squirearchy and the small and middling type of yeoman farmer.' These elements were steadfast supporters of the English revolution; the chartered merchants and monopolists belonged to the Royalist party, to a great extent; and 'merchant capital, far from always

<sup>53</sup> On the structural crisis of economic society in the 18th century, see the admirable analysis of C.-E. Labrousse *La crise de l'économie française à la fin de l'ancien régime et au début de la révolution* (Paris, 1944), esp. p. vii-lxxv.

<sup>54</sup> See my 'Hoken shakai no kiso mujun' ('Basic Contradictions of Feudal Society') (1949) and my *Shimin kakumei no kozo* (*Structure of the Bourgeois Revolution*), p. 60-62.

<sup>55</sup> *Studies*, p. 125 f., 128 f., 134 f., 142 f., 150 f., etc.; 'Reply,' above, p. 27.



playing a progressive role, was often to be found allied with feudal reaction [absolutism].'<sup>56</sup> To return to the terms of my thesis, the English revolution in the 17th century which destroyed feudal reaction (absolutism) thus marked the first step toward the subordination of merchant capital to industrial capital.

This way of posing the problem and of historical analysis appeared in Japan independently of Dobb, and earlier and more consciously, in the creative and original historical theories of Hisao Otsuka.<sup>57</sup> I should say therefore that Dobb's opinion can be taken

<sup>56</sup> *Studies*, p. 171; 'Reply,' p. 27. above. Dobb's insight that those who carried out the bourgeois revolution, who were the real vehicles of the industrial capital (capitalist production) of that time, were to be found in the rising small and middle bourgeoisie, and that the center of attention must be focussed on the contradiction between them and the merchant and usurer capitalists (*Haute bourgeoisie*), had been reached forty years before him by G. Unwin, *Industrial Organization in the 16th and 17th Centuries* (1904) and Max Weber, *Die Protestantische Ethik und der Geist von Kapitalismus* (1904-05). It is surprising that Dobb, in discussing the 'capitalist spirit' (*Studies*, p. 5, 9), overlooks this remarkable insight of Weber's. Weber brings out clearly two clashing social systems in that heroic period of English history. The 'capitalist spirit' which appeared in the form of Puritanism was the way of life, the form of consciousness best suited to the class of yeomen and small and middle industrialists of that time, and is not to be found in the mentality of 'hunger for money,' 'greed for gain,' common to monopolist merchants and usurers of all times and countries. 'In general, at the threshold of modern times, it was not only, and not even mainly, the capitalist entrepreneurs of the trading patriciate, but much rather the up and coming layers of the industrial middle class which were the vehicles of the attitude that we have here labeled "spirit of capitalism",' Weber, *Gesammelte Aufsätze zur Religionssoziologie*, Vol. I. (Tübingen, 1920), p. 49 f.; and cf. *ibid.*, p. 195 f. On this point even Tawney has not broken away from Brentano's thesis in *Die Anfänge des modernen Kapitalismus* (München, 1916), that the capitalist spirit arose together with profit-seeking commerce. For example, in Tawney, *Religion and the Rise of Capitalism* (London, 1926), p. 319: 'There was plenty of the "capitalist spirit" in fifteenth-century Venice and Florence, or in South Germany and Flanders, for the simple reason that these areas were the greatest commercial and financial centres of the age, though all were, at least nominally, Catholic.' Pirenne, often cited by both Dobb and especially Sweezy, and undoubtedly one of the foremost authorities, published a sketch dealing with 'the evolution of capitalism through a thousand years of history,' entitled 'The Stages in the Social History of Capitalism,' *American Historical Review*, Vol. XIX, (1914), p. 494-515. He pointed out the shift in capitalists from one age to another: modern capitalists did not come from medieval capitalists, but rather from their destruction; essentially, however, Pirenne regarded commodity production and money circulation itself as the mark of capitalism, and, so far as he was concerned, feudal capitalism and modern capitalism 'have only a difference of quantity, not a difference of quality, a simple difference of intensity, not a difference of nature,' *op. cit.*, p.487. For him too, the *spiritus capitalisticus* is the greed for gain born in the 11th century, along with trade.

<sup>57</sup> Hisao Otsuka, *Kindai Oshu keizai shi josetsu (Introduction to the Economic History of Modern Europe)* (Tokyo, 1944). The kernel of the argument of this work is clearly formulated even earlier in the same author's essay, 'Noson no orimoto to toshi no orimoto' ('Country and Town Clothiers') in *Shakai keizai shigaku (Social and Economic History)* (1938), Vol. VIII, No. 3-4.



as confirming the methodological level of the science of economic history in Japan; to Sweezy, perhaps, it is less convincing. Instead of making a concrete analysis of the social genesis and existence-form of industrial capital at that time, all Sweezy does with respect to the classical passage<sup>58</sup> in Volume III of *Capital* on the 'two ways' of transition from the feudal mode of production is to make some critical remarks *en passant* on Dobb's opinions and documentation. Now this Chapter XX (like ch. XXXVI) is a 'historical' one which comes at the end of a number of chapters dealing with merchant capital and interest-bearing capital. Its analysis treats of the nature or laws of early merchant or usury capital, which had an independent existence only in pre-capitalist society; and the process by which, in the course of the development of capitalist production, this merchant capital is subordinated to industrial capital. It is not a question of a merely formal or nominal change, that is of the merchant turning industrialist. Therefore, in discussing the theory of the 'two-ways,' viz. 1) 'the producer becomes a merchant and capitalist'—'this is the really revolutionary way'—; and 2) 'the merchant takes possession in a direct way of production,' the merchant becomes an industrialist, 'preserves it [the old mode of production] and uses it as its premise,' but becomes eventually 'an obstacle to a real capitalist mode of production and declin(ing) with the development of the latter'<sup>59</sup>: all of this should be understood as a whole, in history as well as in theory. A little earlier the text runs, 'In the pre-capitalist stages of society, commerce rules industry. The reverse is true of modern society,' and the question of 'the subordination of merchants' capital to industrial capital' is raised. And after the passage in dispute there come the statements, 'The producer is himself a merchant. The merchants' capital performs no longer anything but the process of circulation . . . Now commerce becomes the servant of industrial production.'<sup>60</sup>

Sweezy's analysis<sup>61</sup> is that the second way, merchant to manufacturer or industrialist, proceeds by the roundabout path of the 'putting-out system,' while in the first way 'the producer, whatever his background [presumably the social background], starts out as both a merchant and an employer of wage-labor,' or 'becomes a full-fledged capitalist entrepreneur without going through the intermediate stages of the putting-out system.' This seems rather a superficial interpretation. In Sweezy the problem is envisaged as a mere comparison of forms of management, and the social character—the contradiction—of the two is lost sight of.

Sweezy's reference to the putting out system as Way No. II is undoubtedly correct. A little further on in the same chapter in *Capital*, the way of 'merchant → industrialist (manufacturer)' is explained; in it the merchant capitalist subordinates the petty pro-

<sup>58</sup> *Capital*, Vol. III, p. 393.

<sup>59</sup> Above, p. 17-8.

<sup>60</sup> *Capital*, Vol. III, p. 389, 392, 395 f.

<sup>61</sup> Above, p. 18-9.



ducers (the town craftsman and especially the village producer) to himself and operates the putting-out system for his own benefit, making loans in advance to the workers. In addition, however, the way of 'producer → merchant (capitalist)' is exemplified, 'the master weaver, instead of receiving his wool in instalments from the merchant and working for him with his journeymen, buys wool or yarn himself and sells his cloth to the merchant. The elements of production pass into his process of production as commodities bought by himself. And instead of producing for the individual merchant, or for definite customers, the master cloth-weaver produces for the commercial world. The producer is himself a merchant.'<sup>62</sup> Here the petty commodity producers are rising toward independence and the status of industrial capitalists from being under the control of merchant capital in the putting-out system. Thus, the whole reference to the original text points not merely to the existence of the two ways, but to their opposition and clash. The substance of the path of 'producer → merchant' is that of a 'revolutionary' process of subordination of the earlier merchant capital to industrial capital (capitalist production).<sup>63</sup>

With respect to Way No. 1, Sweezy, without going so far as altogether to deny the existence of cases of the transformation of petty commodity producers into industrial capitalists, regards them as of no importance in the social genesis of industrial capitalists. He rather takes as the general case the transition directly to industrial capitalists without passing through the detour of the putting-out system. He almost certainly has in mind the centralized manufacturers (*fabriques réunies*), usually pointed out by economic historians, from the facts adduced in J. U. Nef's study of practices in mining and metallurgy.<sup>64</sup> Historically, this sort of centralized manufactures, set up either under the protection and favor of the absolute monarchies as *manufacturers royales (d'état privilégiées)* or as institutions for forced labor, existed in many countries.<sup>65</sup> However, in essence

<sup>62</sup> *Capital*, Vol. III, p. 395.

