CHAPTER 2

The General Rate of Profit and Its Realisation in the Differentiation of Industrial Capitals

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Normal Industrial Capital

In the capitalist mode of production, the allocation of the total labour power of society into each form of concrete useful labour takes place by means of the formation of a general rate of profit. Through this process, the total capital of society acts as the subject of its own valorisation by determining individual capitals as its aliquot parts. Individual capitals thereby realise the material unity of the movement of the total social capital through their respective privately undertaken actions as sums of value that valorise in equal proportion with respect to their size and turnover time.[1]

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The active participation of individual industrial capitals in the formation of the general rate of profit is dependent upon their reaching the necessary degree of concentration required (hence scale) to put into action the productivity of labour that determines the value of commodities.[2] The individual capital that has this attribute constitutes the *normal* or average for the sphere in which it acts. The production of relative surplus-value imposes the need to constantly increase the mass of value that must be accumulated for it to function as an autonomous normal individual capital.

The industrial capitals that fall behind in the process of concentration and centralisation cannot continue operating autonomously. They are compelled to become fragments integrated with other industrial capitals, that is, they are transformed into interest-bearing capitals.

Small Industrial Capital

As we have seen, industrial capitals that cannot keep up with the process of concentration and centralisation cannot continue operating autonomously, and are forced to turn themselves into interest-bearing capitals. However, they can postpone this outcome.

The valorisation of capitals smaller than the norm is not ruled by the general rate of profit but by the rate of interest, which is normally lower. And they do not access this lower rate in proportion to their value as independent industrial capitals. Instead, their value is reduced to that of the liquidation of their productive assets, which are now materially useless for the purpose of valorising as normal industrial capital. Therefore they can remain active as autonomous industrial capitals as long as the greater costs they incur for their small scale are compensated for by the lower profit that governs their existence as small capitals. This possibility of subsistence on the part of small industrial capitals constitutes in itself an obstacle to the development of the productive forces of society. Instead of immediately being displaced by those capitals that put into action the greatest productivity of labour, the extension of their individual life specifically obstructs the constant technical revolution imposed by the general determinations of the capitalist mode of production.

The limit to the subsistence of industrial capitals smaller than the norm is ruled by the general development of the productivity of labour. As soon as this development permits normal capitals to bring the price of production below the price corresponding to the rate of interest on the value of liquidation of small capitals, the latter are finally expelled from production. However, the limit to the subsistence of small industrial capitals can be extended further still when small capitalists are, at the same time, their own direct workers. In this case, the subsistence of small capital in production can be extended to the point at which its owner receives the equivalent of the wage that she could obtain as a simple wage-worker. In agricultural production, in particular, this transformation into a wage-worker can involve a change in the place of residence, which pushes the equivalent salary downwards. The limit may be reached therefore at the point in which it is no longer possible to resume the productive cycle covering the replacement of circulating capital with the return from the fixed capital consumed—that is, at the expense of exhausting fixed capital without replacing it.

On the other hand, the rate of interest generally maintains a direct relation to the size of the individual interest-bearing capital; the greater the size of the individual interest-bearing capital, the greater the rate of interest and vice versa. In this way, the limit imposed simply by the relation between the general rate of profit and the rate of interest presents a gradation that is proportional to the size of the small capital. And this gradation accompanies the increasingly widening gap from the condition of normal capital that necessarily befalls the small capital due to its relatively slower pace of concentration—that is, owing to its lower rate of valorisation. Therefore, small capital is that which does not reach a size necessary for it to actively participate in the formation of the general rate of profit from within its specific sector of production. But the range of small capitals extends from those whose difference with respect to the normal capital in their sector is imperceptible in a given moment (they can *appear* big), to others whose owners are clearly on the verge of liquidation and proletarianisation. At the same time, the continuous growth of the productivity of labour in pursuit of renewed relative surplus-value constantly renews the generation of the range of small capitals. While it expels some from the bottom, it incorporates new ones that had existed as normal capitals in their own right, as it continuously raises the individual scale that, in general, is necessary for a small capital to remain active.[3]

Sooner or later, the development of the productivity of labour by normal capitals will make small industrial capitals reach the limit of their existence. In the end, they are transformed into interest-bearing capitals, if there is anything left of them by then. However, before arriving at this point, it may be possible that small capitals expel normal capitals from the sectors in which they participate. This happens as long as their own limit price is located below the price of production. In this case, small capitals defeat normal capitals in competition.

The Release of Surplus-Value by Small Industrial Capitals

The key to the subsistence of small industrial capitals comes down, therefore, to the relation between the price of production and the price that corresponds to the compensation between the small capital's greater cost and its respective lower rate of profit. Yet, it is not necessarily the case that the price regulating the valorisation of small capitals must correspond to the level of the price of production that regulates the valorisation of normal capitals. In effect, the price that autonomously regulates the valorisation of small capitals cannot be located above that of production, but nothing prevents it from standing below the price of production. In this case, the sale of commodities produced by small capitals for less than the price of production but above the price that rules their specific valorisation implies their appropriation of an extraordinary profit. This extraordinary profit does not result from production at an individual price below the social price of production through a greater productivity of labour. On the contrary, it results from the inability of small capitals to set in motion the productivity of labour corresponding, at least, to the determination of the price of production. Therefore, that extraordinary profit necessarily results in competition between small capitals for its appropriation, thus causing an expansion in production. But this tends to bring the price of small capitals' commodities to the level that constitutes the limit for their subsistence. As a consequence, the extraordinary profit in question, necessarily and eventually, escapes them.

