Keynesian policy can no longer in general be effective. Labour disputes may now depressively react upon the economic process of capitalist countries. Thus, the recent inflational crisis and the successive chronic depression clearly show the breakdown of the relative stability of Post-War world capitalism until the 1960s. They are certainly putting heavy burdens on the capitalist class. But the labour movement and the political party based on it are also facing in a sense more and more critical problems of how to overcome politically the severe economic situation.

Sweezy substantially correcting his former conclusion in *Monopoly Capital* wrote in 1972, "We are presently entering a period in which the working class in the advanced capitalist countries will once again become revolutionary" after the past hundred years of non-revolutionary reformist period. "Up to now the working classes of the advanced capitalist countries have gotten off relatively easily, but henceforth it is probable to the point of near certainty that the burdens of the system's disintegration will fall even more heavily on their shoulders"[9]. I would like to acknowledge that the process of world capitalism is endorsing this revised perspective of Sweezy's. At the same time there is no doubt that the whole relevancy and the task of Marxian Economics in studying the historical limitation of the capitalist economy, systematically, on the basis of its principles, is growing decisively.

NOTES

Makoto Itoh teaches Economics at the University of Tokyo, Japan.

1 The reserves of gold and foreign currency held by six industrial countries, (i.e. U.S., G.B., France, Italy, West Germany, and Japan) increased from 48,381 mil. to 87,514 mil. dollars during the two years since July 1971. A substantial part of such an increase was due to the speculative outflow of dollar funds from the U.S. in order to escape or rather to utilize the devaluation of the dollar.

2 M. Itoh, "The Formation of Marx's Theory of Crisis", *B.C.S.E.* vol. IV-I. (Feb. 1975.)

3 David Yaffe, "The Marxian Theory of Crisis, Capital and the State," *B.C.S.E.* Winter, 1972. Paul Bullock and D. Yaffe, "Inflation, the Crisis and the Post-War Boom", *Revolutionary Communist*, 3/4, (Nov. 1975.)

4 M. Itoh, op. cit.

5 See also T. Sekine, "Uno-Rison: A Japanese Contribution to Marxian Political Economy", in *J.E.L.* Vo. xiii-3, (Sept. 1975.)

6 P. Sweezy, *Modern Capitalism and Other Essays*, (Monthly Review Press 1972), p. 27.

7. Cf. A. MacEwan, "Changes in World Capitalism and the current crisis of the U.S. Economy," in *Radical Perspectives on the Economic Crisis of Monopoly Capitalism*, (URPE, 1975.)

8 Cf. *Economic Report of the President*, 1975. p. 262, p. 286.

9 P. Sweezy, op. cit. Forward, pp vii & viii.

Spring 1978, 4.

INSTITUTE OF DEVELOPMENT STUDIES LI

VALUE AND THEORY OF RENT: PART TWO

Robin Murray

USE VALUE AND EXCHANGE VALUE.

In the first part of this essay I approached the relation of capital to the land principally through a discussion of the form taken by this relation in the value sphere — namely rent. I suggested that we could only understand this form — its origins, its limits and tendencies — if we analysed it in terms of a) the law of value in the capitalist economy as a whole, and b) the contradiction between use value and exchange value in the landed branches of production. The second of these requires clarification.

There are two characteristics which distinguish land as a use value in the agricultural labour process. First it is possible for labour to produce its own means of subsistence on the land with few if any means of production. This poses an immediate challenge to a society that demands that labour be separated from its means of subsistence so that it is forced to sell itself as labour power on the market.

Second, from the point of view of capitalist agriculture, land as a use value (and its twin partners, climate and livestock) present barriers to the increase in output per acre. This holds for all parts of the production process. Agriculture is essentially a transforming industry. It has to i) create and maintain conditions for the transformation; ii) supervise the transformation; iii) appropriate and separate the transformed elements; iv) transport them. Capital's main technical problems in such circumstances are diminishing the production period, shortening the times between production periods, separating the commodities into usable forms, and transporting them without deterioration. In this it shares the concerns of all chemical industries. Unlike many chemical processes, however, agriculture has until recently proved remarkably resistant to major technological improvement.

As far as the transformation period is concerned, nature and its rhythms still dominate; grain needs sun to grow and ripen; cows take nine months to produce a calf; sidcar spruces need a full 20 years before they are ready for cutting. For most of the globe, winter, the drought, or the composition of the soil preclude immediate replanting. During harvesting (separating) night and the dew interrupt the labour process. Rubber can only be tapped between sunrise and 1.00 p.m. Moreover many parts of the agricultural process are resistant to standardisation —

one of the basic requirements of mechanisation. This is particularly noticeable in picking — fruit, root crops, tea, coffee, tomatoes. Capital in its drive for speeding up its turnover time runs head on into nature's rhythms and variety, into the material awkwardness of the soil.

The consequence is that it has been impossible to produce total output on confined areas of similar quality. Agriculture has been extensive, covering soils of different fertility Labour productivity and rates of return on capital have thus varied between plots.

These two characteristics of land as a use value are not confined to capitalism. Other modes of production face the same awkwardness of nature. By themselves they cannot explain the forms taken by landed property under capitalism. What we have to analyse are the consequences of these characteristics for a society where the division of labour is established indirectly by the exchange of commodities on the market, where the commensuration of human labour takes on the abstract form of value, and where labour itself is a commodity. It is to this that I refer when talking of the use value/exchange value contradiction. When the market acts as the dominant social nexus of a society, and when as a result social relations take the form of value, we have to ask how these forms relate to the many different labour processes and material products of the social economy, what forms of property and of productive organisation, and what contradictions, are thrown up as a result.

In agriculture the institutional form of modern landed property is the expression of the contradiction between the use value of land as an element in the agricultural labour process, and the exchange value form taken by social relations under capitalism. First, since capital's control of the means of production offered no barrier to labour on the land, labour had to be excluded by property rights which had no necessary relation to capitalist production in agriculture. From the first then property in land, and property over the returns to capital investment on the land were two quite distinct forms of property relations, and this was reflected in two distinct classes — of unproductive landowners on the one hand and capitalist tenant farmers on the other.

Secondly, the (use value) fact of the awkwardness of the soil when married to the (exchange value) fact that agricultural products had to be sold as commodities at a general market price that tended to the value of production on the least fertile soil, meant that capitals yielded different rates of profit for reasons other than the investment of capital. Again the appropriation of this excess profit, like the property in land, could be separated from agricultural capital, and the excess profit could be taken — *via* the system of tenancy — by the unproductive landowner in the form of rent. The form of rent, therefore, like the form of ownership "modern landed property", has its material basis in the contradiction between the use value characteristics of the land, and the exchange value characteristics of the market as a means of commensurating agricultural labour to total social labour

I also argued in the first part of this essay that modern landed property was itself a contradictory form. It limited capital investment on the land — a limitation that gave rise to, among other things, absolute rent. It withheld a portion of social value from the fund for capital accumulation, and it limited restructuring.

In the second part of this essay I want to examine the ways in which capital has attempted to overcome the fetter presented by modern landed property, and the new forms to which these developments have given rise. My argument will be that — regardless of whether or not landed property stays in the hands of a separate class of landlords — property in the land will remain contradictory to capital as long as its material basis is reproduced.

There are three main ways in which capital has tried to surpass the fetter of modern landed property in agriculture. The first is to extend geographically beyond the range over which the institution of modern landed property holds sway. The second is to transform the form of property ownership from within. The third is to attack the material basis of rent through increasing productivity and decreasing the significance of land itself as an element in the agricultural labour process I will deal with these in turn.

CAPITAL AND MODERN LANDED PROPERTY

1. Capital and the movement to new lands.

Marx discussed landed property in a theoretically closed economy. He was concerned with the economic forms which arose where landed property did not exist. This ruled out cases, such as that of the early colonies, where it did not.