<sup>63</sup> Again, as for the 'producer becoming a merchant,' a chapter preceding this, which analyzes commercial profit, states: 'In the process of scientific analysis, the formation of an average rate of profit appears to take its departure from the industrial capitals and their competition, and only later on does it seem to be corrected, supplemented, and modified by the intervention of merchant's capital. But in the course of historical events, the process is reversed. . . . The commercial profit originally determines the industrial profit. Not until the capitalist mode of production has asserted itself and the producer himself has become a merchant, is the commercial profit reduced to that aliquot part of the total surplus-value, which falls to the share of the merchant's capital as an aliquot part of the total capital engaged in the social process of reproduction,' *Capital*, Vol. III, p. 337 f. Similarly the development of capitalist production in agriculture reduced rent from the position of being the normal form of surplus labor (feudal rent or services) to the position of being an 'offshoot' of profit (the part over and above the average rate of profit.)

<sup>64</sup> *Industry and Government in France and England, 1540-1640*.

<sup>65</sup> J. Koulischer, 'La grande industrie aux XVII<sup>e</sup> et XVIII<sup>e</sup> siècles. France, Allemagne, Russie,' *Annales d'histoire écon. et soc.*, 1931, No. 9; cf. Dobb, *Studies*, p. 138 f., p. 142 f.; 'Reply,' above, p. 27.



this is not genuine manufacture as the initial form of capitalist production (industrial capital); but a mere cohesion point or node of the putting-out system of merchant capital, as our works have given evidence; and hence this was the same as Way No. II in character. Is this 'revolutionary,' when it was unable to bring about the development of genuine capitalist production? In Western Europe, on the contrary, it was outstripped by the rise of the class of petty producers and their economic expansion, and finally succumbed by degrees. Monopolistic enterprises of this sort, Dobb has pointed out in the case of England, were of a 'conservative' nature and allied with the state power of the absolute monarchy; and therefore in the end they were destroyed and disappeared in the bourgeois revolution.<sup>66</sup> Such an evolution was characteristic in the formation of capitalism in Western Europe, especially in England. On the other hand enormous monopolistic enterprises of this nature played important parts in the establishment of capitalism in Eastern Europe and Japan; but this is not taken up by Sweezy.

Dobb too, however, in dealing with the problem of the 'two ways,' sees the 'producer → merchant' way as the "putting-out," or *Verlag*-system, organized by merchant-manufacturers' or by 'entrepreneurs . . . who took to trade and employed poorer craftsmen on the putting-out system'<sup>67</sup>; here he has clearly fallen into a contradiction. In the historical form of the putting-out system the 'merchant-manufacturers' realize their profit by concentrating the purchase of raw materials and the sale of the products exclusively in their own hands, advancing the raw materials to the small producers as the work to be finished; this cutting-off of the small producers from the market, this monopoly of the market by the putters-out, clearly had the effect of blocking the road on which the direct producers were independently rising as commodity producers, and becoming capitalists.<sup>68</sup> Although

<sup>66</sup> This was the case in France too. Tarlé's studies on industry under the *ancien régime* lead him to stress once more the 'enormously important fact' that the strenuous battle for a broader and freer national production—the propulsive force of French capitalism—was not waged by *la grande industrie* nor by the prosperous *industriels des villes* (the putters-out), but by the *petits producteurs des campagnes*, E. Tarlé, *L'industrie dans les campagnes en France à la fin de l'ancien régime*, (Paris, 1910), p. 53. Labrousse's brilliant work points out the widening economic and social schism and antagonism between the privileged feudal minority and the ensemble of the nation, *Esquisse du mouvement des prix et des revenus en France au xvii<sup>e</sup> siècle* (2 vols., Paris, 1933) vol. II, p. 615, 626, 419-21, 639, 535-544.

<sup>67</sup> *Studies*, p. 138; 'Reply,' above, p. 27.

<sup>68</sup> The putting-out system although it is commodity production, is not capitalist production. The landlord who directly runs the manor by means of the forced labor of the serfs, or the feudal landholder who exacts rent in kind from them, may indeed convert the produce into commodities but are still not capitalists. The putting-out system presupposes the possession of the means of production by the direct immediate producers; it does not presuppose wage-labor. Similarly the system of feudal land property is premised on the holding of the land by the peasants. The feudal lord, diverging from the *Hufe* peasants, put an end to their independence; he got



these *merchants-entrepreneurs* were often called *fabricants* they were not genuinely 'progressive' industrial capitalists. They 'controlled' production only from the outside, and in order to continue their domination, as merchant capitalists, they maintained the traditional conditions of production unchanged; they were conservative in character. This then is not Way No. I, but certainly within Way No. II.

Why then does Dobb take the putting-out system and the putting-out merchants' capital as Way No. I? Perhaps at the base of this opinion lie facts of economic history which are peculiar to England. Dobb identifies the putting-out system with the 'domestic system' (*industrie à domicile, Hausindustrie*). 'On the whole . . . in seventeenth-century England the domestic industry, rather than either the factory or the manufacturing workshop, remained the most typical form of production.'<sup>69</sup> The domestic system in England (a different thing from the German *Hausindustrie*, which is very often identical in content with the *Verlagssystem*) very often denotes independent small and middle industries rather than the putting-out system in the strict and original sense.<sup>70</sup> Moreover, it is worthy of

<sup>69</sup> *Studies*, p. 142 f.

<sup>70</sup> P. Mantoux, *The Industrial Revolution in the 18th Century* (London, 1937) p. 61. Toynbee too points out this state of affairs in English industry before the Industrial Revolution, 'the class of capitalist employers was as yet but in its infancy. A large part of our goods were still produced on the domestic system. Manufactures were little concentrated in towns, and only partially separated from agriculture. The 'manufacturer' was, liter-

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hold of the village community and its collective constraints on the basis of which the mutual relations of the *Hufe* peasants had been organized, and reorganized them within the framework of feudal land property relations and domination. In a similar way, the putting-out merchants emerged from among the independent craftsmen and put an end to their independence, got control of the town craft guilds and their collective constraints on the basis of which the mutual relations of the independent craftsmen had been organized, and reorganized them under the control of merchant capital. The sequence of categorical development — craft → guild → putting-out system (merchant capital) is the — formal or fictitious — projection of the basic logical structure of feudal land property, virgate → community → manor (see above, note 15). Cf. *Contribution to a Critique of Political Economy*, *op. cit.*, p. 302. The separation of the independent craftsmen, who were at once producers and merchants, from their commercial functions of buying the raw materials and selling the products, and the concentration of these functions in the hands of the merchants, were the conditions for the establishment of the merchant capitalist putting-out system. And in the same way it was 'extra-economic constraints' on the part of the merchant putters-out that insured the cutting-off of the producers from the market, that is the negation of their independence as commodity producers. The craftsmen, losing their independence, submitted to the rule of the merchant putters-out. However, in the productive process itself there was as yet no change; rather, the guild and craft conditions of production and labor were maintained as its premises. The change was confined to the process of circulation. At the base of the petty craftsmen's industries, the process of production was unified by the putting-out merchants and came under their control. Thus the putting-out system as a mode of production does not differ essentially from feudal handicrafts. See further Weber, *Wirtschaftsgeschichte*, *op. cit.*, p. 147.



note in English economic history that the conduct of the putting-out system by merchant capital appeared lenient, and that the class of small producers who received advances of raw materials from the merchants were able to establish their independence from the control of the putting-out system with relative ease. Conditions of this sort were especially conspicuous in eighteenth-century Lancashire; according to the study of Wadsworth and Mann, within the lax framework of the putting-out system, weavers could easily rise to be putters-out and the latter to be manufacturers.<sup>71</sup> Dobb may have had some such sort of economic and social situation in mind. His account<sup>72</sup> suggests this: 'many of the new entrepreneurs were small men who had started as 'merchant-manufacturers' of the putting-out system.' The real content, therefore, of the 'merchant-manufacturers' whom Dobb has chosen as Way No. I is not the monopolist oligarchy of putting-out merchant capitalists in the strict sense, who were an obstacle to the development of capitalist production, as we see in the case of the *Verlegerkompagnie*, whose control was abolished with the bourgeois revolution, but is rather the class of small- and middle-scale industrial and commercial capitalists who threaded their way to independence in the interstices of the merchant capitalist 'control' and became the merchant-manufacturers. It is here that Dobb looks for the historical genesis of 'manufacture' as the first stage of capitalist production, and not in what historians call the 'factory' or 'manufactory.' This is undoubtedly one of Dobb's contributions to historical science.<sup>73</sup> But he should have given a more precise development to this comment on the genesis of industrial capital in the light of the internal organization peculiar to English agriculture.