In the case of small agrarian capitals, the first destination for the profit they release can be the pockets of the landlords whose land they rent. Small capitalists pay a premium above the rent corresponding to normal capitals. It can also be the case that this difference is reflected in the greater price small capitalists pay to buy land, which thus exceeds the simple capitalisation of future rent discounted at the rate of interest. This latter modality of appropriation makes small capitalists sink deeper still into such a condition, by the deduction that the greater price of land implies on the total money capital they can turn into industrial capital to be applied productively upon the land.[4] When the profit freed by small capitals follows this path—as it is either generated or advanced in a lump sum through the price of land—the commodities they produce are simply sold at the price of production. The rest of industrial capital has neither won nor lost by this, but the freed profit may follow a different path.

When the accumulation of the total social capital has developed the social division of labour between individual capitals to a limited extent, small capitals tend to directly serve the markets of means of subsistence with their products. In this case, the difference between the lower price that rules the valorisation of small capitals and the price of production appears to benefit merely individual consumers. The corresponding portion of the social surplus-value appears to go into the pockets of consumers via the lower price they must pay for their means of subsistence. However, the course of this portion of surplus-value does not end here. When individual consumers are free labourers selling their labour-power, the lower price at which they buy their means of subsistence is reflected in a cheapening of their labour-power. They are still able to consume the same use values required to reproduce themselves, in spite of receiving a lower amount of value as payment. In this way the surplus-value that had been freed by the specific determination of small capitals ends up being appropriated by industrial capitals as a whole, including small ones. This appropriation is realised as an aliquot part of the respective variable capitals. Therefore it becomes, in turn, a specific concrete determination in the formation of the general rate of profit.

As the accumulation of capital develops, commodities go through a succession of sectors specialised in partial stages of their process of production and circulation before arriving at individual consumption. When, in some of these stages, small capitals intervene by selling below the price of production, the portion of surplus-value that, for them, represents an extraordinary profit, continues to escape them. But to arrive at the market of individual consumption, this amount of profit has to continue its course through the circulation of normal capitals that follow small capitals in the chain. That is, the extraordinary profit in question escapes from the small capitals by means of the normal competition they establish between themselves in circulation. But it can only arrive at individual consumption in the form of a commercial price lower than that of production through the competition that normal capitals following in the chain establish between themselves.

In an immediate way, the release of profit by small capitals to normal capitals takes place through the latter buying commodities at the price that governs the normal valorisation of the former, which is to say, at below the price of production. Now, if the normal capitals were to sell their own product at the price of production, they would appropriate the extraordinary profit contained in the lower price of purchase. It therefore appears inevitable that the competition between them for that extraordinary profit would drag the commercial price at which they sell to below the price of production in corresponding proportion. However, this extraordinary profit does not emerge from those normal capitals putting into action a higher productivity of labour than the social average, so that they can therefore sell their commodities below the social price of production but above the individual price of production. The flow of normal capitals directly in pursuit of extraordinary profit would not respond to the possibility of expanding the total production of the sector, expanding the social necessity for the commodity by selling at below the social price of production at the same time, owing to the greater productivity of labour. As the extraordinary profit is borne by each individual commodity purchased, the competition between normal capitals for the extraordinary profit will only be limited by the expansion of each one's individual productive capacity with the intention of absorbing all that is on offer. No normal capital could refrain from competing for the extraordinary profit before reaching this point. But this would result in the expansion of production beyond the point at which the extraordinary profit was eroded—that is, before the market sale price started to fall below the cost of production. Therefore, the immediate competition between normal capitals for the extraordinary profit would result in their rate of profit falling below the normal rate.

The normal capitals of the sector to which flow the profits freed by the small capitals can compete between themselves for this extraordinary profit only by means of that which is common to all sectors of social production; by increasing the productivity of labour so as to be able to sell under the social price of production but above the individual price. But they cannot compete among themselves directly for the appropriation of the profit released by competition between small capitals to which they relate in circulation through the purchase of their commodities, on pain of destroying themselves as simple normal capitals. The greater the centralisation of capital within the sector into which the extraordinary profit flows, the more apparent become the limits to direct competition to appropriate it. Since the said competition cannot develop, the released profit in question cannot pass to the following sector. It remains trapped as an extraordinary profit to be appropriated by the normal capitals that triumph in the simple competition established through the development of the productivity of labour. These capitals buy means of production at below their price of production, and they sell the commodities produced at the price of production.[5]

For the rest of the total social capital, this appropriation of extraordinary profit precludes the possibility of buying labour power at a reduced wage. In effect, its determination no longer includes means of subsistence being sold at below the price of production. But the autonomous organisation of social production does not provide protection against this situation; after all, the normal capitals of all the remaining sectors buy their means of production and labour-power strictly at the price of production. And the same happens with the means of subsistence bought by capitalists for their individual consumption. In the end, the formation of the general rate of profit is realised at a more concrete level by: determining the existence of below-normal industrial capitals that valorise at a lower concrete rate of profit; the existence of normal industrial capitals that valorise consistently at a higher concrete rate of profit; and [the existence] of normal capitals that simply valorise at the general rate of profit.

This is the true content which political economy inverts by explaining the differences in the concrete accumulation capacities by market-forms, under whose asymmetries this differentiation is necessarily realised. On the contrary, we must grasp the necessity of those market forms as modalities through which the equalisation of profit rates is realised in the concrete form of the differentiation of individual capitals based on their size; that is, from their determination as masses of value that bear no qualitative specificity other than a purely quantitative difference.