When we come to analyse the relationship between capital and landed property in the long term, however, we must recognise that the assumption of a closed economy is no longer adequate. There have always been wide areas of the globe — on land, at sea, in wastes and marshes — where landed property has not been established. These areas have been separated from the capitalist spheres of production by the barriers of nature. At certain periods distance, inaccessibility, climate, even disease have conferred realism on the assumption of a closed economy. But the development of technology presses against these barriers, opening up the new lands to capital.

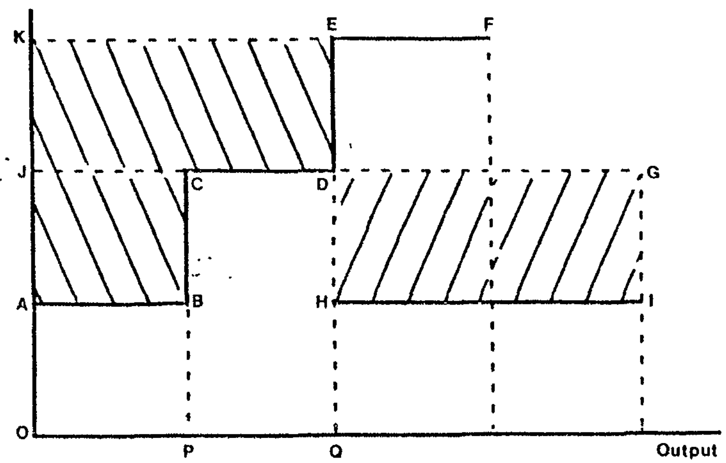
Capital in its turn has always shown a tendency to expand to these new lands One reason is that in doing so capital can escape the shackles of rent on the old lands The drive is based on the avoidance of rent. A second impulse, however, is founded not on the avoidance of rent but on its appropriation. Any extension of capital and its attendant social relations will require, too, the extension of landed property. The experience of Mr Peel at Swan River testifies to this. In surpassing landed property capital is forced to create it anew. It acts as a vanguard for the territorial expansion of landed property Herein lies the incentive. For any body which can lay claim to the new land and establish the rights of landed property upon it, thereby becomes a landlord and a potential recipient of rent. This second incentive for expansion I will call the drive for founder's rent.

The term "founder's rent" has an affinity to Hilferding's concept of founder's benefit, which he used to describe a parallel situation arising from the centralisation of industrial capital. Large capital, he suggested, would buy up small firms at a price reflecting the latter's expected profitability at the old level of organisation. It would then re-organise (centralise) them, raising their level of productivity and future profitability, and then realise the increase of value by issuing shares. The capital payment for these shares he called the founder's benefit, and it could be seen as the capitalised form of industrial superprofits.

A similar benefit is open to those who can establish the rights of landed property on new land. In this case the benefit will result from the new proprietor's access to rent. This rent may be of two kinds: absolute or differential. Absolute rent on new land, however, is dependent on the absence of further new land at the given level of technology. If further land is available we can expect new capital to flow in and equalise profit rates in agriculture and industry. The new landed proprietor will be unable to establish his control as a fetter. But if no further land is available, and if the product of the new plot can be sold above its price of production without cutting out the previous marginal plot, then even the new proprietor will enjoy absolute rent. The greater the monopoly on the new land established by the extending capital, the greater the likelihood of earning absolute rent by virtue of its new proprietorial rights.

Secondly, the new proprietor may derive his benefit from privileged access to differential rent. This occurs where the new land is more productive, and is introduced into commodity production as an intra-marginal plot. The situation is shown in Figure 1. Here we have three pieces of land with different productivities yielding outputs AB, CD and EF respectively, at prices of production OA, PC and QE. For the moment we will assume away absolute rent for the sake of simplicity. New land is now introduced which produces at price of production QH. Price falls from K to J (against the Ricardian trend) but rent remains constant (since KEDJ = DGIH). Capital, however, instead of having to yield up KEJD to the old proprietors, now itself appropriates DGIH.

Figure 1



Not only can new lands earn differential rents, it is probable that they will do so. There are a number of reasons for this:

(i) Agriculture can be organised on new lands in an optimal manner. All the difficulties of restructuring that we noted in the case of agriculture are absent in

new lands Field sizes and shapes can be suited to the current level of agricultural technology, agricultural steadings can be laid out according to the most recent dictates of time economy, the size of the farm itself will be geared to the best use of fixed capital, particularly implements, and the available labour.

(ii) The farmers themselves are likely to be modern farmers, pioneers.

(iii) The land may have a certain stored up fertility where it has not been submitted to intensive cultivation (the same holds with forests and minerals).

(iv) Where the new holdings are sited in densely populated pre-capitalist subsistence areas, wage labour is likely to be potentially cheap since part of the subsistence costs may be carried in the pre-capitalist area. This is the case in southern Africa. Where the new holdings are in sparsely populated areas, wages can still be kept relatively low by suiting the "demographic composition" to the need of agricultural wage work.[1] The dependent:active labour ratio will be low, there will be an absence of the non-productive apparatus that is a feature of established agriculture (think of the employment composition of a southern Italian town or an old English village — the church, the state, quite apart from the retinues of the rentiers). This is the case of the areas of new settlement in the 19th century, North America, Australasia.

(v) The new settlers are liable to have a strong say in if not control of political power which will influence both the political control of labour (restricting the land rights of African peasants, "decomposing" farm labour) and limiting state taxes (and thus post-tax profitability).

There are many examples of the intra-marginality of new lands. In the Middle Ages, first the Cistercians and then the Carthusians converted extra-marginal lands into new lands yielding differential rent. The lands were granted by landlords to these monastic orders because of their low fertility and isolation. The orders were able to improve productivity for mainly organisational reasons (wide networks of inter-connected monastic holdings, centralised organisational structure, considerable geographical travel, literacy, work discipline), and had a labour force with minimal subsistence requirements (the lay brothers) [2] The great Jesuit holdings in 18th century Colombia owed their advantages to similar features of religious organisation.

In the 19th century the development of the great plantation economies on "new lands" (new to capital that is) allowed a topographical and social organisation of production which would have been impossible within the property and political institutions of an established capitalist order, while 20th century agribusiness is similarly benefitting from its "new settlements" in Senegal, and Kenya, in Brazil, Bolivia and Honduras. The balance between the potential rent and the capital cost of opening up the new land will constitute "founder's rent". When this rent is capitalised either in the sale of the newly privatised land, or in the form of the floating of a share issue on the capital market, we may speak of landed (as against industrial) founder's benefit.

Now if the above argument holds, we have a material basis for the inherent impulsion in capitalism for geographical extension and capitalist incorporation. It is an impulsion which is not related to underconsumption, or disproportionality, or the falling rate of profit, or even the search for specific use values. It is derived from the relation of capital to the institution of landed property, and represents an attempt by capital to surpass the disadvantages of this relation extensively.

In having this outward drive capitalism is not unique. Feudalism was at its core a spatially expansive mode of production. The great slave empires were themselves the result of the expansion of the slave mode of production The contemporary Eastern European régimes, notably Russia, have extended to "new lands" as part of their transformation of agriculture. All these examples of territorial expansion have been lumped together with capitalism by some authors, under the undifferentiated heading of imperialism. For the vulgar, imperialism is a common characteristic of all class societies and is explained by common causes. I have argued, however, that capitalist expansion is rooted (in part at least) to the contradiction of two structures characteristic of capitalism — namely capital and modern landed property. Our task then is to trace the specific *forms* taken by the geographical expansion of capitalism, and contrast them with the forms of expansion of other modes.