Although Dobb made a concrete and substantial analysis of the 'two ways' and was able to get insight into the historical character of the 'classical' bourgeois revolution, on an international scale his various theses call for re-examination. As for Western Europe, in both England and France that revolution had as its basis the class of free and independent peasants and the class of small- and middle-scale commodity producers. The revolution was a strenuous struggle for the

<sup>71</sup> Wadsworth and Mann, *The Cotton Trade and Industrial Lancashire, 1600-1780* (Manchester, 1931), p. 277; and cf. p. 70-75, 241-248, 273-277.

<sup>72</sup> 'Reply,' above, p. 27.

<sup>73</sup> On this point see Hisao Otsuka, 'Toiya seido no kindai teki keitai' ('Modern forms of the putting-out system') (1942), in his *Kindai shihonshugi no keifu* (*Ancestry of Modern Capitalism*), (Tokyo, 1951), p. 183 f. See too Kulischer's resumé of the results of socio-economic history, *Allgemeine Wirtschaftsgeschichte*, Vol. II (Munich and Berlin, 1929), p. 162 f.

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ally, the man who worked with his own hands in his own cottage. . . . An important feature in the industrial organization of the time was the existence of a number of small master-manufacturers, who were entirely independent, having capital and land of their own, for they combined the culture of small freehold pasture-farms with their handicraft,' *Lectures on the 18th Century in England* (London, 1884), p. 52 f.



state power between a group of the middle class (the Independents in the English Revolution, the Montagnards in the French), and a group of the *haute bourgeoisie* originating in the feudal land aristocracy, the merchant and financial monopolists (in the English Revolution the Royalists and after them the Presbyterians, in the French Revolution the Monarchiens, then the Feuillants, finally the Girondins); in the process of both revolutions, the former routed the latter.<sup>74</sup> Dobb has pointed this out in the case of England.

However, in Prussia and Japan it was quite the contrary. The classical bourgeois revolutions of Western Europe aimed at freeing producers from the system of 'constraints' (feudal land property and guild regulations) and making them free and independent commodity producers<sup>75</sup>; in the economic process it was inevitable that they should be dissociated, and this differentiation (into capital and wage-labor) forms the internal market for industrial capital. It need hardly be said that what constituted the social background for the completion of the bourgeois revolution of this type was the structural disintegration of feudal land property peculiar to Western Europe. On the contrary, in Prussia and Japan, the erection of capitalism under the control and patronage of the feudal absolute state was in the cards from the very first.<sup>76</sup>

Certainly, the way in which capitalism took form in every country was closely tied up with previous social structures, i.e., the internal intensity and organization of feudal economy there. In Eng-

<sup>74</sup> Compare Weber's 'Conflict of the two ways of capitalist activity.' He finds that the sources of the period, when speaking of the adherents of the various Puritan sects, describe part of them as propertyless (proletarians) and part as belonging to the stratum of small capitalists. 'It was precisely from this stratum of *small* capitalists, and *not* from the great financiers: monopolists, government contractors, lenders to the state, colonialists, promoters, etc., that what was *characteristic* of Occidental capitalism came: bourgeois-private economic organization of industrial labor (see e.g. Unwin, *Industrial Organization in the 16th and 17th Centuries*, p. 196 f.); and "To the "organic" organization of society, in that fiscal-monopolistic direction it took in Anglicanism under the Stuarts, namely in Laud's conceptions: —to this league of church and state with the "monopolists" on the basis of a Christian social substructure Puritanism, whose representatives were always passionate opponents of this sort of government-privileged merchant-, putting-out, and colonial capitalism, opposed the individualistic *drives* of rational legal gain by means of individual virtue and initiative, which were decisively engaged in building up industries, without and in part despite and against the power of the state, while all the government-favored monopoly industries in England soon vanished,' *Protestantische Ethik*, *loc. cit.*, p. 195, note; p. 201 f.

<sup>75</sup> The Independents in the Puritan Revolution were of this sort, and so were the Montagnards in the French Revolution, as the last authority on the subject points out: 'Their social ideal was a democracy of small autonomous proprietors, of peasants and independent artisans working and trading freely,' G. Lefebvre, *Questions agraires au temps de la Terreur* (Strasbourg, 1932), p. 133.

<sup>76</sup> Cf. 'Kindai teki shinka no futatsu no taiko teki taikei ni tsuite' ('On Two Contrary Systems of Modern Progress') (1942), in my *Kindai shakai seiritsu shiron* (*Historical Essay on the Formation of Modern Society*), p. 151 f.



land and France, feudal land property and serfdom either disintegrated in the process of the economic development, or were wiped out structurally and categorically in the bourgeois revolution. G. Lefebvre emphasized the part of the *revolution paysanne* in the French Revolution.<sup>77</sup> These revolutions in Western Europe, by the independence and the ascent of the petty commodity producers and their differentiation, set free from among them the forces making—as it were *economically*—for the development of capitalist production; while in Prussia and Japan this ‘emancipation’ was carried out in the opposite sense. The organization of feudal land property remained intact and the classes of free and independent peasants and middle-class burghers were undeveloped. The bourgeois ‘reforms,’ like the *Bauernbefreiung* and the *Chiso-kaisei* (agrarian reforms in the Meiji Restoration), contain such contrary elements as the legal sanctioning of the position of the Junker’s land property and parasite land proprietorship of semi-feudal character. Since capitalism had to be erected on this kind of soil, on a basis of fusion rather than conflict with absolutism, the formation of capitalism took place in the opposite way to Western Europe, predominantly as a process of transformation of putting-out merchant capital into industrial capital. The socio-economic conditions for the establishment of modern democracy were not present; on the contrary capitalism had to make its way within an oligarchic system—the ‘organic’ social structure—designed to suppress bourgeois liberalism. Thus it was not the internal development itself of those societies that brought about the necessity of a ‘bourgeois’ revolution; the need for reforms rather came about as the result of external circumstances. It can be said that in connection with varying world and historical conditions the phase of establishing capitalism takes different basic lines: in Western Europe, Way No. I (producer → merchant), in Eastern Europe and Asia, Way No. II (merchant → manufacturer). There is a deep inner relationship between the agrarian question and industrial capital, which determines the characteristic structures of capitalism in the various countries.<sup>78</sup> For our part, what the author of *Capital* wrote about his fatherland in 1867, in the preface to the first edition, still holds true, despite the different stage of world history: ‘Alongside of modern evils, a whole series of inherited evils oppress us, arising from the passive survival of antiquated modes of production, with their inevitable train of social and political anachronisms.’<sup>79</sup> Thus the question of ‘two ways,’ so far as we are concerned, is not merely of historical interest, but is connected with actual practical themes. *Hic Rhodus, hic salta!*

<sup>77</sup> On the ‘peasant revolution,’ see G. Lefebvre, ‘La Revolution et les paysans,’ *Cahiers de la rev. fr.*, 1934, No. 1.

<sup>78</sup> This problem was raised early in Japan: see Seitōra Yamada’s original *Nihon shihon shugi bunseki* (*Analysis of Japanese Capitalism*), 1934, in particular the preface which contains in compact form a multitude of historical insights.

<sup>79</sup> *Capital*, Vol. I, p. 13.



## IV. A FURTHER COMMENT

BY MAURICE DOBB

With Professor H. K. Takahashi's stimulating article on 'The Transition from Feudalism to Capitalism,' which makes such an important contribution to deepening and extending our appreciation of the important questions at issue, I find myself in general agreement; and there is very little that I wish or am competent to add to what he has said. In particular, I find his development of the notion of the 'two ways' and his use of it to illuminate the contrast between the way of the bourgeois revolution and that of Prussia and Japan specially enlightening. With reference to what he has said in criticism of myself I would like merely to make three comments.

He is, of course, quite justified in saying that my book paid 'inadequate attention to French and German writing'; he might have added with even more justice that I had almost entirely ignored the experience of southern Europe, Italy and Spain in particular. I can only explain that this was done advisedly, and that my book was entitled *Studies in the Development of Capitalism* to indicate its selective and partial character. No pretence was made of writing, even in outline, a comprehensive history of Capitalism. The method adopted can, I think, be described as consisting of a treatment of certain crucial phases and aspects in the development of Capitalism, primarily in terms of England as the classic case, with occasional references to continental parallels (as with developments in the guilds or the putting-out system) or contrasts (as with the feudal reaction in Eastern Europe or the creation of a proletariat) to illuminate the particular issues that I was trying to clarify. To have developed these parallels and contrasts as they deserved, and to have made from them anything like a complete comparative study of the origin and growth of Capitalism under diverse conditions would have required a range of knowledge of the historical literature of Europe to which I could lay no claim. Even a much more encyclopaedic mind than mine would probably have had to wait upon a decade or so of 'cooperative advances in these studies' to which Professor Takahashi refers.