The Fragmentation of the Productive Subjectivity of the Collective Worker on the Basis of the Subsistence of Small Industrial Capital

When the total social capital needs to intensify the fragmentation of the productive subjectivity of the working class, it uses the differentiation between the individual capitals, discussed above, to realise it.[6] The precariousness in which decomposing industrial capitals find themselves because of their insufficient size makes them particularly well suited to exercising the brutal exploitation of labour-power whose productive subjectivity is being degraded in the manufacturing division of labour and in its condition as an appendage of machinery. In contrast, this same role can be played by the capital that appears in the opposite pole to small capitals; that is, the capital centralised as property of the state. This possibility is predicated on the constitution of those conditions of exploitation as the general norm within the national sphere.[7]

This functional division in the extraction of surplus-value provides normal capitals with the continuous flow of extraordinary profit discussed earlier. At the same time, the acceleration of the process of concentration and centralisation brought about by the transformation of the productive subjectivity of the worker in large-scale industry guarantees to capitals that triumph in that process the renewed flow of small capitals that release the aforementioned profit. A good part of the success of just-in-time production lies in: the development of information and transport systems; the flexibility of production processes; and in the development of systems of quality control based upon the automation of production processes. But the secret of the other part of its success is merely the reduction for normal capitals of immobilised stocks, at the expense of the accumulation of stocks provided by the small capitals which act as their suppliers. That is, thanks to the lower rate of profit that rules their normal valorisation.

For its part, 'outsourcing' consists purely in the multiplication of the sources of extraordinary profit for normal capitals on the basis of introducing independent small capitals for any of those processes of production and circulation that can be handed over. This introduction is facilitated by two conditions: the relative cheapening of production in limited batches, typical of small scale production, thanks to the automation of the processes of adjusting machinery; and by the more acute conditions of exploitation of labour-power typical of small capital, by virtue of differentiation within the working class. Modern outsourcing is no more than the old putting out system in the guise of scientific management.

Capital Specialised in the Development of Technical Innovations

Individual capitals do not immediately aim to produce relative surplus-value. From their point of view, an increase in the productivity of labour above that of their competitors has only one objective. This is to appropriate an extraordinary profit by selling below the social price of production, to realise on the market the output resulting from an increase in productivity, but at above the individual price of production corresponding to this greater productivity. However, the extraordinary profit disappears as soon as the new technique becomes the general modality of production, which tends to determine the social price of production. If this diminution of the price of production takes place in a sector of social production that, directly or indirectly, intervenes in the production of means of subsistence for the workers, it results in a decrease in the value of labour-power and, thus, in the production of relative surplus-value. Therefore, the production of relative surplus-value excludes the existence of a continuous flow of the extraordinary profit in question for the capitals from any sector of social production and, therefore, the continued realisation by these of a rate of profit superior to the social average.

The capitals that set in motion an increased productivity of labour within a sector of social production are not the only ones that can claim the extraordinary profit generated; it can also be claimed by capitals further upstream whose output consists in the novel means of production that is adopted by capitals further downstream. The capitals downstream that purchase the machinery in order to generate an extraordinary profit will be disposed to pay more for them than the price of production, providing the price paid allows them to cheapen the cost of their own commodity to the point of being able to sell it above the individual price of production. That is, capitalists selling machinery that makes possible the production of extraordinary profit are going to participate to a greater or lesser extent in its appropriation, capitalising it in the price of the new machine. In any case, this participation in the extraordinary profit will disappear as the use of this new means of production becomes more general. However, this changes when the objectified form of the general source of increase in the productivity of labour becomes the product of a special sector of social production. That is, when the production of the technical innovation becomes a sector separate from the production of the machinery in which that technical innovation is materialised. Each renewal of the productive cycle in this sector yields a product for which there is demand by virtue of it allowing the appropriation of extraordinary profit by the capitals that use it. In this way, the capital producing this commodity with the power to increase control over the forces of nature, can achieve a continuous flow of extraordinary profit, constantly renewing the basis for its capitalisation through the selling price.

The transformation in the direct subjectivity of the worker in the process of production is manifest therefore in the emergence of capitals that have the potential to accelerate their accumulation by continually receiving a flow of extraordinary profit, since its product is the basis for a permanent renewal of this flow. Far from violating the law of the formation of the general rate of profit, this capacity for accelerated accumulation merely arises from its realisation. Neither direct competition for the flow of permanent extraordinary profit among those capitals that produce the commodity that makes this profit possible, nor its continuous dilution at the hands of competition between the capitals that effectively utilise this commodity as a means of production, hinders the renewal of this flow.

Since the production of relative surplus-value depends upon the sector specialised in the production of the advance in the objectified capacity to control natural forces, the total social capital has a permanent and substantial reason to participate actively in it by means of its general political representative, that is the state. On the one hand, this production must generally be undertaken on a large scale, which is dependent upon a corresponding degree of the concentration of capital. On the other hand, because of its material form, it is a production in which a good part of the applied capital, if not all, can end up being spent without producing any use value. Since it is about increasing conscious control over the labour process, nothing guarantees the success of this process of production. Therefore, embarking on unproductive paths is a normal condition in achieving effective development. That is why a good part of this production must normally be undertaken by the total social capital itself. This means financing private capitals even if they do not obtain results, or taking on production directly through a state system of research and development. At the same time, when sellers and buyers of the innovations find themselves systematically separated by a national border, there takes place a continuous flow of extraordinary profit from the national sphere of the consumer of that innovation to that of the producer. This reinforces the necessity for every national state to directly participate in this production, in representation of its respective national portion of the total social capital.