With respect to these forms of capitalist geographical expansion I would like to make three points First, the major expansions tend to take the form of politically pre-emptive claims on particular areas well in advance of specific economic exploitation.

This has been the source of debate on the causes of colonial and neo-colonial expansion Immediate economic interests are set against political, cultural or ideological drives. If we acknowledge the role of rent, however, the problem is clarified. For the initial rights of landed property *in general* (they can be allocated to particular capitalists later) offer a founder's rent inaccessible to all who come after. Where modern landed property is concerned, the early bird catches the worm. Once this is recognised, all other elements of colonial monopoly become secondary. In principle the protective elements of colonialism, the preferential tariff and monetary zones, the specific investment privileges and legal discriminations, all could be done away with as long as the landed property rights were still vested and secured for the colonial landlord. Hence the position of the British Liberal Party on the Empire in the 1920's when they argued in favour of an empire free from economic discrimination — open to all capital, national and international: but (a point they did not bring out) with property rights secure in the hands of British rentiers. From this perspective we can see why trade should follow the flag, and why colonial powers are so concerned to establish an influence over the state as the regulator, allocator and enforcer of landed property rights.

The second point about the form of expansion is concerned with the question of violence and its necessity in the expansion of capitalism into pre-capitalist areas. Barbara Bradby, against Pierre Philippe Rey, has argued against such a necessity and has shown how pre-capitalist areas can be broken down and incorporated through the mechanism of equal exchange.[3] I think her argument against Rey holds, but at the same time an adequate theory of rent allows us to see violence as something far from accidental in the development of capitalism. Once the formal rights are established, they have to be secured. This is a question of political power against usurpers of established rights. Secondly they have to be utilised and the capitalist form of agrarian (or mineral) organisation is likely to come into sharp conflict with pre-capitalist forms of production. Some of the most pitiless episodes have come in the destruction of nomadic pastoralists, the Red Indians in the United States, the Aborigines in Australia, the Afars in Ethiopia. In other areas it is small peasant agriculturalists who have been expelled, killed, converted to wage labour, left to drift to the towns. In all these instances there were traditional land rights but the controllers of the rights were weaker than the modern landed proprietors who were establishing their "rights" after expanding to the new lands.

The opposition which Marx saw as characterising the landed property/capital relation, the one representing exclusion and non-production, the other inclusion and production, the one monopoly, the other the law of value, is here carried over into the Rey/Bradby argument. Landed property brings with it the violence of exclusive rights, but force is not the exclusive form of relation between capitalist and pre-capitalist modes of production. The market violence of Bradby's law of value may equally reduce a pre-capitalist economy to the point where the conversion to modern forms of landed property can be achieved with the egalitarian independence of the law of contract rather than the authoritarianism of the gun.

We can say something further. In the case of equal exchange, capital's concern is the use values it draws from the pre-capitalist area. In the case of property rights the concern is with exchange value. The exchange value may result from the introduction of capitalist relations into the production of the use values required. Or it may derive from rent, from the appropriation of the use value at a cost below the ruling world price. The factors underlying the choice between direct production and equal exchange will include the nature of the production process (raw material production will more usually be carried out through direct production, tree crops to which it is difficult to apply machinery will tend to remain pre-capitalist or peasant-run), the density of population (it is easier to "clear" a sparsely settled or nomadic area for ranching or mechanised crop production than to transform areas of densely populated subsistence farmers), the availability of sufficient force to create the conditions necessary for continuous direct production (either provided by the producing capital, or by a colonial or neo-colonial state), and the availability of an adequate labour force (either from local sources or imported) The conditions for direct production are the conditions for the implantation of modern landed property and the conditions for realising ground rent. In these cases we may expect capital to expand with force.

A third feature of the expansion of capital concerns the division of rent after the incorporation of the new land. For these expansions commonly require discontinuous expenditures of capital. Thus there tend to be epochs of capitalist expansion: the age of discoveries, the period of colonial expansion, and the settlement of the Australasian or American outbacks. In some cases the necessary capital has been provided by private capital, through the floating of shares on the stock markets of the West, or more recently through the mobilisation of corporate funds. The 19th century railway boom was an example where railways created potential founder's rent, and where the railway companies attempted to appropriate this by the sale of land along the line of rail, and/or by rail tariffs once commodity production was established. To take a more recent example, Northrup aircraft corporation is associated with the development of major agribusiness developments in Senegal, the realisation of whose value and rent depends on air-freight of the fresh vegetables to the European market, while there are similar linkups between aircompanies and the hotel industry in new "tourist" lands. The capital which opens up the land will attempt to appropriate the founder's rent in capitalised form, and if this is not possible, aim to preserve monopoly concession rights and rates to prevent the flow of rents being captured by rival companies.

Alternatively the new lands are opened up with the capital of the state; the reclamation of the polders, or of the fens of England; the eradication of malaria; the development of hydro-electric schemes, and of the arteries of transportation. Here the founder's rent is commonly ceded to a new privileged agrarian class, either absentee rentiers in many contemporary African situations, or capitalist landlords.[4] These grants, as we would expect, are specific: to the ruling party, tribal group, entourage in power; to the race — Africans were excluded from holding land within ten miles of the Northern Rhodesian line of rail during the colonial period; or to national rather than international capital (Britain has given preference to British concerns in the allocation of concessions in the North Sea). If only "normal" profits were available, such grants would involve no privilege. It is the existence of founder's rent which gives them their status.

Any general theory of imperialism should be able to explain the motive for expansion, the timing of expansion, the place of expansion, the forms of expansion, and the mechanisms of expansion. The contradiction between capital and landed property contributes some though not all of the explanation of these facts What is important for our argument, however, is not to elaborate further on the role of rent and landed property in capitalist expansion, but to note firstly that this is one way in which capital does overcome the fetter, and secondly that in doing so it necessarily has to reimpose that fetter in the very act of surpassing it. For on new land, capital will have the same requirements as it did on the old Wage labour will be needed, created from local or imported sources, and this wage labour will have to be cut off from the land. At the same time capital will require the ordinary rights of property to privatise the returns from its investments, quite apart from the concern to privatise the flow of founder's rent. Hence capital merely extends landed property. The fetter, in being overcome, is reposed anew but on a wider scale. Each extension can only offer a temporary way out of the contradiction The optimal agrarian structures developed on the new lands will cease to be optimal as technology and social relations develop Thus the creations of an old extension — for example the Latin American latifundia, become the fetters of a later age. As such, capital's conquest of landed property by extensive development will always be temporary, always limited by the given area of "feasible" land

2 Landed property and owner occupation

Where the transformation of production is limited by the fetter of property, capital will tend to expand externally before attacking the internal fetter directly Internal areas have established economic and social structures, vigorously maintained External areas are weaker, their freedom from modern forms of property allows unrestricted topological restructuring. Yet, as I have indicated, for any given level of technology, of development of the means of communication, of engineering, or of medicine, there exists a frontier beyond which it is difficult to expand. It is then that capital turns inwards. In all major capitalist countries we tend to get the same pattern : a period of expansion of cultivated land in the particular country, the opening up of the territory, through building roads, railways and canals, cutting forests, draining marshes, irrigating dry land, terracing

hills; followed by a period of institutional transformation, and even decline of the cultivated acreage This is the second great movement of capital against landed property.

The institutional transformation is focused on making owners into farmers and farmers into owners. The former, turning landlords into capitalist farmers, has had limited success. There are cases where landlords have supervised the intensive application of capital on the land. The estates of the Duke of Buccleaugh in Scotland, run by managers and co-ordinated by agents, are a case in point. But for the most part, the landlords' control of property rights without obligation has insulated them from value and the observation of its rules.