Secondly, in asserting that in my book I spoke of the period from the fourteenth to the sixteenth century in England as 'neither feudal nor yet capitalist', I think that Professor Takahashi has been misled into accepting my posing of a problem as my own conclusion about it. If he will look at the passage on page 19 of my book again, I think he will see that I am here asking a question (there is in fact a question-mark at the end of the sentence)—formulating a difficulty which has presented itself to so many students of this period. On the very next page I state that, despite the disintegration of Feudalism and the appearance of 'a mode of production which had won its independence from Feudalism: petty production . . . which was not



yet capitalist although containing within itself the embryo of capitalist relations,' one still could not speak of the end of Feudalism ('But unless one is to identify the end of Feudalism with the process of commutation . . . one cannot yet speak of the end of the medieval system, still less of the dethronement of the medieval ruling class'—p.20). Admittedly the sparseness of my references to agriculture (which he criticizes) left my conclusion much less supported than it might have been. But here I believe that, despite the illumination shed by Tawney and some others, much field-work remains to be done by specialists in this period—specialists who are guided by the method of Marxism. Again, I am very ready to admit that earlier viewpoints of my own, embodied in earlier drafts, may have left their trace in the final version and have been responsible for the presentation being less clear than it should have been. But it was certainly not my intention to endorse the view that the period between Edward II and Elizabeth was 'neither feudal nor yet capitalist'; and the statement that this period was 'transitional,' of which Professor Takahashi speaks as a 'correction' introduced only in my 'Reply,' was in fact made on page 20 of the book.

I should continue to defend, however, my other and distinct statement that 'the disintegration of the feudal mode of production had already reached an advanced stage before the capitalist mode of production developed, and that this disintegration did not proceed in any close association with the growth of the new mode of production within the womb of the old.' It does not imply that these transitional centuries were 'neither feudal nor yet capitalist,' but rather the contrary; and I believe that it provides a key to the difficulty which has led so many to adopt something akin to the Sweezy-view of this period. I regarded it as a statement in general and preliminary form of the thesis which I gather that Professor Takahashi fully accepts: namely, that the disintegration of Feudalism (and hence its final and declining stage) came *not* as the result of the assault upon it of an incipient 'Capitalism' in the guise of 'merchant capital' wedded to 'money economy', as has been commonly supposed, but as a result of the revolt of the petty producers against feudal exploitation. This partial independence of the petty producers resulted in an acceleration of their own disintegration (even if this was not the start of the process) by accelerating the process of social differentiation among them; and out of this process (but *only* after its maturing during a transitional period of feudalism-in-decline) the capitalist mode of production was born. Precisely *because* this process of social differentiation within the petty mode of production had to mature before capitalist production was born, an interval was necessary between the start of the decline of serfdom and the rise of Capitalism. In Professor Takahashi's own words: 'As rent in kind gives way to money rent, these small-scale peasant farms, the petty mode of production in agriculture, become more and more clearly independent, and at the same time their self-disintegration too goes on more rapidly and freely.' The only disagreement between us here seems to be a possible difference of



emphasis on the degree of this 'self-disintegration' at an earlier period and a later period.

Thirdly, as regards the 'two ways' and my references to the putting-out system, Professor Takahashi's interpretation is correct when he speaks of me as including the putting-out system of the English petty domestic-industry type as belonging to Way No. 1. I thought, however, that I had made clear in my chapter on 'The Rise of Industrial Capital' that I regarded the putting-out system, not as a homogeneous economic form, but rather as a generic name for a complex phenomenon embracing several different types. One, the pure *Verleger*-type of industry organized by merchants of companies like the Haberdashers, Drapers, Clothworkers, Leathersellers, I treated as merchant-into-manufacturer Way No. 2 (see p. 129-134 of my *Studies*); and immediately went on to contrast with it that movement of which the rise of a class of merchant-manufacturer employers from among the ranks of craftsmen composing the (subordinate) 'Yeomanry' of the Livery Companies and the challenge of the new Stuart corporations formed from these elements (of which Unwin wrote) were the expression (p. 134-8). On whether this organized-from-below form of putting-out system is a peculiarly English phenomenon, or whether it has continental parallels, I should hesitate to venture a dogmatic opinion. Here I can do no more than suggest that preoccupation with the search for the large-scale capitalist *entrepreneur* may possibly have blinded continental historians to the role played by the small and *parvenu* type of merchant-manufacturer, and that the true picture of the *Verlags-system* may not, even in Germany, be quite such a systematic and tidy one as German economic historians have represented it. Again one must appeal to those 'cooperative advances' in the study of such questions in various countries, of which Professor Takahashi speaks.



## V. A REJOINDER

BY PAUL M. SWEEZY

The problems that troubled me most when I first took up Dobb's *Studies in the Development of Capitalism* (New York, 1947), were, very briefly these: There existed throughout most of Western Europe in the early Middle Ages a feudal system such as Dobb well describes on pp. 36-37. This mode of production went through a process of development which culminated in crisis and collapse, and it was succeeded by capitalism. Formally, the analogy with the life history of capitalism—development, general crisis, transition to socialism—is very close. Now, I have a pretty good idea about the nature of the prime mover in the capitalist case, why the process of development which it generates leads to crisis, and why socialism is necessarily the successor form of society. But I was not at all clear about any of these factors in the feudal case when I sat down to Dobb's book. I was looking for the answers.

The greatest tribute I can pay to Dobb's book is that when I had finished studying it I felt much clearer in my own mind about all these questions. This was partly because he succeeded in convincing me and partly because he stimulated me to look into other sources and to do some fresh thinking on my own. My original article in *Science and Society* was in the nature of a report on the tentative answers I had reached. (I think, incidentally, that I should have made this plainer. Dobb of course formulated his problems in his own way, and he was interested in much that bears only indirectly if at all on the questions to which I was seeking answers. Some of my 'criticisms,' therefore, were really not criticisms at all; they should have been presented as supplementary suggestions and hypotheses.)

In his 'Reply,' Dobb indicates various points of disagreement with my answers, and Takahashi, if I understand him rightly, rejects them very nearly *in toto*. But I know little more about what Dobb's answers are (to *my* questions, of course) than I did after finishing the book, and I know next to nothing about what Takahashi's are. I should therefore like to use the opportunity afforded by this rejoinder to restate my questions and answers as concisely as possible and in a form which may perhaps invite alternative formulations from Dobb and Takahashi.<sup>1</sup>

*First Question.* What was the prime mover behind the development of Western European feudalism?<sup>2</sup>

<sup>1</sup> In what follows, I refer to Dobb's book as *Studies*, to my review-article as 'Critique,' to Dobb's reply as 'Reply,' and to Takahashi's article as 'Contribution.'

<sup>2</sup> I insist on speaking of *Western Europe* feudalism, because what ultimately happened in Western Europe was manifestly very different from what happened in other parts of the world where the feudal mode of production has prevailed. The extent to which this may be due to variations among different feudal systems, and the extent to which it may be due to



In the case of capitalism, we can answer this question positively and unambiguously. The prime mover is the accumulation of capital which is inherent in the very structure of the capitalist appropriation process. Is there anything analogous in the case of feudalism?

Dobb's theory finds an analogue in the feudal lords' growing need for revenue. In his view, 'it was the inefficiency of Feudalism as a system of production, coupled with the growing needs of the ruling class for revenue, that was primarily responsible for its decline; since this need for additional revenue promoted an increase in the pressure on the producer to the point where this pressure became literally unendurable.' (*Studies*, p. 42.) As a result, 'in the end it led to an exhaustion, or actual disappearance, of the labor-force by which the system was nourished.' (p. 43) The question is whether the lords' growing need for revenue—the *fact* of which is not in dispute—can be shown to be inherent in the structure of the feudal mode of production. I gave reasons for doubting that any such relation exists ('Critique,' above, pp. 4-6), and I showed how the lords' growing need for revenue could readily be explained as a by-product of the growth of trade and urban life.

Dobb is rather impatient with my emphasis on this subject. According to him, I seem to feel that the development of feudalism is

a question of *either* internal conflict or *external* forces. This strikes me as much too simplified, even mechanical, a presentation. I see it as an *interaction* of the two; although with primary emphasis, it is true, upon the internal contradictions; since these would, I believe, operate in any case (if on a quite different time-scale), and since they determine the particular form and direction of the effects which external influences exert ('Reply,' above, p. 23).