From the Differentiation of Capital to the Differentiation of National Processes of Accumulation

Historically, the global process of accumulation of industrial capital did not start in an immediately worldwide concrete form. On the contrary, it arose as a confluence of various national processes of accumulation struggling to produce within their national sphere the generality of the commodities they consumed. This integrity of social production and consumption that takes place within a domestic sphere gives an individual appearance to each national process of accumulation. They seem to be whole units of social capital, and not national fragments cut out from the total social capital. To the extent that their effective content fits into this appearance, the accumulation of capital in 'classic' countries takes the concrete forms that immediately correspond to its most simple and general determinations. However, this does not contradict the fact that these spheres are still national fragments of the same total social capital, rather than mutually independent social capitals. In their struggle to affirm themselves through their relative independence, these national processes of accumulation clashed in competition, which is how the process of the global accumulation of capital took shape.

The formation of the world market has an immediate manifestation that goes beyond simple competition to sell the same commodity. The reproduction of individual capitals has, as an immediate condition, the general reproduction of their own national sphere of accumulation. In turn, the reproduction of the national working class as an active population *en masse* has, as an immediate condition, the very same general reproduction of the national process of capital accumulation. Therefore, the capitalist class and the working class in every country establish a direct relation which, in turn, places them in an antagonistic relation with the homologous unity between the class of exploiters and the class of exploited of other countries. This direct relation arises as a limit to the direct relation of international solidarity between the national working classes through which the general buying and selling of labour-power at its value necessarily takes concrete form.

The unity of each national process of accumulation is directly manifest by means of the antagonistic relation that these national processes establish with each other in the world market. The individual capitals do not simply compete as themselves in the world market, but as capitals that immediately represent the distinct national processes of accumulation. Competition in the world market, that is the concrete form through which the unity of the organisation of social production in capitalism is realised, is always mediated by the direct relation between the capitalist and working classes delimiting each national sphere. Therefore, the circulation of commodities in the world market is necessarily mediated by the direct relation that the general political representatives of each national fragment of the total social capital establish with each other—which is to say by the direct relation between the respective national states. The competition between individual capitals in the world market therefore takes a first specific form, that is, competition to sell to the capitals of other national spheres, and to avoid having to buy from them, as a means of expanding as much as possible the scale of their respective national processes of accumulation. Except that, of course, this expansion is dependent upon external supply.

Until now, we have considered the relation between 'classic' national processes in which the accumulation of capital is present in its most simple and general form. However, another form of international relations develops out of this relation between 'classic' national processes of accumulation. In addition to the struggle to sell without buying, the capitals of those national processes of accumulation establish a second focus of mutual competition in the world market; namely, the competition for the supply of raw materials from territories historically located beyond their borders. This concerns production processes in which the productivity of labour is particularly subordinated to natural conditions that are not under the control of normal capitals, and these conditions are most favourable—or simply exist—in those territories located outside 'classic' national spheres where accumulation presents itself in its simplest form. At the same time, capitals from the 'classic' spheres look to expand their own foreign market, selling to capitals or simple commodity producers that provide raw materials from those other national spheres. The capitals and commodity producers in the latter territories now have the capacity to buy since they have sold on the same world market.

Further still, to produce capitalistically in the new territories oriented to the supply of raw materials, with a greater productivity of labour to that prevailing in the 'classic' countries, it is necessary to disburse the capital needed for production and circulation. Its application must therefore be realised on a scale that corresponds to the determination of the price of production on the world market. On the one hand, this capital is gradually provided by the expansion of local accumulation in the new territories. But, as with the simple concentration of capital, this is a slow process that can even make it unviable. On the other hand, for the normal capitals from the 'classic' national processes of accumulation that demand the supply of raw materials, their application in these new productive processes constitutes a source of surplus-value as good as any other. Furthermore, this source can even be circumstantially better, so long as it entails rapidly expanding production, if it is possible to exploit the labour-power of the new country on the basis of the direct relations of personal subordination that already prevail there—or that can be imposed upon it.[8] Therefore, the process of the expansion of global capitalism based upon the differentiation of national processes of accumulation is not only characterised by the expansion of the flows of commodity-capital in the world market; it is also characterised by the flow of industrial capitals and of interest-bearing capitals from the 'classic' countries in which accumulation is based upon the general production of commodities to those countries in which accumulation is based upon the production of commodities bearing ground-rent. Of course, there is a corresponding flow in the opposite direction of the profits and interest that capitals appropriate in the latter countries. In particular, given that the scale of accumulation in the latter is specifically restricted to the production of commodities bearing ground-rent, as well as the complementary production processes that are necessary at the local scale so that those commodities can arrive at their destination, surplus-value flows out of the national spheres in question since it is not required to expand accumulation therein.

The incorporation of 'resource rich' territories with the objective of invigorating the 'classic' national processes in which accumulation appears in its general form has a first historical modality: the direct conquest of those new territories on the part of the 'classic' national fragment of the total social capital that is making use of them. It therefore consists in the military subordination of those territories to the jurisdiction of the conquering national state. The development of the world essence of the accumulation of industrial capital therefore takes the concrete political form of the development of the colonial system, of colonialism.

