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THE TRANSITION FROM FEUDALISM TO CAPITALISM

A contribution to the Sweezy-Dobb controversy

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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. Sweezy¹ and Dobb's rejoinder,² 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 forma-

¹ "The Transition from Feudalism to Capitalism," in *SCIENCE & SOCIETY*, Vol. XIV, No. 2, 1950, p. 134-157.

² "Reply," *ibid.*, p. 157-167.

tion 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.³ Dobb, rejecting the traditional concepts current among "bourgeois" historians, looks for 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 fulfill 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."⁴ This description coincides in essence with the account given in Vol. III of *Capital* in the chapter on "Genesis of Capitalist Ground-Rent."⁵ This sort of feudal serfdom

"contrasts with Capitalism in that under the latter the laborer, 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

³ Marx, *A Contribution to the Critique of Political Economy* (Chicago, 1904), "Introduction," p. 300 f.

⁴ Dobb, *Studies, op. cit.*, p. 35 f.

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."⁶

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."⁷ Sweezy denies that serfdom is a specific historical category.⁸ 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 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

5 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." Marx, *Theorien über den Mehrwert*, ed. Kautsky, Vol. III (Stuttgart, 1910), ch. VI, p. 451.

6 Dobb, *Studies*, p. 36.

7 Marx-Engels, *Selected Correspondence* (New York, n.d.), p. 411 f., cited in Sweezy, "Transition," *op. cit.*, p. 134.

8 "Transition," p. 135.

compulsion."⁹ 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."¹⁰ 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,¹¹ 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 landowners' 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 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.¹² 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

9 "Reply," p. 157. Cf. Marx, *Capital*, Vol. III (Chicago, 1909), p. 918.

10 "Transition," p. 136; p. 150, n. 22.

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

12 *Capital*, Vol. I, p. 394.

concentrated embodiment of the antagonistic seigneur-peasant relationship and lays principal stress on "system of production for use" 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.¹³ 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.

13 *cf.* Capital, Vol. I, 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."

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 analyzing feudal 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.¹⁴ 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*).¹⁵

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

15 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" (Wairz). 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), *servitutes 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*. Con-

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,¹⁸ states on its first page that feudalism is peculiar to the mid-

versely, as this sort of domination by the feudal lord took over the village community and the *Hufe*, and the rules of seigniorial 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 seigniorial 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 *Shimin kakumei no kozo* (*Structure of the Bourgeois Revolution*) (Tokyo, 1950), p. 77-85.

dle 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."¹⁷ It means little however, to point out that feudalism was conservative with respect to its categorical opposite, modern capitalism. Compared to 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 market" ("an exchange economy") or "trade." About half of his whole essay in criticism of Dobb is devoted to a detailed discussion of 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 the feudal lords were general, and gave rise in England, France and Germany to the *crise des fortunes seigneuriales*.¹⁸ The exchange- or money-economy which

16 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.

17 "Transition," p. 135, 137.

18 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.

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.¹⁹ 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.²⁰

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*²¹ 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."²² 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.²³

"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 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

19 Cf., e.g., R. Boutruche, "Aux origines d'une crise nobiliaire," *Annales d'histoire sociale*, Vol. I. No. 3 (Paris, 1939), p. 272 f.

20 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.

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

22 "Transition," p. 141.

23 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.

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 center of the new exchange economy."²⁴ 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 labor services disappeared earliest, and in the more advanced south-east, with its town markets and trade routes, that labor 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."²⁵

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

²⁴ "Transition," p. 142 f., 145, 146.

²⁵ "Reply," p. 161; *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.

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 labor 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 market that took form in Eastern Germany (the fullest embodiment of Kosminsky's and Postan's "feudal reaction") that typifies 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 labor services."²⁶

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 criticism²⁷—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. Tawney²⁸ showed the presence in 16th century England of such a

²⁶ 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 Labor Service," *Transactions of the Royal Historical Society*, 4th series, Vol. XX (London, 1937), p. 193 f., p. 186.

²⁷ "Reply," p. 160; cf. *Studies*, p. 60.

²⁸ *Agrarian Problem in the Sixteenth Century* (London, 1912),

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.²⁹ In France at that time, the dissolution by trade of the class of small peasant producers did not establish a capitalist—wage-labor system, but initiated usurious land-proprietorship, *Laboureurs-fermiers* and *Laboureurs-marchands* on the one hand and semi-serfs on the other.³⁰ The latter were the prototype of those *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.³¹ Both Sweezy and Dobb treat of the disinte-

29 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. Bezaud, *La vie rurale dans le sud de 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.

30 Raveau gives a vivid picture confirming this fact, *L’agriculture et les classes paysannes au XVI^e 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 cf. p. 82, 93, 121, 268-271.

31 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

grative 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.³²

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 forward 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."³³ 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.³⁴

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.

³² 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.

³³ "Reply," p. 160.

³⁴ 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

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.⁸⁵

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 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

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. WG* (Tübingen, 1924), p. 290 f., 293-97. Cf. *Capital*, Vol. III, p. 390 f.
⁸⁵ *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.

(*campi pars, champart, terrage, agrier*).³⁶ 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*.³⁷

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

³⁶ 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.