*Historically*, of course, Dobb is entirely right. It *was* an interaction of internal and external factors that determined the course of feudal development, and I never intended to deny it. But the same can be said of the historical development of capitalism, a fact which does not keep us from seeking and finding the prime mover within the system. I cannot agree, therefore, that Dobb is justified in describing my formulation of the question with regard to feudalism as 'mechanical.' It is a theoretical question, and I continue to believe that it is crucial to the whole analysis of feudalism.

The second half of the foregoing quotation clearly indicates that Dobb does in fact take a position on this question, despite his reluctance to formulate either the question or the answer in a clear-cut fashion. And the position is precisely the one which I attributed to him on the basis of the book, namely, that feudalism does contain an internal prime mover. Since he adduces no new arguments in support, however, I can only remain unconvinced.

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'external' factors are, of course, very important questions. Since, however, I do not pretend to be able to answer them, the only sensible thing for me to do is to confine my attention to Western Europe. By doing so, I do not want to imply that I think other feudalisms are subject to different laws of development; I want to evade the question altogether.



So far as I can see, Takahashi contributes little to the clarification of this issue. His interesting analysis of the *elements* of feudalism ('Contribution,' above, pp. 33-5) does not lead him to any formulation of the laws and tendencies' of the system, and when he does address himself specifically to this question, the result is not very enlightening, at least to me. In feudal society, he writes,

the means of production are combined with the producer, and productivity develops (collapse of the manorial system and development of small-scale peasant agriculture; formation of money rents; tendency of the rent rate to fall; *crise seigneuriale*) as the productivity of the direct producer himself; and therefore the law of development in feudalism can only lead in the direction of the liberation and independence of the peasants themselves (*Ibid.*, above, p. 46).

Here rising productivity is treated as the crucial factor, but it is certainly not self-evident that rising productivity is an inherent characteristic of feudalism. In fact, there is a good deal of historical and contemporary evidence that suggests precisely the opposite hypothesis. Here again, as in the case of Dobb's growing need of the lords for revenue, I think we have to do with the influence of forces external to the feudal system.

On this whole question of external forces, Takahashi takes me severely to task:

Sweezy does not take the break-up of a given social structure as the result of self-movement of its productive forces; instead he looks for an 'external force.' If we say that historical development takes place according to external forces, the question remains, however, how these external forces arose, and where they came from ('Contribution,' above, p. 39).

The latter point, of course, is a valid one which I never intended to deny. Historical forces which are external with respect to one set of social relations are internal with respect to a more comprehensive set of social relations. And so it was in the case of Western European feudalism. The expansion of trade, with the concomitant growth of towns and markets, was external to the feudal mode of production,<sup>2</sup> but it was internal as far as the whole European-Mediterranean economy was concerned.

A thorough study of Western European feudalism—which Dobb of course never claimed to offer—would have to analyze it in the context of this larger European-Mediterranean economy. How this can be done has been brilliantly demonstrated by Pirenne who argued,

<sup>2</sup> I am unable to understand Dobb's reasoning when he says that 'to some extent' he believes that the growth of towns was an internal feudal process ('Reply,' above, p. 24). Surely the fact cited by Dobb in this connection that feudalism 'encouraged towns to cater for its need of long-distance trade' does not prove the point. One would have to show that the feudal ruling class took the initiative in building the towns and successfully integrated them into the feudal system of property and labor relations. Undoubtedly this did happen in the case of some towns, but it seems to me that Pirenne has conclusively shown that the decisive trading centres typically grew up in an entirely different way. But what particularly indicates the non-feudal character of the towns was the general absence of serfdom.



first, that the origins of feudalism in Western Europe are to be sought in the isolation (by the Arab expansion of the seventh century) of that relatively backward region from the real economic centers of the ancient world; and second, that the later development of feudalism was decisively shaped by the re-establishment of these broken commercial ties.<sup>4</sup> Viewed in this way, the growth of trade from the tenth century on was obviously no mysterious external force, such as Takahashi quite mistakenly accuses me of 'looking for.' But when attention is narrowly centred on feudalism as such—as Dobb was quite justified in doing—it seems to me not only legitimate but theoretically essential to treat the growth of trade as an external force.

The answer to the first question, then, seems to me to be this: the feudal system contains no internal prime mover and when it undergoes genuine development—as distinct from mere oscillations and crises which do not affect its basic structure—the driving force is to be sought outside the system. (I suspect that this applies pretty generally to feudal systems, and not only to Western Europe, but this is an issue which is beyond the scope of the present discussion).

*Second Question.* Why did the development of feudalism in Western Europe lead to crisis and ultimate collapse?

Having determined that an external prime mover is behind the developmental process, we must of course conclude that the answer to this question is to be sought in the impact of this external force on the structure of feudalism. As Dobb rightly insists, in other words, the process is one of interaction, and I take it that Takahashi would not disagree. There are therefore no basic differences here. My chief criticism of both Dobb and Takahashi in this connection is that in their anxiety to minimize the importance of trade as a factor in the decline of feudalism they avoid a direct analysis of this interactive process. Both of them, for example, tend to treat the substitution of money rents for labor services or payments in kind as largely a matter of form and to lose sight of the fact that this change can occur on any considerable scale only on the basis of developed commodity production.

My own effort to deal with the interactive process and its outcome was given in my original article ('Critique,' above, pp. 7-11). It doubtless contains many weaknesses—for example, in the treatment of the so-called 'second serfdom,' which Dobb criticizes—but I still think it has the merit of being an explicit theoretical analysis. I would like to see others improve upon it.

*Third Question.* Why was feudalism succeeded by capitalism?

If one agrees with Dobb, as I do, that the period from the fourteenth century to the end of the sixteenth century was one in which

<sup>4</sup> In addition to Henri Pirenne's *Economic and Social History of Medieval Europe* (London, 1936), see also his *Mohammed and Charlemagne* (New York 1939), the posthumously published work which gives the author's fullest treatment of the twin problems of the end of antiquity and the rise of feudalism in Western Europe.



feudalism was in full decay and yet in which there were no more than the first beginnings of capitalism, this is a genuinely puzzling question. One cannot say that feudalism had created productive forces which could be maintained and further developed only under capitalism—as, for example, one definitely can say that capitalism has created productive forces that can only be maintained and further developed under socialism. True, the decline of feudalism was accompanied (I would say ‘caused’) by the generalization of commodity production, and, as Marx repeatedly emphasized, ‘commodity production and developed commodity circulation, trade, form the historical preconditions under which it [capital] arises.’ (*Capital*, I, p. 163.) But historical preconditions do not in themselves provide a sufficient explanation. After all, the ancient world was characterized by highly developed commodity production without ever giving birth to capitalism; and the clear beginnings of capitalism in Italy and Flanders during the late Middle Ages proved abortive. Why, then, did capitalism finally catch on and really get going in the late sixteenth century, especially in England?

Dobb throws a good deal of light on this question, though I’m sure that he would be the last to claim to have given the definitive answer. Much of his emphasis is placed upon what Marx called ‘the really revolutionary way’ for industrial capitalists to develop, which Dobb interprets to mean the rise of small men from the ranks of petty producers. In my original article, I criticized this interpretation of Marx, but Dobb’s reply and further reflection have led me to conclude that, while it is not the only possible interpretation, it is nevertheless a legitimate one which points in a fruitful direction. What is required now, it seems to me, is a great deal more factual research on the origins of the industrial bourgeoisie. This kind of research should do more than anything else to unlock the secret of the definitive rise of capitalism from the late sixteenth century.

I am not at all clear about Takahashi’s position on this question. He criticizes Dobb for going too far in describing the fifteenth and sixteenth centuries as transitional. Presumably, his meaning is that feudalism survived essentially intact until the rise of capitalism overthrew it and there is therefore no disjunction between the processes of feudal decline and capitalist rise such as both Dobb and I assert. Be that as it may, there is no doubt that Takahashi agrees with Dobb as to the revolutionary significance of the rise of small producers from the ranks; and I assume that he would also agree with me as to the urgency of more factual research on the nature and extent of this phenomenon.