When the concrete history of the new territory prevents direct military occupation, the formation of an independent national sphere of capital accumulation takes the place of colonial domination. But it does so on the condition that the new national sphere does not reach the scale that is necessary to give rise to a process of accumulation immediately based on the production of the generality of commodities. Certainly, national fragments of the total social capital already in operation have no interest in creating new competitors in the world market. Instead, they are only interested in their geographical expansion to the strictly necessary point at which they can access the supply of raw materials produced with a higher productivity of labour, to increase the relative surplus-value that they appropriate in their national sphere of origin. Insofar as they have been engendered as a necessary concrete form of the expansion of the accumulation of capital in 'classic' countries, this second type of national accumulation process lacks from the very beginning the potentiality to become a 'classic' country.[9] The total social capital thus imposes, in various characteristic ways, specific limits to the potentiality of these national fragments *vis-à-vis* those in which accumulation takes place on the basis of production on a normal scale of the generality of commodities consumed domestically. For example: through the direct diplomatic and military action of national states from 'classic' national spheres of accumulation; through the supply of commodities usually produced with a productivity of labour unachievable on the scale of the new national sphere; and through the external indebtedness of the new territories. It needs to be stressed that, in all cases, these are the concrete forms taken by the realisation of the limited immanent potentialities of the accumulation process in those new national spheres of accumulation, and not its causes, although this is how it is pictured by those who believe that the accumulation of capital is a national process in essence, and not simply in form.

The production of raw materials from the national spheres specifically constituted for this purpose ('resource rich' countries) diminishes the value of labour-power exploited directly by industrial capitals that operate in the 'classic' national spheres where accumulation includes the production of the generality of commodities. It acts, therefore, as a source of relative surplus-value for these normal industrial capitals. However, this also involves a drain of surplus-value that these industrial capitals extract from the workers they exploit. A part of this goes into the pockets of the landlords who monopolise the differential and absolute natural conditions that permit the exercise of the greater productivity of labour in the production of raw materials in the form of ground-rent. The industrial capitals from which this portion of surplus-value is drained find themselves impeded—in the last instance by the sacrosanct principle of rights over private property—from recuperating the ground-rent appropriated by landlords within their own, respective 'classic' national sphere. But those industrial capitals from 'classic' countries do not confront the same problem as regards the portion of surplus-value which is appropriated in national spheres specifically delimited to the differential production of raw materials. All this therefore leads to a *new phase* in the global accumulation of capital based upon the differentiation of the national processes of accumulation between those 'classic' spheres where capital produces the generality of commodities and those whose unity hinges upon the production of one or more raw materials bearing ground-rent.

Each national fragment of the total social capital delimited by this second type of national sphere has its unity determined by the productive process that gave rise to the appropriation of differential and, eventually, simple monopoly ground-rent.[10] Hence, the general political representative of that national fragment of the total social capital, that is the respective national state, can act directly upon the mass of ground-rent that is appropriated within its country. Above all, it can become the direct owner of the land whose differential natural conditions allow the appropriation of ground rent. Alternatively, it can interrupt the flow of the ground-rent primarily flowing into the pockets of the landowning class through, for example: special export taxes on raw materials; the fixing of internal obligatory prices for these commodities; their production or commercial exchange by the national state itself; or the overvaluation of the national currency.[11]

In a first historical phase, prior to the 1930s, the portion of ground-rent appropriated in these forms had a primary destination. It was used to pay for foreign public debt borrowed at extraordinarily high interest rates to the capitals of the countries from where the ground-rent flowed. Previously, the funds originated by this indebtedness had been completely squandered instead of being used productively to enhance the general accumulation of capital in the country. More specifically, they had been devoted to the free private appropriation of the territory by the landowning class and to the very formation of the national sphere specifically based on the export of raw materials through warfare against similar countries. It was thus evident that those landowners and foreign capitalists who were creditors of the national state were partners in the formation of national processes of capital accumulation and now shared the appropriation of its fruits; that is, of the surplus-value that flowed towards the country in the form of ground-rent. They were joined by the industrial capitals of the same countries from which ground-rent flowed and which were put to work in the local circulation of raw materials.[12] They participated in the appropriation of ground-rent through the charging of higher prices than in their countries of origin and by taking advantage of the overvalued national currency when remitting abroad the profits obtained internally.

Through interest-bearing capital and the industrial capitals that operated specifically in the circulation of raw materials, the national processes of capital accumulation from where the surplus-value escaped in the form of ground-rent recovered as much of it as possible. However, in a second historical phase, clearly visible after the crisis of the 1930s, this recovery went directly into the hands of the industrial capitals from which the surplus-value in question had escaped.

In order for the ground-rent captured by the direct action of the national state to continue its return to the industrial capitals from which it was drained, these capitals must open and close their valorisation cycle within the national sphere of 'resource rich' countries. Therefore, this national sphere of accumulation has to exclude the possibility of industrial capitals initiating their cycle outside of it and selling their commodities within it. It must constitute itself, therefore, as a national sphere essentially closed to the import of commodities in general, to the extent that the appropriable ground-rent allows for their local production.[13] But, in so doing, this national sphere rules out the valorisation of capitals that locally produce commodities in general on the scale necessary to compete on the world market. It would appear, therefore, that ground-rent can only be appropriated by industrial capitals of insufficient scale to participate in the formation of the general rate of profit, which is to say, by capitals of less than normal or average concentration with respect to their sector of industry, that is, by small capitals. Meanwhile, industrial capitals from which surplus-value has been drained in the first place cannot meet either of the two conditions required for participating in its appropriation within the closed-off national sphere. In the first place, they do not open and close their cycle within the national sphere where the appropriation takes place. Second, their scale generally corresponds to the average necessary to participate in the formation of the general rate of profit in the world market, as they are the most concentrated capitals in the world.