More significant has been the attempt — historically enforced by the capitalist state — to turn farmers into owners. In Britain the reform was carried out *via* a politico-economic attack on landlords through imports and taxes : forcing land sales to pay state debts. The effect was immediate. In 1914 about 10% of British land was farmed by its owners. By 1927 the figure had gone up to 36% and it is now about 50%.[4] In the United States the extension of owner occupation (the family ranch) from the North to the South was a direct result of the political defeat of the Southern States in the civil war. In Latin America the transformation has been tackled more directly through measures of land redistribution.

The issue in all these cases is indebtedness. When owner occupation is established through the market, the farmer is from the first burdened with debt and new investment is restricted. (The selling landlords have effectively capitalised future differential rents in the sales price.) On the other hand an owner occupier free from debt is likewise insulated (to the extent of his differential rent) from the law of value. We find the land parcellisation and bad husbandry that characterises many peasant societies. For this reason capital has often ensured that new owner occupiers are from the first dependent on credit for the payment of the land purchase price or some form of compensation. The state then makes good the limitation of capital which results by extending credit, financing part of the improvements itself, providing support services, and so on.

The problem in all these cases is that an owner occupier does not face a barrier to the application of his capital, but by the same measure is in a position to receive the differential (and monopoly) rent over and above a normal rate of return on capital invested. This differential rent acts as a cushion against the strict application of the law of value. So too does the tendency for increases in agricultural productivity to diminish the size of holding necessary to sustain a family, or for members of the farmer's family, including the farmer himself, to supplement the farm income through wage work elsewhere. In the United States in 1960 for example 25% of all farms were part-time (in the sense that the farmer worked 100 days or more outside the farm and drew more income from outside than in) while a very large proportion of other farmers drew substantial sources of income from outside (Renborg, 1969, p 218).

In Japan in 1970 where there were still nearly 7 million employed in agriculture and fishing, 4 million had to find supplementary work, and 54% of agriculturalists' income came from work in the towns (Halliday and McCormack, 1973, p. 172). These and similar figures for other capitalist countries can be read as the capitalist degradation of peasantry, part of the process of proletarianisation, lengthening the overall working day, increasing the intensity of labour. But they can also be read, from capital's point of view, in terms of the difficulty of restructuring land. In the phrase of liberal economists, agriculture is an industry with severe barriers to exit.

In overcoming the barrier of property by creating peasant proprietorship, capital finds itself in a new contradiction. For a rise in the general level of agrarian technology increases the need for restructuring, and expands the optimum size of holding. But in doing so it diminishes the minimum size of farm necessary to sustain a family and thus cushions the peasantry against restructuring. The optimum for profit increasingly diverges from the minimum for subsistence. In this lay the post-war problem for European agriculture.

Not that farm expansion has been impossible. During the 30's and the second world war, farm structure was relatively stable. In the post-war period there has been a reduction in smaller farms throughout Western Europe and in the USA In continental Europe it is farms under 10 hectares that are decreasing in number. In the UK this tendency includes farms up to 120 hectares, and in the US farms up to 200 hectares. Comparing 1900 with 1969, the number of farms in the US fell by 35% to 3.7 millions. All categories under 260 acres declined by an average of 44%. The categories over 260 acres increased by an average of 53%, and rose from 9% to 22% of the total number of farms. There is a similar pattern if we rank farms by sales rather than acreage. In the 20 years between 1939 and 1959 the smallest farms by sales fell from a total of 4.2m to 1.6m, or 61% (Renborg, 1969, p. 213).

These transformations have been brought about through agricultural price pressures (as in Japan), by subsidies and other incentives to amalgamation, and by the extension of credit to "kulaks" to enable them to expand. Yet even the evident movement in the concentration and centralisation of agriculture within the capitalist countries does not negate the severe brake which "peasant proprietorship" places on the development of capitalist agriculture. To cite only one example: Japan had planned to reduce the number of farms to 2-3 million by 1961. By 1970 the target was still far off, and 5½ million households continued to be involved in agriculture (Halliday and McCormack, 1973, p 171).

Capital's great attempt to overcome landed property by turning landlords into capitalists, and tenants into owner occupiers, is subject to similar limits to its extensive drive. Each land reform which aims to increase capital investment and productivity through a change of ownership from landlord to farmer, only succeeds in posing the fetter in a new form. In no way can capitalism solve the problem of landed property through the creation of an international peasantry, as some socialists have claimed. It merely shifts the problem to a different stage.

3. *Intensive Investment*

The other side of capital's intensive attack is its attempt to raise the productivity of the soil, to turn agriculture into a continuous process, an open-air factory, where land itself would decline in importance. This attempt to loosen the bond between agricultural productivity and the given structures of nature has been decisively advanced in the period since the second world war. The main elements of the revolution of the productive forces are as follows:-

(i) increased size and quality of the means of preparation: giant ploughs, artificial insemination;
(ii) shortening of the transformation period, through the elimination of natural

interruptions (greenhouses, mechanical grass driers, irrigation, artificial daylight for poultry) or shortening the biological gestation period (new seeds, cutting of tree-growing times — cocoa, rubber);
(iii) diminishing interruptions between transformation periods (again artificial climatic conditions, development of winter grain, fertilisation of soil, and rotation to reduce fallow time),
(iv) improved yields (high varieties, soil nutrients, increased litter sizes, control of disease through spraying, veterinary services, etc.);
(v) mechanisation of the separation process (combines perform two separation processes, and can do so because of the relative standardisation of the crop; other crops have had to be standardised and made suitable for mechanised picking, the shortening of trees, new types of tomato, etc.);
(vi) improvements in transportation speeding up all parts of the transformation and separating processes (rationalised field systems) and relations with the market (particularly important is refrigeration).

Through the application of biological science and machinery the transformation, separation and communication periods have all been reduced, and yields increased. While most of these changes were initiated before the war, they have only since been widely diffused. As a result output per acre has increased sharply. In the UK it rose by 50% from 1900 to the late 30's and by a further 150% from then to the mid 60's. Output per worker has increased even more, with comparable figures of 60% and 210% (Robinson, 1969, p. 30).

In the post-war period agricultural productivity in the majority of advanced capitalist countries has been rising faster than that of industry — in the US three times as fast during the 1950's (Schultz, 1965, pp. 70-72). In some sectors this reflects a move from the formal subordination of land under owner occupation to a real subordination of land as a material element in capitalist production. The development has gone farthest in the development of synthetic substitutes for primary commodities: rubber, cotton and potentially sugar. In the field of livestock there has been the extraordinary development of the broiler industry which has freed chickens from the farmyard, of the pig industry, and now increasingly of beef. No-land methods of raising cattle have been temporarily halted by the rise of primary commodity prices, but already by 1972 75% of US beef was produced on feedlots, the largest accomodating 125,000 cattle at a time.[5]

In other sectors land remains important as a material base, but has been subordinated to capital through standardised flow processes, and through the speed-up of the whole time economy of production Grain crops are the most notable, as well as certain vegetables and fruits. For this reason capital's attack on the production of cattle has had the effect of substituting crops for grazing. No-land cattle farming does in fact require attendant corn lands (the link between the processes is more accurately captured in the British term, barley beef) for the farmer here is substituting mechanical cutting and gathering of food for the individual cropping of grass by the animal. Recently capital has attempted to side-step animals altogether as a provider of protein by the supply of soyabeans, and their transformation into synthetic meat.

In all these instances the transition from the formal to real subordination of land has tended to move in parallel with a transition from the formal to the real subordination of labour. Agriculture has at last broken through into the era of machino-facture. Labour is deskilled, directly subordinated to the interconnected machinery, the head now divorced from the hand and concentrated with science in capital and its organisation. Agricultural technical labour (sited in towns, universities, agricultural stations) is now married with deskilled yet specialised labour under the hierarchical control of capital. And with the transformed labour process go the organisational forms characteristic of capitalist machino-facture, the limited liability company, the vertically integrated "agribusiness", synthesising, synchronising the agriculture into its later stages of processing. We find that 90-100% of the production of deep-frozen vegetables, seeds, sugar, cotton and certain fruits was vertically integrated, and a major part of broiler and turkey production (Renborg, 1969, p. 223). Agricultural labour is increasingly indistinguishable from industrial labour and is socialised as such.