One final point in this connection. Developing Dobb’s suggestion that the fifteenth and sixteenth centuries seem to have been ‘neither feudal nor yet capitalist’ (*Studies*, p. 19), I proposed that the period be given the name of precapitalist commodity production. Dobb rejects this proposal, preferring to consider the society of that period as one of feudalism ‘in an advanced stage of dissolution.’ (‘Reply,’ above, p. 25). He says:



The crucial question which Sweezy has apparently failed to ask . . . is this: what was the ruling class of this period? . . . it cannot have been a capitalist class. . . . If a merchant bourgeoisie formed the ruling class, then the state must have been some kind of bourgeois state. And if the state was a bourgeois state already . . . what constituted the essential issue of the seventeenth century civil war? It cannot (according to this view) have been *the* bourgeois revolution. We are left with some such supposition as . . . that it was a struggle against an attempted *counter*-revolution staged by crown and court against an already existent bourgeois state power. . . . If we reject the alternatives just mentioned, we are left with the view (which I believe to be the right one) that the ruling class was still feudal and that the state was still the political instrument of its rule. ('Reply,' above, pp. 24-5)

I recognize that these are questions that British Marxists have been earnestly debating for some years now, and it is perhaps rash of me to express any opinion on them at all. Let me, therefore, put my comment in the form of a query. Why isn't there another possibility which Dobb does not mention, namely, that in the period in question there was not one ruling class but several, based on different forms of property and engaged in more or less continuous struggle for preference and ultimately supremacy?

If we adopt this hypothesis, we can then interpret the state of the period in accordance with the well-known passage from Engels:

At certain periods it occurs exceptionally that the struggling classes balance each other so nearly that the public power gains a certain degree of independence by posing as the mediator between them. The absolute monarchy of the seventeenth and eighteenth centuries was in such a position, balancing the nobles and the burghers against one another.<sup>5</sup>

In this interpretation, the civil war was *the* bourgeois revolution in the straightforward sense that it enabled the capitalist class to master the state and achieve definitive ascendancy over the other classes.

<sup>5</sup> *Origin of the Family* (Chicago, 1902), Kerr ed., p. 209. Engels clearly was thinking of the continent; for England the dates were earlier.



## VI. COMMENT

BY RODNEY HILTON

Paul Sweezy puts a number of questions which historians ought to try to answer. As an acute Marxist student of capitalist society, Sweezy naturally is interested in Marxist investigations of analogous problems in pre-capitalist society. The most important question he puts is undoubtedly No. 1, about the 'prime mover' in feudalism. By this I presume he means what were the internal contradictions of the feudal mode of production which made for its development and eventual replacement. At least that is what, as a Marxist, he should mean, though his own suggestion that feudalism had no 'prime mover', that is no internal dialectic, is in fact non-Marxist.

Before trying to tackle this question, some matters of fact should be considered. Marxism is a method which demands concrete data for the solution of historical problems, even if the answer in the end can be put in abstract terms (as in some chapters of *Capital*). The nearest approach to concrete data on which Sweezy seems to work are the theorisings of H. Pirenne. Since these are not to be accepted by Marxists, and in fact have been challenged by a lot of non-Marxist specialists, we must, before dealing with Sweezy's problems, dispose of Pirenne.<sup>1</sup>

Pirenne's most important theories for our purpose concern the decline of trade during the Dark Ages and the origin of towns. He considered that the barbarian kingdoms (especially the Merovingian Frankish kingdom) which succeeded the Western Empire did not interrupt the flow of East-West Mediterranean trade and that as a consequence the local trade of Western Europe was not diminished. Towns still flourished, gold currency was used, and much of the Roman administrative and fiscal system remained. It was only when (in the seventh and eighth centuries) the Islamic invaders cut the Mediterranean trade routes, that not only international but local trade dried up. The result was the domination of the large serf-worked estate and almost universal production for immediate consumption. Not until the restoration of trade between the Eastern and Western ends of the Mediterranean did commodity production in Western Europe begin again. This commodity production was stimulated first of all by international trade. These first traders at the end of the Dark Ages, the founders or re-founders of the medieval towns were composed of the flotsam of society, as it were, in Sweezy's sense, 'external' to feudal society. Once they had got trade and town life going again, local markets developed. In other words international trade in luxuries was according to Pirenne the determining factor both in the seventh century decline in commodity production and in its eleventh century revival.

<sup>1</sup> Pirenne's positive contribution to understanding medieval economic history was of course very great and demands respect. We should also be grateful for the stimulating way in which he poses hypotheses, even though (perhaps because) we do not agree with them.



Without going into too great detail we can say that on most essential points this interpretation cannot now be accepted. The decline in commodity production, which may have reached its lowest point in Carolingian times, started not merely long before the Arab invasions, but long before the collapse of the Roman Empire as a political system. From at least as early as the crisis of the third century town life had been contracting, and self-sufficient serf-worked estates had begun to dominate the social structure of the Empire. East-West trade was also contracting, not only for political reasons, but because payments from the West in gold were less and less possible. The reason for this was a drainage of gold to the East which started probably at least as early as the first century, and which was not replaced either by the process of warfare or of trade, since Western exports were much less in value than imports from the East.

The Arabs in fact did not have to cut very much. But in any case, Pirenne was wrong in seeing the Arabs as the enemies of East-West trade. Naturally there was some dislocation, but the Arabs favoured the continuance of such trading relations as were economically feasible, as scholars have shown in detail. A French historian, in fact, has put forward the very plausible view that the Arabs positively encouraged East-West trade by the 'dethésaurization' of gold hoards in those parts of the Byzantine and Sassanid Empires which they overran.<sup>2</sup>

So the low level of production for the market in the Dark Ages was largely the continuation of an economic development which had begun within the political and social framework of the Empire. That does not mean that we should simply see the Carolingian era as one of complete economic and social retrogression. Important, though insufficiently explored, developments in economic, social and political life took place, without which the further expansive development of the feudal mode of production could not have happened. In fact by the end of the tenth century there were important signs of the development of commodity production. Local markets began to expand into towns. Town life developed, as a consequence of the development of economic and social forces, *within* feudal society, *not*, as Pirenne thought, as a result of the external impact of itinerant traders like Godric of Finchale. This fact has now been sufficiently demonstrated by the careful study of individual towns in France, Germany and Italy. Pirenne's interpretation of the revival of trade and the changes in the economy of European feudalism (on which so much of Sweezy's own theories rest) must be abandoned.<sup>3</sup>

What was the cause of social development under feudalism? I am inclined to think that in studying this problem we should not limit ourselves to feudalism, but deal with pre-capitalist society as a whole, or

<sup>2</sup> M. Lombard, 'L'Or musulman du VIIe au XIe siècle,' *Annales*, 1947.

<sup>3</sup> Research summarized in 'The Origins of the Medieval Town Patriciate,' by A. B. Hibbert, *Past and Present*, 1953, no. 3, p. 15-27; and *Les Villes de Flandre et d'Italie sous le gouvernement des patriciens: XIe—XVe siècles*, by J. Lestocquoy.



at any rate pre-capitalist *class* society. Sweezy sees capital accumulation as the prime mover in capitalist society because it is inherent in the processes of capitalist production. Now of course there is no process of accumulation in pre-capitalist societies such as inevitably flows from the exploitation of wage labour by competing capitalists. But surely we must see the growth of the surplus product over subsistence requirements as the necessary condition for the development of class society between the break-up of primitive communism and the beginning of capitalism. The growth of this surplus product depended of course on the development of the forces of production—the tools and labour skill of artisans and agriculturalists. The development of the forces of production must depend in turn on the size *and use* of the surplus product. In other words improved techniques even in very primitive economies depend on the application to them of the results of accumulation—not accumulated capital, of course, but accumulated surplus product. This is obvious. It does not in itself explain why in any given pre-capitalist society the dialectical interaction of the forces of production and the accumulated surplus product should result first in the expansion, then in the decline of the mode of production (slavery or feudalism). But then this could not be understood without taking into account also the prevailing relations of production: after all, the process of capitalist accumulation cannot be understood if one leaves out of the calculation the relation between capitalists and workers.

For example, production relations obviously must be taken into account if one is to answer one of Sweezy's questions, *i.e.*, why did not capitalism develop from the commodity production of the ancient world? Marx, and the Marxists who have read (as surely Paul Sweezy has) their *Capital*, Vol. III, would answer that commodity production in itself is not enough to disturb the 'solidity and internal articulation' of a mode of production. In the case of slavery the reason for the non-appearance of capitalism is that those sectors of the economy where commodity production was most advanced tended to be those where slaves were most exploited. But the exploitation of slaves restricted technical development so that once the slave supply began to decline the fundamental technical backwardness of a slave economy was revealed. Far from keeping the slave separate from the means of production—necessary pre-condition of capitalism—the slave owners solved (or tried to solve) the economic problems of late ancient society by settling their slaves on peasant holdings; in fact by creating the production relations characteristic of feudal society.

However it is not my intention to examine the problem of the 'prime mover' for all pre-capitalist modes of production.