Certainly, a first striking feature of a process of accumulation structured by the general production of commodities for a closed domestic market on the basis of the appropriation of ground-rent is the proliferation of small local industrial capitals. The said appropriation takes place through: the allocation of ground-rent in the form of direct subsidies; the buying of commodities by the national state at prices higher than those of production; public spending that creates the purchasing power to buy the production of small capitals and which, at the same time, generates a deficit financed by monetary issue that, in turn, results in a negative real interest rate at which those small capitals are indebted; and so on.

However, the expansion of small industrial capitals is but the first necessary requirement to generate the bases that make it possible for 'foreign' *normal* industrial capital to become the key beneficiary of ground-rent, in association with the local landowning class. This capital must detach from itself a *fragment* of insufficient scale to produce competitively on the world market, but which is sufficient to function as the most concentrated industrial capital that operates within the national sphere where the ground-rent is appropriated, given the size of this domestic market. This marks a significant difference from the previous historical period. In that earlier phase, the detachment of fragments of normal capitals from their country of origin to be able to valorise in new ones was dependent upon these fragments maintaining the attribute of being normal capitals, which is to say, that they had sufficient scale to produce for the world market. By contrast, in the new phase the detaching fragment of normal capital need only reach the restricted scale corresponding to the closed-off internal market of the national process of accumulation in which it is going to valorise.[14] In restricting itself in such a way, it becomes incapable of competing on the world market. The specific restricted scale with which this fragment of capital operates deprives it of the capacity to valorise at the general rate of profit. In part, this deprivation is to be compensated for by the most acute concrete conditions in which the exploitation of local labour-power takes place. But, above all, this deprivation is to be compensated—if not more than compensated—for by the appropriation of two sources of surplus-value now available to it by virtue of opening and closing its cycle within the national sphere in question: on the one hand, the ground-rent whose appropriation by industrial capital is mediated by the direct regulation of the national state; and, on the other, the surplus-value that is released in the competition between genuine small industrial capitals that link themselves to the fragment of normal capital in internal circulation.

In this way, normal capital valorises at the general rate of profit (and even at a higher rate of profit) by detaching from itself a fragment of a specifically restricted magnitude. Thus, it accumulates by doing the precise opposite of its general need to constantly expand the scope of the conscious control of social labour under its private command.[15] At the same time, it recuperates from the scrapheap the means of production (machinery, patents, and so on) now deemed obsolete by the growth in scale required to compete in the world market, but which appear as cutting-edge at the scale of the closed-off internal market in which they are now put to work. Normal industrial capital that valorises in this way is liberated, in corresponding proportion, from its historical generic necessity to develop the productive forces of society on the basis of constantly advancing the transformation of individual free labour into an immediately social power.

This mode of appropriation by industrial capital of the surplus-value that originally escaped from its hands in the form of ground-rent, necessarily takes the concrete form of an internal market closed to any normal capital from the world market—unless that capital detaches from itself a fragment of a specifically limited magnitude that will valorise as an industrial capital only *within* the national sphere in question. This is a condition that normal capitals need to impose *upon themselves* in order to realise this mode of appropriation. If this were not the case, normal capitals that produce from abroad and which, therefore, maintain an appropriate scale corresponding to the supply for the world market would wipe the floor with the fragments of normal capital that operate on a scale specifically adequate to the restricted scale of the internal market. But, at the same time, this fragmentation is a necessary moment in the generation of the modalities of the appropriation of ground-rent. Thus the fragments of specifically restricted scale from the most concentrated capitals of the world are the first to clamour for the protection of the national state of the country in which they have installed themselves, arguing their case as incipient industrial capitals in a struggle to consolidate themselves in the face of foreign competition.

The relative enclosure of the national sphere of accumulation presupposes the political autonomy of the national state. This national modality of accumulation clashes, therefore, with the colonial organisation of the supply of raw materials and the formation of markets for direct export from the 'classic' countries where accumulation takes simplest form. For the same reason, the specifically restricted fragments that are detached from normal capitals need to be politically represented in another specific way. That is, they need to be represented by their own national state, through its relation with the formally autonomous national state where the fragments are going to valorise. As the existence of this second state is but the concrete form of realising a particular aspect of the process of accumulation of the portion of the total social capital politically represented by the first, there is no doubt as to which of the two states is to have more political and military force when they are confronted formally as equals in an international relationship.

However, within its own national sphere, the local state plays a much more prominent role. Its actions take place at the very centre of the process of the appropriation of ground-rent. It becomes, therefore, the political subject that appears to create through its direct action a national process of capital accumulation that, according to the magnitude and form of the ground-rent it has at its disposal, more or less resembles one in which industrial capital tends to produce the generality of the commodities consumed in the domestic market. The state's own apparatus thus *appears*, in an inverted fashion, as the social subject capable not only of politically representing in a general manner the national process of accumulation, but also of engendering this process by itself. In this way, the fragments of normal capital manage to be represented internationally not only by their own national state of origin, but also by their local political representation exercised through the state apparatus from the country in which they are operating. However, this national process of accumulation must necessarily take the concrete form of an autonomous political process. As a consequence, the constitution of the national state can only result from the action of the local social classes.