³⁷ 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*).

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 personal 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."⁸⁸

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.⁸⁹

The original peasant holdings had been turned into free peasant

⁸⁸ 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.

⁸⁹ ". . . 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 Prob-*

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 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,⁴⁰ and whose position as commodity producers brought about the inevitable social differentiation of that condition, the petty mode of production.⁴¹

lem 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.

⁴⁰ Where a definite [viz., contractual] social productivity of labor 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.

⁴¹ 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."

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."⁴²

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 rent in kind [in England, labor services], from which it starts."⁴³ 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.⁴⁴ 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.⁴⁵ Out of this economic condition there arose both the peasants that were to do away with feudal rent altogether and the industrial

⁴² "Reply," p. 162.

⁴³ *Capital*, Vol. III, p. 926. Cf., "Reply," p. 164.

⁴⁴ "Reply," p. 263.

⁴⁵ "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.

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"?⁴⁶ 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 yeoman farmers" employ their poorer neighbors 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 the old was in process of rapid disintegration and new economic forms were simultaneously appearing."⁴⁷

Sweezy, on the other hand, remains too much a prisoner of Dobb's

⁴⁶ *Studies*, p. 19 f.

⁴⁷ "Reply," p. 162.

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 analyzed 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."⁴⁸ 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.⁴⁹ Rather, it is precisely the economic content

⁴⁸ "Transition," p. 150 f.; *Ibid.*, p. 151, note 22.

⁴⁹ 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-*

which is important here,⁵⁰ 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.⁵¹

Sweezy falls into contradiction when he calls this period neither feudal nor capitalist, using the transitional category of 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*,⁵² 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,

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*.

50 "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.

51 *Ibid.*, Vol. I, p. 789.

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

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

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 form 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

⁵³ 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.

⁵⁴ 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.

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 neighbors, 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.⁵⁵ "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 centers 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 playing a progressive role, was often to be found allied with feudal reaction [absolutism]."⁵⁶ 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.

55 *Studies*, p. 125 f., 128 f., 134 f., 142 f., 150 f., etc.; "Reply," p. 164.

56 *Studies*, p. 171; "Reply," p. 165. 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

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.⁵⁷ I should say therefore that Dobb's opinion can be taken 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 passage⁵⁸ 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

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 centers 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.

⁵⁷ 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.

⁵⁸ *Capital*, Vol. III, p. 393.

interest-bearing capital. Its analysis treats of the nature or laws of early 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"⁵⁹: 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."⁶⁰

Sweezy's analysis⁶¹ 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)"

59 "Transition," p. 153 f.

60 *Capital*, Vol. III, p. 389, 392, 395 f.

61 "Transition," p. 155.

is explained; in it the merchant capitalist subordinates the petty producers (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 installments 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."⁶² 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).⁶³

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 capi-

⁶² *Capital*, Vol. III, p. 395.

⁶³ 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.)

talists without passing through the detour of the putting-out system. He almost certainly has in mind the centralized manufactures (*fabriques réunies*), usually pointed out by economic historians, from the facts adduced in J. U. Nef's study of practices in mining and metallurgy.⁶⁴ Historically, this sort of centralized manufactures, set up either under the protection and favor of the absolute monarchies as *manufactures royales (d'état privilégiées)* or as institutions for forced labor, existed in many countries.⁶⁵ However, in essence 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.⁶⁶ 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

64 *Industry and Government in France and England, 1540-1640.*

65 J. Koulischer, "La grande industrie aux XVIIe et XVIII siècles. France, "Allemagne. Russie," *Annales d'histoire écon, et soc.*, 1931, No. 9; cf. Dobb, *Studies*, p. 138 f., p. 142 f.; "Reply," p. 165.

66 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 XVIII siècle* (2 vols., Paris, 1933) vol. II, p. 615, 626, 419-21, 639, 535-544.

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"⁶⁷; 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.⁶⁸ Although these *merchants-entrepreneurs* were often

67 *Studies*, p. 138; "Reply," p. 165.

68 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 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 re-organized 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 produc-

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 they 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."⁶⁹ 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.⁷⁰ Moreover, it is worthy of 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

tion 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.

⁶⁹ *Studies*, p. 142 f.

⁷⁰ 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, literally, 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.

rise to be putters-out, and the latter to be manufacturers.⁷¹ Dobb may have had some such sort of economic and social situation in mind. His account⁷² 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.⁷³ 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 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 Pres-

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

72 "Reply," p. 165.

73 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.

byterians, in the French Revolution the Monarchiens, then the Feuillants, finally the Girondins); in the process of both revolutions, the former routed the latter.⁷⁴ 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 producers⁷⁵; 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.⁷⁶

74 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.

75 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 ideas 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.

76 Cf. "Kindai teki shinka no futatsu no taiko teki taikai 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.

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 England 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.⁷⁷ 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

⁷⁷ On the “peasant revolution,” see G. Lefebvre, “La Revolution et les paysans,” *Cahiers de la rev. fr.* 1934, No. 1.

in the various countries.⁷⁸ 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."⁷⁹ 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!*

78 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.

79 *Capital*, Vol. I, p. 13.

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