Feudalism is our problem. The ingredients of our answer seem to me essentially to be the following. The principal feature of the mode of production in feudal society is that owners of the means of production, the landed proprietors, are constantly striving to appropriate for their own use the whole of the surplus produced by the direct producers. Before we ask why they do this we must briefly show that in



different ways this is what in fact they did try to do. At different stages of the development of European feudalism the character of the direct producers changes, as do other aspects of the economic system, and consequently the specific character of the landowners' exploitation changes. In some parts of early feudal Europe the free peasant communities with considerable relics of forms of tribal organization persist. In such cases (especially for instance in England before the Danish invasions) the military aristocracy—also semi-tribal in character—is faced with the complex problem of transforming the peasants' tribute once paid freely to their tribal king, now alienated to the noble by the king, into feudal rent, and at the same time of reinforcing this rent-receiving position by promoting the colonization of uncultivated land by slaves, semi-free clients, etc. At the same time, in some villages not subordinated to members of the king's retinue, the break-up of the tribal community throws up some peasant families with more power and possessions than their fellows, who 'thrive' to the status of rent-receiving nobles. On the other hand, in other parts of Europe (e.g., Italy, Western and Southern Gaul) the Roman nobility have been undergoing the process of transformation into feudal nobles since the third century. Their slave-run *latifundia* have been turned into serf-worked estates, the servile peasants being partly former slaves and partly depressed free landowners. This type of exploitation was partly taken over by Teutonic military infiltrators (*hospites*) such as Burgundians and Visigoths who fused with the old Roman nobility. Their type of exploitation could however vary according to the completeness with which their Roman predecessors had integrated the pre-Roman tribal communities into the Imperial slave system.

By the ninth century—the period referred to by German and French historians as the high middle ages—the feudal economy of Europe was dominated by large estates composed of *villae* whose territory, divided into demesne and peasant land, had the function of supplying foodstuffs and manufactured goods to the lord. Feudal rent was mostly in labour, partly in kind, to an insignificant extent in money. The big estates did not of course cover even the greater part of the territory of feudal Europe, but they were the *decisive* elements in the economy. The rôle of surviving peasant allods, or the estates of small nobles, was not to become significant until the feudal mode of production began to break down, as Kosminsky has shown for England. Between the ninth and the thirteenth centuries *enservment* went apace, but by the time the *legal* position of the exploited was worsened and made uniform, the development of commodity production brought about changes in the form of rent, so that rents in kind and in money had largely replaced labour rent by the end of the thirteenth century (except for England), producing in its turn an amelioration of legal status. For various reasons connected with the development of commodity production (of which the fragmentation of holdings and the development of peasant resistance to exploitation were most important), the direct appropriation of rent assessed on peasant holdings relaxed, but the total demand for feudal rent by the lords as a whole



was maintained through the exploitation of seigniorial privileges and the development of private and public taxation. In short we may say that the ruling class in one way or the other, either through its private franchises or through the agency of the state, was striving to maximize feudal rent, that is the forcibly appropriated surplus of the direct producer, all the time. But of course, its success was not always equal to its efforts, and in the examination of its failure we come to the reasons for the decline of the feudal mode of production.

But, Sweezy will ask, *why* did the feudal rulers strive to get as near the whole of the direct producers' surplus as possible? What is the analogy here to the capitalists' need to accumulate and to cheapen production in order to compete on the market? And what were the economic and social consequences, making for movement in feudal society, of this drive for rent?

The feudal rulers did not of course increase feudal rent in order to place the product of a peasant holding or of enforced peasant labour, on the market, although one of the incidental ways of realising rent in kind or demesne produce may have been by selling it. Fundamentally they strove to increase feudal rent in order to maintain and improve their position as rulers, against their innumerable rivals as well as against their exploited underlings. The maintenance of class power in existing hands, and its extension if possible, is the driving force in feudal economy and feudal politics. For this reason rent had to be maximized. In the ninth century the Carolingian magnate maintained his enormous retinue of supporters by feeding them directly from the produce of his *villae*. When the huge but ephemeral Empire of the Carolingians disintegrated, and gave place to smaller and more manageable feudal kingdoms, duchies and counties, the supporters of the leading kings and nobles were enfeoffed with land in return for military service, so that permanent retinues, unwieldly and difficult to maintain, could be reduced. But, enfeoffments of knights, while taking an administrative burden off their feudal chiefs, by no means relieved and peasants, who were exploited still harder. The struggle for power and the struggle for land are of course intertwined, but the consequence was the multiplication of demands by an increasing population of greater and lesser lords for various forms of feudal rent. The extending scope of state powers still further intensified the burden on the peasantry, as did the increasing demands of the ecclesiastical landlords.

Finally we must remember that the development of the home and foreign market, perhaps from as early as the 10th century, was another important factor which drove the feudal lords to make increased rent demands. The specialisation of industrial production in towns, whose burgesses strove successfully for economic and political privileges, caused the terms of trade between town and country to tip to the latter's disadvantage. In so far as he was involved in buying and selling, the lord bought dear and sold cheap. And the increasing need of landlords for 'consumption loans' as their luxury and armaments expenses increased, put them in debt to the money-lenders. Ultimately



it was only an increase in feudal rent that could close the gap between the feudal lords' income and expenditure.

In order convincingly to demonstrate that the struggle for rent was the 'prime mover' in feudal society, a more detailed examination of the facts than can be made here would be necessary. But perhaps some of the possible fields of study might be indicated. The conflicts between the Capetian monarchy and the leading French feudatories in the eleventh and twelfth centuries are a commonplace of political history. The growth of the feudal state (whether the monarchical state of the Capetians or the ducal and comital states of the greater vassals of Normandy, Flanders, Anjou, etc.) has consequently been the preserve of 'political' historians. But the real picture does not emerge until the process of colonization of new land and of intensified exploitation of the peasantry, in other words, the process of maximization of rent is seen at the basis of the better documented political struggle. Something of the process can be discerned in the account of his estate administration by Suger, Abbot of St. Denis, but the story would have to be put together bit by bit, mainly from charter material. The same sort of problem could be studied in the Germany of Frederick Barbarossa and Henry the Lion,<sup>4</sup> not to speak of England in the twelfth and thirteenth centuries, where every fundamental issue of feudal society—the struggle for rent between lords and peasants and rival lords, the growth of law as an instrument for rent maximization, the growth of the state as the engine of oppression—is better documented than in any other European country.

The exaction of feudal rent by the landlords varied in its incidence, because the specific economic circumstances varied for a whole number of reasons during the feudal epoch, and above all because those from whom rent was demanded were by no means social or economic equals, nor continued to have the same characteristics over any considerable period of time. The demand for rent in its widest sense was clearly the important factor in determining the movement of the feudal economy. The obligation on the part of the peasant to hand over his surplus could have either the effect of depressing him completely or of stimulating him to increase his production on his holding. For as Marx points out, though feudal rent represents the surplus product of the peasant, the necessary routine of any organized economic system produces regularity, so that rents were fixed over long periods. Therefore in many cases (in particular the case of the richer peasants) rent could constitute only a *part* of the surplus. The peasants would strive to increase the portion of the surplus kept by them and could either do this by enforcing an absolute or relative reduction of rent, or by increasing the productivity of the holding, or by enlarging the holding without a corresponding increase in rent. Such strivings would lead to peasant revolts and to the cultivation of new land. The lords would of course want to increase the amount of surplus coming to them, and in addition

<sup>4</sup> An essay on 'The State of the Dukes of Zähringen' by T. Mayer in *Medieval Germany*, II, ed. G. Barraclough, suggests lines of development which a Marxist historian could pursue further.



would try to bring fresh land under their control, either already settled by rent-paying tenants (not only direct rent from land but rent disguised as the fiscal benefits of justice), or as yet uncultivated and ready for settlement. Hence, the general expansion of cultivation which was going on certainly until the end of the thirteenth century, and which was a major contribution of the feudal order, was a product of the rent struggle.

The economic progress which was inseparable from the early rent struggle and the political stabilization of feudalism was characterized by an increase in the total social surplus of production over subsistence needs. This, not the so-called revival of the international trade in silks and spices, was the basis for the development of commodity production. That is to say that in the period of predominantly natural economy more and more of the surplus could be devoted to exchange. The expansion therefore of medieval market centres and towns from the tenth or eleventh century was based fundamentally on the expansion of simple commodity production. The spectacular developments in international trade, the industrialization of Flanders, Brabant, Liège, Lombardy and Tuscany, the growth of big commercial centres like Venice, Genoa, Bruges, Paris, London are chronologically secondary to the development of the forces of production in agriculture, stimulated in the process of the struggle for feudal rent.