The first social class that acts directly for the formation of an autonomous national state is that of the local landowners, who will begin to appropriate ground-rent as soon as land is put into production. The national petty bourgeoisie also acts, in association with the former, in the formation of the autonomous national state, even if this association appears in the form of a fight to the death over the appropriation of rent. This petty bourgeoisie engenders itself as the owner of the mass of small capitals that will constitute the basis for the later entrance of the restricted fragments of normal capital from abroad. In turn, the expansion of small capital, whether genuine or the particularly limited fragment of normal capital, engenders the national working class. This national working class may have originated in the transformation of the traditional local peasants, or it may have had its genesis in the import of workers from other countries. But, in any case, it ends up being peculiarly determined by the very specificity of the national process of accumulation. However much this national working class confronts the local petty bourgeoisie and the local representatives of the fragments of normal capital in the struggle over buying and selling labour-power at its value, it finds that its own immediate reproduction as an active working class is subject to the reproduction of the national process of capital accumulation. Thus it is subject to the reproduction of the specificity of that process. Therefore, the political party that embodies the general representation of the national working class acts as a specific political representative of this reproduction. Without going further here, it becomes an immediate necessity for this political party to associate with the two aforementioned personifications of the industrial capital operating locally in the struggle against landowners over the appropriation of ground-rent. This political party faces the same situation with respect to the confrontation that the same capital sustains against the normal capitals that operate in the world market as simple exporters of the generality of commodities. The general political representation of this type of national process of capital accumulation thus assumes its most characteristic ideological expression, that is populism (as a class alliance that acts on behalf of the national interests of the people).

The national process of accumulation into which ground-rent has primarily flowed, has failed to convert this mass of social wealth into industrial capital concentrated on a sufficient scale so as to *actively* participate in the development of the productive forces of society. On the contrary, only small capitals and specifically restricted fragments of normal capitals operate within it—that is, two forms of industrial capital whose existence is the negation of that development and, therefore, the negation of the historical *raison d'être* of the capitalist mode of production. At the same time, upon being tied in a specific manner to the generation and immediate reproduction of those two forms of capital, the national working class is deprived of the potential to revolutionise the material conditions of the social process of production. Therefore, it is deprived of the generic power of the working class to revolutionise the very mode of production.

However, all these negations and deprivations remain hidden, and appear inverted, when the analysis stops at the appearance that capital accumulation is above all a process of national nature. From this point of view, capital accumulation cannot be recognised as a process whose unity is *determined* by its global essence, and that is *realised* in the concrete form of mutually independent national processes. It thus appears that all national processes of capital accumulation have, in essence, the potentiality to include the production of the generality of commodities putting into action the productivity of labour corresponding to the valorisation of the capital that bears the development of the productive forces of society. The clear evidence that the national processes of capital accumulation in question are lacking in this potentiality is inverted as the expression of their insufficient development; insufficient development that, accordingly, appears as nothing but a mere stage in the natural course of every process of capital accumulation towards the realisation of its national essence. The negation of the development of the productive forces of society is thus represented, in an inverted fashion, as the affirmation of a national process of capital accumulation on its 'path to development'. If this process does not fully travel down the path to 'full development' as an autonomous national process of accumulation, the matter is solved by claiming that such a circumstance can only be due to the application of 'incorrect' economic policies or the presence of some internal 'deformity' or 'perverse behaviour'; for example, the lack of 'capitalist' behaviour on the part of landowners.

In contrast to this open apology of a form of capital accumulation that negates its generic necessity to develop the social forces of production, 'anti-imperialism' appears at first sight to be its uncompromising critique. However, this critique is also based on the *appearance* that capital accumulation is, in essence, a national process. Therefore, it attributes to capital a potentiality that it not only lacks, but which is also the opposite to that which truly corresponds to its existence in the concrete form that it takes in the, allegedly, 'underdeveloped' or 'oppressed' national spheres in question. The potentiality that these latter lack is precisely manifest in the fact that national industrial capital, except for the part that bears the ground-rent, is not able to close its turnover cycle by selling in the world market. Such impotence comes from the insufficiency of the productivity of labour that capital puts into action in those national spheres, owing to the insufficiency of its scale in relation to that determined by the formation of the general rate of profit in the global unity of accumulation. Yet, once the national fragment of accumulation is considered as its natural unity, the norm corresponding to capital accumulation's global essence appears ideologically inverted; it is not that the national fragment of the total social capital has an insufficient degree of concentration, but that those they confront in the world market have an abnormally excessive concentration—an inversion that can only be completed by reducing all essential differences in the capacity for accumulation of one or other capitals to their manifestation in circulation and to the political and military forms they take.

The specific limitations that prevent the expansion of the scale of these national processes of capital accumulation, and that arise from the fact that they are based upon the negation of the development of the productive forces of society, are in this way inverted as an external circumstance on a double basis. On the one hand, the power exerted by capitals that reach the normal level of concentration required to sell in the world market, which derives from their being bearers of the development of the productive forces of society, *vis-à-vis* the restricted power of those that subsist against the grain of that tendency, becomes ideologically represented as the exercise of an abstract 'monopolistic' character. On the other hand, the consequent differential power of the respective national state as the political representative of a national accumulation process bearing in its unity the development of the social productive forces over a state that politically represents a specific negation of this development, is ideologically conceived as the exercise of an abstract 'imperialist' character. In summary, the affirmation of the political autonomy of the national accumulation process as a condition for the appropriation of ground-rent by normal capitals that operate as such in their own countries, which partially liberates these capitals from their generic necessity to develop the productive forces of society, is conceived ideologically as an inverted process of 'national liberation' against 'monopolistic imperialism'.