The fact remains, however, that these are still only incipient tendencies. They remain confined both by geographical area and by product. From each perspective capital has "surrounded" the agricultural process: revolutionising the production of inputs, the processing and transportation of output, the organisation of an integrated line. But still for a large part of the globe, and for many commodities, the process of agricultural production remains at the stage of formal subordination. Indeed the particular relation of land, means of production and labour in agriculture has meant that even this formal subordination has been difficult. The simple co-operation and manufacture of plantations, for example, has been the scene of bitter struggles between capital and labour over the latter's subordination. This is the history of slavery, indentured labour, and pitiless colonial repression. It is also the material basis for the growth of colonial liberation movements (Indonesia, Malaya) and organised working class power. In the neo-colonial period capital has commonly settled for a putting-out system. Firestone were forced to parcel out their plantations to independent peasant producers in Liberia; Kalamazoo Spice Extraction do the same with pepper production; even the new agribusiness estates in Senegal are considering this. For many commodities moreover even simple co-operation under the rule of capital was impossible. Capital could advise on inputs, offer credits for investment, encourage economies through "co-operatives". What they could not do, and still cannot do for the majority of the world's agriculture, is to submit these processes of production to the direct domination of capital.

LANDED PROPERTY AND THE DEVELOPMENT OF CAPITALISM

The Neo-Ricardian theorists have tended to argue that landed property and the accompanying rent would diminish in significance with the development of capitalism. In this they were taking a position contrary to both Ricardo and Marx. The main threads of the argument concerned changes in relative monopoly power. Bortkiewicz suggested that the increase in intensive investment would lead to landlords bidding against each other, and therefore reducing rent, in order to have the privilege of the capital being applied on their land. Amin and Vergopoulos, as we have noted, both see the power of landlords declining, the former because of an alliance against them by capital and the working class under the umbrella of social democracy, the latter through the break up of estates and the replacement

of large landlords with an owner occupying peasantry. These shifts in class alliance are reflected in state policy towards agriculture, and are supported by direct monopolistic pressure by capital through sales of agricultural inputs and purchases of agricultural outputs.

Certainly the figures appear to support this. Rent as a proportion of agricultural income declined from 31% in 1888 in France to 4% in 1962 (Vergopoulos, 1974, p. 167). A similar decline is recorded during this century for the major advanced capitalist countries[6]. There are other indications too: the widespread legislations to secure tenure, to encourage owner occupation, to tax landlords and break up the landed estates, the decline of demands for land nationalisation, and so on.

While I would not dispute the decrease in the *relative* significance of rent in advanced capitalist countries, the approach seems to me to suffer from the faults I earlier noted, of restricting analysis to the sphere of distribution without considering the developments in production. Our question should not be how does the proportion of rent change in agriculture with the development of capitalism, but rather, how does capital interrelate with the fetter of landed property in the course of its development. In the earlier sections I have outlined some general characteristics of this relationship. In this final section, I want to suggest certain changes in the relationship.

First, with the development of intensive investment, and differential rent II, there is a tendency for rent to change its form, to agricultural profit and interest paid to banks. Hence, declared rent figures must be treated with caution. One interesting piece of evidence which supports the view that rent has not declined in absolute terms is the estimate made by Jack Revell for the value of land in the UK. He calculated that the value of land grew from £1.3b. in 1900 to £3.6b. in 1948. In as much as long-term land prices reflect discounted future rents, this suggests a rise in rent, a rise which exceeds inflation over the period (Revell, 1967, p. 64).

Second, while agriculture has still to enter the era of machino-facture in many of its branches, the application of chemical science and machinery has undoubtedly counteracted the tendency of rent to rise. The circumstances are the following. The second agricultural revolution had the greatest effect on labour productivity, but it has also increased output per acre. The rate of increase in land productivity was for many products in excess of the rate of increase in domestic demand, and with exports limited for technical and/or political reasons, we have seen the appearance of both surplus production (notably in grain) and a reduction in cultivated land area. It is this last point which is important from the point of view of rent. For the expansion of agricultural productivity has allowed marginal lands to be converted from grain to grazing, from corn riggs to rough hill, and now in Britain to forests Almost all the advanced capitalist countries (as well as Czechoslovakia, Hungary, Armenia and Estonia) have shown a tendency for the cultivated area to decline after an earlier period of land expansion (Bicanic, 1969, pp. 560-565). Although we have not reached the stage when the whole of the English harvest can be produced in Soho Square, it can now be concentrated in the more "socially" fertile areas, and if these exhibit relatively small differences in fertility there will be relatively less differential rent.

The increase in labour productivity, which is but a reflection of increasing organic composition of capital on the land, will also have the effect of reducing if not eliminating absolute rent.

This much holds for agricultural rent in advanced capitalist countries. In other countries, however, the case is different because the application of science and machinery to agriculture has been recent and limited. They are still in the process of land expansion and reclamation. The inherited structures of property ownership stand in the way of the adoption of many of the new techniques. Given the extraordinarily low level of development of much agriculture in Asia, Africa, and even Latin America, the introduction of the new techniques on intra-marginal or new land, creates a great gulf between the least and most productive. Agricultural rent, and the potential founder's benefit from establishing new property rights for commercial agriculture, are of major importance in these regions.

This is compounded by products in which an international market, and therefore an international determination of rent, governs the range in which the law of value operates. The tropical products are old examples — sugar, rubber, bananas, coffee, tea, cocoa, palm oil and so on. During the colonial periods these were organised and ruled by a metropolitan rather than a world market. In the last 15 years the colonial insulation has been increasingly eroded, at the same time as revolutions in production and distribution techniques have taken place. Accordingly, the ranking of plots has been re-ordered at a world level, many new lands have been introduced, and differential rent in some of the sectors has increased. These traditional products have now been joined by others whose production is developing at a world level rather than on a metropolitan or national scale meat (in which advanced capitalist countries are mostly not self-sufficient), fresh vegetables, haricot and soya beans, and seed production. In all these cases, rent and the rights of landed property remain important. Much of the development is in underdeveloped or still primarily agricultural countries, with international capital playing a leading role in operating, managing, financing, or supplying the new intra-marginal developments. It is the field of international agribusiness.

The issue of agricultural rent and landed property thus diminishes within advanced industrial countries, but is reproduced in the underdeveloped countries in a sharper form. It also takes on an increasingly international dimension, not only in the traditional tropical products, but in spheres in which modern technology (air transport, veterinary and breeding improvements) permits capital to internationalise production. Furthermore, the existence of surpluses raises the whole issue of internationalising "national" branches, notably in grain. The great American grain surplus has been seen by many commentators as a sign of the difficulty of restructuring agriculture and shifting marginal farmers from the land. It could equally be seen as a result of the difficulty of enforcing the law of value internationally, of developing international specialisation and permitting the "surplus" American products to outcompete the less efficient grain producers in the underdeveloped world. From this point of view we might see the American international grain policy as an attempt to realise rent on an international plane for products which within a national context are merely excess, nonvalorisable, supply.

In these circumstances to portray capitalism as leading to the suppression of rent and landed property is misleading. What we have to trace through is the interrelation of rent and the law of uneven development, the internationalisation

of landed property, and of the formation of rent.