The interaction of these various factors—all *internal* to feudal Europe—produced profound changes in the situation. The development of production for the market sharpened and diversified the existing stratification of the peasant producers. The rich peasants became richer and the poor, poorer. But they become a different kind of rich and a different kind of poor especially after the thirteenth century. The well endowed peasant family of earlier days was wealthy in the goods produced for its own consumption, but with the development of the market such wealthy peasants put more and more of their surplus up for sale. They take more land into their holdings; they employ more wage labour—and that labour is more and more the labour of the totally landless rather than of smallholders. They also object to the syphoning off of their surplus rent, and their antagonism to the landlord is reinforced by the despair of the other sections of the peasants for whom the demand for rent is not merely a restriction on economic expansion, but a depression of bare subsistence standards. The struggle for rent sharpens and in the fourteenth century reaches the acute stage of general revolt.

As far as the landlords are concerned this is a period of the crisis of their particular form of economic enterprise. Rents fall and incomes have to be recouped by the intensification of the fiscal exploitation by state taxation, warfare and plunder, frequently self-defeating because of deliberate currency inflation. The most efficient producers for the market, least encumbered with administrative overheads, traditional standards of luxury expenditure, and unproductive hangers-on, were of course the rich peasants and such members of the lesser nobility as disdained to imitate the style of their superiors. The suc-



cessful competition of these elements was based on forms of exploitation which anticipate capitalist farming. Feudal rent is no longer a stimulus to increased and improved production (it can still be a drag on the middle peasant), but in general by the fifteenth century the stimulus of the market is becoming the main factor in developing production—the production of the new elements in the economy. For the economic basis of those who still held the commanding positions in the state was being undermined, in spite of desperate attempts (as by absolute monarchs) to use their control of the state to maintain the essentials of feudal power.



## VII. COMMENT

BY CHRISTOPHER HILL

Mr. Sweezy asks us to consider the possibility that in fifteenth and sixteenth century England 'There was not one ruling class but several, based on different forms of property and engaged in more or less continuous struggle for preferment and ultimately supremacy.' In support of this view he quotes a passage from Engels's *Origin of the Family*:

At certain periods it occurs exceptionally that the struggling classes balance each other so nearly that the public power gains a certain degree of independence by posing as the mediator between them.

The continuation of the passage makes it clear that Engels is considering only *two* 'struggling classes', not '*several* ruling classes'. Is it not indeed a logical absurdity to speak of 'several ruling classes' over a period of centuries? A ruling class must possess state power: otherwise how does it rule? Dual state power may exist for a very brief period during a revolution, as in Russia for some months in 1917. But such a situation is inherently unstable, almost a condition of civil war: it must lead to the victory of one class or the other. It has never lasted for a longer period, and state power has never, I suggest, been shared between 'several' would-be ruling classes. We have only to conceive of two or more ruling classes and two or more state machines, existing side by side for 200 years, to realize that this is a theoretical impossibility: the most cursory study of English history during the centuries in question will convince us that the theoretical impossibility did not exist in practice either.

This is not merely logic-chopping. For if we substitute Engels's 'struggling classes' for Mr. Sweezy's 'several ruling classes', then Mr. Dobb's questions still require an answer. What was the *ruling* class of this period? How are we to characterize the state?

These questions have been discussed at great length by Soviet and English Marxist historians. I can quote only their conclusions, not the arguments which led to them. Thus Z. Mosina, summing up Soviet discussions on absolutism which took place in March and April 1940, was able to say without fear of contradiction: 'The view of the absolute monarchy as a feudal landowners' state of the nobility has, as it were, been assimilated by all Soviet historians.' She included the Tudor and early Stuart monarchy in England as a form of absolutism, as Mr. Sweezy does, although she added that it presented specific problems.<sup>1</sup> These specific problems were debated in some detail by English Marxist historians in 1940 and again in 1946-47. Their final agreed conclusion was:

The Tudor and early Stuart state was essentially an executive institution of the feudal class more highly organized than ever before. . . . Only after the

<sup>1</sup> Z. Mosina, 'The Discussion of the Problem of Absolutism,' in *Istoriĭ Marksist*, No. 6, 1940, p. 69, 74.



revolution of 1640-49 does the state in England begin to be subordinated to the capitalists. . . . The revolution of 1640 replaced the rule of one class by another.<sup>2</sup>

How does this fit with Engels's formulation, which Mr. Sweezy quotes, and which was frequently cited in the Soviet and English discussions? The important thing to notice is the extreme caution of Engels's statement, its many qualifications. (If he had known the use which would be made of it, he would no doubt have qualified it still further.) I quote from the latest translation, italicizing those words which seem to me to require special emphasis:

*By way of exception, however, periods occur in which the warring classes balance each other so nearly that the state power, as ostensible mediator, acquires, for the moment, a certain degree of independence of both. Such was the absolute monarchy of the seventeenth and eighteenth centuries, which held the balance between the nobility and the class of burghers; such was the Bonapartism of the First, and still more of the Second French Empire, which played off the proletariat against the bourgeoisie and the bourgeoisie against the proletariat.*<sup>3</sup>

Would Mr. Sweezy argue from this passage that the proletariat was 'a' ruling class in France between 1852 and 1870? Or that the Bonapartist state power *really* (as opposed to ostensibly) mediated independently between bourgeoisie and proletariat? Engels' concise formulation in this passage should be read in conjunction with his fuller exposition in *Anti-Dühring*, published six years earlier:

This mighty revolution in the economic conditions of society [the fifteenth and sixteenth century economic revolution] was not followed by any immediate corresponding change in its political structure. The state order remained feudal, while society became more and more bourgeois.<sup>4</sup>

During the whole of this struggle ['the struggle of the bourgeoisie against the feudal nobility'] political force was on the side of the nobility, except for a period when the crown used the burghers against the nobility, in order that the two 'estates' might keep each other in check; but from the moment when the burghers, *still politically powerless*, began to grow dangerous owing to their increasing economic power, the crown resumed its alliance with the nobility, and by so doing called forth the bourgeois revolution, first in England and then in France.<sup>5</sup>

Thus it seems to me that Mr. Sweezy's hypothesis of two or more ruling classes in fifteenth and sixteenth century England is logically untenable; and that it certainly cannot be supported by anything Engels said. Engels's remark should not be dragged from its context, and should be interpreted in the light of what he and Marx said on

<sup>2</sup> 'State and Revolution in Tudor and Stuart England,' in *Communist Review*, July 1948, p. 212 f.

<sup>3</sup> '*Origin of the Family*,' in Marx and Engels, *Selected Works* (Lawrence and Wishart, 1950), II, p. 290. Note the word 'burghers,' the word which Marx and Engels use for the urban *estate* in feudal society, before it has transformed itself into the modern *class* of the 'bourgeoisie,' ready to challenge state power.

<sup>4</sup> *Anti-Dühring* (Martin Lawrence), p. 120 f.

<sup>5</sup> *Ibid.*, pp. 186-7; my italics. Note that in Engels's view the 'burghers' were 'still politically powerless' at the time when Mr. Sweezy sees them as a ruling class.



other occasions.<sup>6</sup> When that is done it clearly squares with the conclusions of the Soviet and English Marxist historians, that the absolute monarchy is a form of feudal state.

Space does not permit of an argument based on historical evidence, in addition to these more formal logical arguments. But I believe that the facts confirm logic. Detailed consideration of the way in which the Tudor monarchy held the balance between nobility and burghers would not suggest that its mediation was ever more than ostensible, nor that its independence of the feudal ruling class was more than relative. The confusion which makes Mr. Sweezy (and others) wish to avoid calling the absolute monarchy a feudal state is, I believe, three-fold. First, a hangover of the narrow bourgeois-academic definition of 'feudal' as a military term, ignoring its social basis; secondly, the equating of a feudal state with a state in which serfdom predominates. One of the most valuable features, in my view, of Mr. Dobb's work on this period has been his refutation of this equation, and his demonstration that the partial emancipation of the petty mode of production does not in itself change the economic base of society (and still less the political superstructure), although it does prepare the conditions for the development of capitalism. If feudalism is abolished with serfdom, then France in 1788 was not a feudal state; and there never has been a bourgeois revolution in the sense of a revolution which overthrew the feudal state. Thirdly, there is the idea that a feudal state must be decentralized. In fact it was precisely the emancipation of the petty mode of production; resulting from the general crisis of feudal society, which led the feudal ruling class, from the mid-fourteenth century, to strengthen the central state power, in order (i) to repress peasant revolt, (ii) to use taxation to pump out the surplus retained by the richer peasantry and (iii) to control the movements of the labour force by *national* regulation, since the local organs of feudal power no longer sufficed. The absolute monarchy was a different form of feudal monarchy from the feudal-estates monarchy which preceded it; but the ruling class remained the same, just as a republic, a constitutional monarchy and a fascist dictatorship can all be forms of the rule of the bourgeoisie.

<sup>6</sup> I tried to summarize their views in 'The English civil war interpreted by Marx and Engels,' in *SCIENCE & SOCIETY*, Winter 1948, p. 130-56.