Thirdly, even if agricultural rent has a tendency to decrease relatively with capitalist development, landed property will continue to have a contradictory relationship with capital The difficulties of topographical restructuring will both limit the development of productive forces in agriculture, and maintain the tendency for expansion. I say this in spite of the evidence for the contraction of cultivated land, for the limits to intensive restructuring still leave more land cultivated than would be necessary if agriculture was conducted on a "rational" basis. Secondly, as the forces of science and machinery are applied to agriculture at the world level, the destruction of traditional "artisan" farms is likely to reach a dimension previously unknown in history. At the moment there are about 2 billion people engaged in agriculture, nearly two-thirds of them in the non-socialist world, and most of these in the underdeveloped capitalist countries. If capital succeeds in transforming underdeveloped-country agriculture as it has done in the advanced capitalist countries, nearly one billion people stand to be thrown off the land. The pace at which this takes place will depend on the pace of imperialist integration of the world market. What we do know however is that the faster that pace, the less will be the non-agricultural work available for those extruded from the land. Already the extent of under-employment in underdeveloped countries is one of the central political facts of to-day's world economy. The reserve army of the unemployed, determined now at a world level, is being concentrated in the underdeveloped countries. When this reserve army is swelled by the consequence of the agricultural revolution, the effects on the underdeveloped world will be discontinuous. The increasing productivity of the land will run parallel to an increasing hunger and poverty of those thrown off the land. And yet the evidence from the advanced countries suggests that less land will be required for capitalist cultivation. Landed property standing against labour as a bar to their access to means of subsistence, will now stand as a bar to the subsistence of a great reserve army. The process has already been seen on a small scale in the Highlands of Scotland. When set at a world level, with a magnitude so vast, the social force against the barrier of landed property will be as irrepressible in the countryside of the underdeveloped countries as it has been up to now in the towns.

Fourthly, at the same time as we witness an internationalisation of agricultural production, and an intensification of the issue of rent and landed property at the margins of world capitalism, the advanced capitalist countries, far from finishing with the contradiction of landed property, see it rather displaced to the mines and the towns. There is a structural shift, and in both cases it is a shift to areas in which capital may find it less easy to surpass the barrier.

In the case of urban property, capital faces a problem similar to that in agriculture. In order to eliminate rent — in as much as urban rent is predominantly determined by communications time — capital would have to be able to reproduce "construction" space at the average cost of all construction in the sector, and at the average time-distance from the relevant urban nodes (work, city centre, shopping area and so on). It would have to avoid meeting increased demand by moving to sites of (in communications terms) lower fertility. It could only do this if it:

a) increased density per acre, either by concentrating more building space in an acre — tower blocks, skyscrapers — or decreasing building space per person

(replacing nodal shopping with flow line supermarkets, decreasing the size of office and school classrooms);
b) improved communications time, thus allowing the margin to be extended topographically without increasing travel time;
c) decentralising nodes, through industrial dispersion, new towns, etc.

In all cases capital has faced limits. The limit to expanded building space per acre is ultimately a technological one. The increased "intensity" of people per acre has been most successful and far reaching in retailing, and in office development, but it now seems there are limits to further substantial improvements. In housing there are demands for minimum standards which run counter to capital's requirement, and the more efficient use of housing space per person is crucially limited by the continued existence of the family. As the organic composition of capital in the home increases, there will be ever increasing pressures to communalise usage in some form (consider the excess capacity in the major items of the family house)

The above limits, the difficulties of restructuring commercial and residential property in the face of the barrier of landed property, have meant that most capitalist towns have tended to expand into "new" areas — that is, to "sprawl" The effects of sprawl on property values have traditionally been countered by transport improvements but again there are definite limits to the extent to which a nodal town can accommodate extra-marginal expansions. The central traffic points get overloaded, journey times increase with congestion. Only a complete re-organisation of the town on a flow line basis could avoid these congestions.

New purpose-built towns have been designed on this basis. But in the advanced capitalist countries few of these new towns have been able to break the established hold of the traditional cities. There is a material basis for this. There is a time economy in space which underlies the law of agglomeration in capitalism, just as the time economy of industrial production underlies the law of the concentration and centralisation of capital. In both cases there are limits to decentralisation and decomposition. In cities these limits are determined by the extent of face-to-face communication required for any aspect of expanded reproduction (how far can the telephone and letter substitute for personal meetings), and by the geographical and social range over which such personal meetings take place. Thus production tends to be more decentralised (in the suburbs, by ports, along roads) than department store and specialised shopping, central banking, head office management, state organisation (80% of Central London work is now white collar or services) The city can extend, forming the modern metropolitan region, where the geographical hierarchy, division of labour and planned co-ordination parallels the technical (and political) structures of industrial production. This is not a break-up of the city, but an expansion of its sway, and in few of these expansions has the property barrier not stood in the way of that comprehensive redevelopment that the move from nodal to flow line organisation implies.

As a result, total journey times to centres increase, and with them the level of differential rents. The fact that this is a general tendency in capitalism is reflected in the preference for investments in urban property by insurance companies concerned with the maintenance and indeed appreciation of their asset values over the long term (say forty years).

With minerals, the problem is not one of technology of production. Most minerals are produced with very high organic compositions of capital Rather it is a question of availability of resources to meet a demand which for many of the minerals increases at a rate faster than the rate of accumulation. Many of the revolutions in the capitalist labour process are only accomplished by the substitution of mineral-intensive products, oil for horses, metals for hand-power, oil-based fertilisers for manure. In the advanced capitalist countries, each person requires on an average eight tons of steel to reproduce him/her self *per annum*. In some of the modern electronic equipment, the elements required are in even shorter supply than, say, oil. The problem for capital then becomes not one of production, but of exploration, and of developing new methods of processing which would allow plentiful elements to replace the scarce Wind, wave, or sun-based power to replace fossil fuels is an excellent example of this.

This is the area of the doomsday forecasts, the laws of economic entropy, of the exhaustion of natural resources Many of these analyses speak only of the use values involved. Our task is to trace the consequences of this limit of use values in a system governed by private capital and the law of value. Landed property, and the existence of differential and monopoly rent become central to any such analysis. Hence we observe the constant search for extensive founder's benefit by the international raw material companies, their collusion on monopoly pricing, their resistance to attacks on their rent by the state. Unlike general agriculture, the raw materials industry has for many decades been international, with its science being developed in the capitalist heartlands of the West, and its exclusive property rights being appropriated and defended at the world's extremities Exploration has now been pushed to Alaska and Antarctica, to the continental shelves and the ocean bed. And following exploration has been landed property and capitalist force.

Of the significance of rent there can be no doubt. The exploration and development of the North Sea is hinged on the problem of rent. The expected tax taken from the British area by 1980 is likely to be in the region of £5 billion *per annum*, a figure which under current taxation terms leaves much rent to the oil companies, and which is likely to exceed the *total profits* from the whole of the British industrial sector. The global significance of the oil price rise, the massive international levying of differential and monopoly rent, the pivoting of imperialist policy around the rise — all these have merely to be registered to make the point.

Both in urban property and in mineral exploitation, there will be a tendency for rent to rise with capitalist development. In the case of the former, landed property will also act as a fetter to the development of the productive forces, principally because of the barrier to intensive restructuring. With minerals the productive forces are already highly developed, and concentrated in the hands of international companies. Here the main contradiction does appear in the sphere of distribution, but this must still be seen as a reflection of capital's struggle in production to by-pass the restricted resource, finding new techniques of recovery, new methods of transformation, and even new products which are either freely available or open to appropriation at low cost.

My last point concerns the significance of landed property for our understanding of the state in the contemporary world economy. In the advanced capitalist countries, the state's dominant concern is with the accumulation of capital and the reproduction of the capital-labour relation. Agricultural landlordism has been subordinated. Agricultural capital becomes one more fraction of capital The state's role in agriculture is not with the allocation of property rights and the distribution of rent, but with the reduction of landed property's power against capital. It is concerned with growth on the land, with good husbandry and with the provision of cheap means of subsistence. Only in the competition between national capitals does landed property and the realisation of rent become an important issue (the USA's attempt to realise rent by exporting grain, the disputes over fishing grounds, the debates on agricultural protection).

In urban property development, however, the state still has a considerable discretion over the allocation of property rights and the effective granting of "founder's rent". For the state controls land-use. Given that sites can yield different levels of rent according to their use, and given that their optimum use in terms of the social plan for the town may change, the control of the rights of restructuring ("change of use") gives the state the power to license founder's benefit. Planning permissions are grants to capitalised rents, reflected in the change of land values. Until such founder's benefits are appropriated by the state through land nationalisation or the effective taxation of "betterment", there will always be an incentive for propertied capital and its associates (estate agents, builders, engineers, road hauliers) to enter and/or control that branch of the state with the power of permission — namely local government No general theory of local government would be adequate without an explicit treatment of urban landed property and founder's rent. In underdeveloped countries, these same rights are also applicable to agriculture. For in many of them modern landed property has not been fully established, or if it has, it has not been established under national control. Thus colonial liberation is always attended by the tasks of redistributing property rights, and where land is not nationalised, this always raises the issue of the allocation of "founder's rent". In Kenya, the first decade after independence was marked by the distribution of property rights to the Kikuyu and the appropriation of rents that ensued.[7] Preferential credit from the state has allowed the development of capitalist production on these lands, thus raising differential rent. Again the concern is not solely with distribution, but distribution has an important place. When we add, too, the power of internal distribution resulting from tariff protection, preferential tax treatment and so on, we can see how the politics of certain underdeveloped-country states turn on the issue of rent

CONCLUSIONS.

The preceding discussion suggests the following:

1. Agriculture, urban property and mineral extraction require a distinctive treatment from other branches of production. Capital has been unable to break the dependence of production in these sectors on specific plots and, given the different fertilities and the non-reproducibility of land, there is no general tendency for value to fall to the level of the least-cost producer, as there is in other sectors. This is one material condition for the existence of differential rent, and it is this which distinguishes ground rent from other (temporary) excess profits such as "technological rent".

2. I have argued that in order to analyse these sectors we require a general theory of the capital/land relation in addition to that of the capital/labour relation, but that any such theory of capital and the land must take into account not merely the characteristics of the land as use value, but as use value within capitalist relations of production. The capital/land relation can only be understood within the terms of the capital/labour relation: the conditions of a labour force cut off from its means of subsistence; the circulation of agricultural outputs as commodities with market prices; and capital's difficulties in subordinating land and labour in the agricultural labour process. The form of property in land under capitalism is quite distinct from the forms of landed property in previous modes of production

3. Property in land under capitalism is a relation of distribution rather than a relation of production. This particular monopoly allows the proprietor a share in the quantum of value produced by social labour, but it is a monopoly which has no *direct* bearing on production. This explains the use of the term modern landed property rather than capitalist landed property.

4. Modern landed property has a contradictory relation with capital. As a monopoly of land against labour it provides a condition for capitalist production, but at the same time it is also a monopoly against capital. It is a fetter on capital and its accumulation, and this holds even where the ownership of land is in the hands of capitalist farmers themselves.

5. Capital has tried three ways of overcoming this fetter. First it has extended beyond the range of existing modern landed property rights to "new lands", but in so doing it has had to establish these same rights as a condition for its own new production. It has reposed the fetter on a wider scale. Second it has tried to reduce the separation of ownership and production on the land by the encouragement of owner occupation. This has merely displaced the contradiction from that between landlords and capitalists to one between capital in general and many (landed) capitals. Third it has bombarded agricultural production with new techniques, raising the productivity of labour and the yield of land. This alone can erode the material basis of the power of landed property and the appropriation of rent.

6. In spite of the fact that much agriculture still remains at the stage of artisanal production, of simple co-operation and manufacture, as does the building of houses, the reproduction of labour in the home, or private transportation, nevertheless capital still has the same drive to pursue the economy of time in these fields, to establish machino-facture and the real subordination of labour, or in other words to increase relative and not merely absolute surplus value. The capitalist laws of production apply to land-using industries as they do to all other sectors. One reflection of this is the tendency for concentration and centralisation in these industries, measured in terms of the size of capital invested rather than simply the topographical size of holdings. Any reforms couched in defiance of these laws — notably to establish a poorly capitalised, independent small farmer class as the backbone of productive agriculture, is already archaic and will be treated by history as such.

7. Until land has been "really" subordinated, landed property and rent will remain significant. In underdeveloped countries their importance is still evident in agriculture. In advanced capitalist countries, the intensive application of capital has meant that agricultural rent has a) changed in form, appearing now as interest

and profit, and b) declined in relative if not absolute terms. The focus of the contradiction between capital and landed property has increasingly shifted to urban land and minerals.

8. The state has always played a central part in i) establishing the contradiction between capital and landed property — enforcing the rights of landlords against labour, and ii) sponsoring attempts to surpass this contradiction — changing the form of landownership, controlling investment, credit, pricing and taxation in order to minimise the barrier posed by landed property to accumulation. The state plays this part because the market is inadequate as a mechanism to ensure that the law of value operates. The state enters to enforce this law, but being itself insulated from the discipline of the market, its actions too become problematic. It becomes an arena for a transparent struggle over distribution. The state's power and its consequences in relation to rent and landed property must form an important part of any general theory of capitalist government, particularly local government.

9. This same power must also form a part of any general theory of nation state rivalries, and, when coupled with the tendency for capital to expand beyond the limits of existing modern landed property rights, of any general theory of imperialism.

10. Finally, the issue of distribution raised by the theory of rent must be seen not in the static terms of Ricardo, but in relation to the pace, form and location of further accumulation. This was the main argument of the first part of this essay, and my insistence on the importance of the concept of absolute rent. The argument of the second part has been that the subordination of distribution to production and to the requirements of accumulation has been and continues to be problematic.

NOTES

Part I of this article appeared in Capital and Class no 3. Robin Murray works at the Institute of Development Studies, University of Sussex, Falmer, Brighton.

1 On "demographic composition" see Gramsci, 1971, pp. 280-287.

2 Slicher van Bath, 1963, pp. 153-155. Van Bath suggests that some of the Cistercian monasteries had over-expanded by the late 13th century and were forced to break up. On agricultural development in medieval Europe see also Dubuy, 1968.

3 This is one of the functions of aid loans, to cement an alliance between international capital and a local propertied class

4 For earlier figures see Vergopoulos, 1974, p. 180. The recent figure is from Revell, 1967, p. 324 and refers to 1961.

5 See the article on the largest of the beef feedlots in the USA, in *Fortune*, January 1973.

6 See the figures in Bellerby, 1956, where he calculates the proportion of rent in farm income for major Western countries. The figures for rent and interest as a proportion of net farm annual average income are summarised in the accompanying table:

Table 1
Figures in Percentages of Net Farm Annual Average Income

		UK	Eire	USA	Canada	Netherlands	France	Sweden
Rent	c. 1910	18	n.a.	26	n.a.	34	22	n.a.
	mid 1920's	13	5	25	16	32	13	n.a.
	late 1930's	12	4	21	15	27	14	8
Interest	c. 1910	12	n.a.	8	n.a.	8	3	n.a.
	mid 1920's	18	14	6	10	7	5	n.a.
	late 1930's	11	10	6	9	8	7	6

Source: Bellerby p.205

More recent figures confirming the decline are presented in Denman and Stewart, 1959. In as much as land values reflect rent, the decline in the relative significance of land in the total economy can be seen from figures in Revell, 1967. The figures are summarised in the Table below:

Table 2
Figures in Current Prices, £ billion

	Land	All Physical Assets	Financial Claims
1900	1.3	5.8	8.5
1920	2.1	19.4	16.5
1937	1.4	13.6	30.2
1948	3.6	18.7	57.2

Source: Revell, p.64.

In 1900 "all land" constituted 22% of Physical Assets. By 1948 this had fallen to 12.5% and by 1958 to 9%, with agricultural land making up a third of the value of land as a whole (i e. 3%). The comparable figures in 1958 for the United States were almost exactly double (19% for all land, 6% for agricultural land) (see Revell, 1967 p. 295).

7 Leys (1975) contains a wealth of material and a strong thesis supporting a "landed property" interpretation of the post-independence period.

BIBLIOGRAPHY

Amin, S., 1974, "Le capitalisme et la rente foncière: la domination du capitalisme sur l'agriculture", in S. Amin and K. Vergopoulos, *La Question Paysanne et le Capitalisme*, Editions Anthropos-IDEP.

Ball, M., 1976, *Marx's Theory of Rent and the Role of Landed Property*, Mimeo.

Bellerby, J.R., 1956, *Agriculture and Industry, Relative Incomes*, Macmillan.

Bicanic, R., 1969, "*Turning points in economic development and agricultural policy*" in Papi and Nunn, 1969.

Bortkiewicz, L. von, 1910-11, "Die Rodbertus'sche Grunderententheorie und die Marx'sche Lehre von der absoluten Grundrente", in *Archiv für die Geschichte des Socialismus und der Arbeiterbewegung* Italian translation in L. von Bortkiewicz *La teoria economica di Marx*, Einaudi, Turin 1971

Bradby, B., 1975a, "The Destruction of Natural Economy in Peru. a problem of the articulation of modes of production" in *Economy and Society*.

_____ 1975b, "Equal Exchange and the Imperialism of Trade" in *Bulletin of the Conference of Socialist Economists*, No 12, Autumn, pp 1-12

Breugel, I, 1975, "The Marxist Theory of Rent and the Contemporary City a Critique of Harvey", in *Political Economy and the Housing Question*, papers presented at the Housing Workshop of the Conference of Socialist Economists, London.

Buchanan, D.H., 1929, "The Historical Approach to Rent and Price Theory", *Economica*, reprinted in W Fellner and B.F. Haley, *Readings in the Theory of Income Distribution*, 1946.

Bye, C R, 1940, *Developments and Issues in the Theory of Rent*, Columbia U.P.

Byrne, D. and Bierne, P, 1975, "Towards a Political Economy of Housing Rent" in *Political Economy and the Housing Question*, op. cit.

Catephores, G. and Morishima, M, 1975, "Is there an Historical Transformation Problem?" in *Economic Journal*, June. (See also R. Meek's reply and G. Catephores and M. Morishima's rejoinder in *Economic Journal*, June 1976.)

Clarke, S. and Ginsburg, N., 1975, "The Political Economy of Housing", in *Political Economy and the Housing Question*, op. cit.

Crotty, R., 1966, *Irish Agricultural Production: its volume and structure*, Cork U.P.

_____ 1977, "*Capitalist Colonialism and Peripheralisation: the Irish case.*" Paper presented to the European Periphery Conference, IDS, Sussex, November.

Cutler, A, 1975, "Ground Rent and Capitalism", in *Critique of Anthropology*, 4 & 5, Autumn

Denman, D R. and Stewart, V.F., 1959, *Farm Rents*, Allen and Unwin.

Denman, D.R. (ed), 1962, *Contemporary Problems of Land Ownership*, Cambridge.

Duby, G., 1968, *Rural Economy and Country Life in the Medieval West*, Arnold

Edel, M., 1976, "Marx's Theory of Rent: Urban Applications", in *Housing and Class in Britain*, papers presented at the Political Economy of Housing Workshop of the Conference of Socialist Economists, 2nd volume.

Emmanuel, A., 1972, *Unequal Exchange*, New Left Books.

Fetter, F.A, 1901, "The Passing of the Old Rent Concept" in *Quarterly Journal of Economics*, May.

Georgescu-Roegen, N, 1960, "Economic Theory and Agrarian Economics", in *Oxford Economic Papers*, Vol. XII.

Gramsci, A., 1971, "Americanism and Fordism" in *Prison Notebooks*, Lawrence and Wishart.

Harvey, D., 1973, *Social Justice and the City*, Arnold.

Ive, G., 1975, "Walker and the 'new conceptual framework' of Urban Rent" in *Antipode*, Vol. 7, No 1.

Kautsky, K., 1970, *La Question Agraire*, Maspero.

Lafond, J., 1976, "*Paysannerie et Capitalisme: Analyse des principales tendances du développement récent de l'agriculture francaise*", Centre d'Etudes Prospectives d'Economie Mathématique Appliquées à la Planification, 142 Rue du Chevaleret, 75013 Paris, November, Mimeo.

Lehmann, D. (ed), 1974, *Agrarian Reform and Agrarian Reformism*, Faber.

Lenin, N. *Theory of the Agrarian Question*, Selected Works, Vol. XII.

Leys, C., 1975, *Underdevelopment in Kenya*, Heinemann.

Lipietz, A, 1974, *Le Tribut Foncièr Urbain*, Maspero.

Marx, K. *Grundrisse*, Penguin, 1973: *Capital* Vol III Moscow, 1962; *Theories of Surplus Value* Vol. I, Lawrence and Wishart 1969, Vol. II Moscow 1968, Vol. III Lawrence and Wishart 1972; *Letters to Kugelman*, 1934.

Papi, U. and Nunn, C eds, 1969, *Economic Problems of Agriculture in Industrial Societies*, Macmillan

Postel-Vinay, G., 1947, *La Rente Foncière dans le Capitalisme Agricole*, Maspero.

Renborg, U., 1969, "*Tendencies towards concentration and specialisation in agriculture*" in Papi and Nunn, op cit.

Revell, J., 1967, *The Wealth of the Nation*, Cambridge.

Rey, P.P., 1973, *Les Alliances de Classes*, Maspero.

Ricardo, D., 1971, *Principles of Political Economy and Taxation*, Penguin.

Ricci, D.M., 1969, "Fabian Socialism: a Theory of Rent and Exploitation" in *Journal of British Studies*, Vol. 9.

Robinson, E.A.G., 1969, "*The desirable level of agriculture in the advanced industrial economies*" in Papi and Nunn, op cit.

Slicher van Bath, B.H., 1963, *The Agrarian History of Western Europe, A.D. 500-1850*, Arnold.

Vergopoulos, K., 1974, *Capitalisme Difforme: le cas de l'agriculture dans le capitalisme*, in S Amin and K. Vergopoulos, op. cit.

Walker, R.A, 1974, "Urban Ground Rent: Building a new Conceptual Theory" in *Antipode*, Vol 6, No 1, April.

_____ 1975, "Contentious Issues in Marxian Value and Rent Theory. a second and longer look", in *Antipode*, Vol. 7, No. 1, February.

Wicksteed, P., 1933, *The Common Sense of Political Economy*, Vol. 2, Routledge.

Erratum — Beechey: Some Notes on Female Wage Labour. Capital and Class 3.

The following acknowledgments were unfortunately ommitted from the published text:

"This paper was originally given at the Communist University Feminist Weekend School at Bristol. It was strongly influenced by discussions in the Women and Labour Process Group and by discussions with Feminist and Marxist comrades and colleagues in the Coventry-Birmingham area. I am particularly grateful to Michèlle Barret, Simon Clarke, Simon Frith, Martin Legassick and Barbara Taylor who gave me detailed criticisms of the original paper.00

The reference to Jean Gardiner: 'Women and Unemployment' in footnote 23, pp. 63-4 should be deleted.