The general growth in the concentration and centralisation of capital has a double effect on the reproduction of the specificity of these national processes of accumulation. On the one hand, it continually widens the gap between the productivity of labour that must be put into action to compete on the world market, and that which is sufficient for the specifically restricted magnitude of the national market. As a result, the reproduction of the national process of accumulation in 'resource rich' countries is dependent upon the availability of an ever-increasing mass of ground-rent so as to compensate for any productivity gap. On the other hand, the growth in the concentration and centralisation of capital in the relative terms that apply within the national sphere necessarily takes a specific form. It consists in the expropriation and liquidation of simple small capitals at the hands of the particularly restricted fragments of normal capital that operate within the country. This expropriation does away with the surplus-value that is released by those small capitals, and which constitutes one of the sources that enable the fragmentation of normal capital to operate at the restricted scale of the internal market. At the same time, this multiplies the mass of fragments of normal capital whose valorisation is specifically based upon the appropriation of ground rent and of the surplus-value released by small capitals. As soon as the ground-rent ceases to grow rapidly enough to compensate for the widening gap in the productivity of labour and the absolute and relative reduction of the surplus-value released by small capitals, the national process of capital accumulation reaches the specific limit to its reproduction. It enters into a contraction of scale, which can be merely relative with respect to the global pace of accumulation, or directly absolute. As a consequence, the reproduction of the national process of accumulation loses its original condition of being the specific basis for the expansion of the local demand for labour-power and turns into a correspondingly specific source of surplus labouring population in the process of consolidating itself in such a condition.[16] Before, this national process of capital accumulation mimicked that based upon the production of the generality of commodities for the world market, and, therefore, a process of development of the material productive forces of society. Now, its true content against the grain of such developments, and, therefore, as a source of multiplied misery and suffering for the working class, has become immediately manifest.[17]

The development of capital accumulation on the basis of the production of relative surplus-value has yet another effect on the specificity of national spheres. It massively transforms those peasant populations settled outside the countries in which they take the simplest form into a surplus labouring population. In part, capital produces this surplus population in such a magnitude that it no longer necessarily requires a proportion as an industrial reserve army. This population is consolidated as a surplus to such an extent that it is deprived of any potential productive subjectivity. When not reduced to this desperate condition, capital converts the peasant mass into a working population from which emerges the labour-power whose productive subjectivity consists in functioning as an appendage of machinery in the modern division of labour. Thus, it is generated as a latent surplus labouring population until the development of automation allows for the fragmentation, in an ostensible manner, of the reproduction of workers bearing the two types of productive subjectivity typical of large-scale industry.[18] Then, capital effectively puts this degraded productive subjectivity into action on the basis of the specific differentiation of its reproduction with respect to that portion of the working class which is a direct bearer of the development of the productivity of labour through an advance in the objectified control of natural forces.

Whether it is a consolidated surplus population, a latent one, or a labouring population that remains active on the basis of the degradation of its productive subjectivity, capital needs to remove all direct relations between all three segments of the working class and the portion bearing the productive subjectivity that advances in the control of the forces of nature. Furthermore, it needs to eradicate all direct relations between those three forms of existence of the global working class and the organ of the collective labourer of degraded productive subjectivity, which is simply a relative surplus population *vis-à-vis* the needs of the accumulation process, but which must remain localised in direct contact with the bearer of the developing productive subjectivity. Any direct relation that the first portions of the labouring population maintain with the second constitutes an obstacle to the differentiation of their conditions of reproduction.

Capital cannot liberate itself from reproducing the second upon the basis of the conditions that correspond to the reproduction of labour-power bearing the most developed productive attributes.

The direct relation that clashes most starkly with the differentiation in the conditions of reproduction of the working class, according to the distinct types of productive subjectivity, is that of the citizenship of the same national state. The colonial system establishes a direct citizenship relation that unites the two portions of the working class, no matter how asymmetric this relation might be. When entire territories move towards the condition of reservoirs of surplus population, the national fragments of the total social capital from 'classic' countries lose all interest in keeping political control over these territories. Furthermore, this occurs when the development of the general phase of relatively undifferentiated production of labour-power in activity is still in full swing.[19] The colonial system thus loses the last basis of its existence. Not accidentally, this is the moment when 'every man for himself' replaces the alleged 'commonwealth'. The colonialist states therefore sharpen their direct oppression of the population and the economy of the colonies until achieving political independence becomes a condition for the immediate reproduction of human life within them, even as a surplus population. The hour of triumphant anti-colonialist revolutions has arrived.

The capitalist apology based upon the inversion of the global unity of capital accumulation as an inherent attribute of every national process returns to the scene. From this point of view, the determination of the population of the new national spheres as a surplus labouring population stripped of its productive subjectivity by the growth of capital accumulation, appears as the consequence of an insufficient development of capital accumulation in these new national spheres. The very result of the full global development of capital is thus represented as its opposite, as a product of national 'under-development'. This apology has its correspondence in the critique based upon the same inversion. The more capital manages to feed accumulation on the basis of differentiating the reproduction of labour-power according to the productive attributes that it demands from each one of the fragments of the working class, the more it is liberated from its generic necessity to produce wage-workers bearing a universal productive subjectivity. Consequently more capital accumulates, in spite of moving against its generic historical necessity to develop the productive forces of society. However, the critique based upon the appearance of the national essence of accumulation sees an inverted content in the concrete political forms taken by the process in which capital is liberated from its own historical necessity. According to this critique, this consists in the defeat of 'imperialism' exercised by national states of 'monopolistic' capital at the hands of the processes of 'national liberation' of the 'oppressed peoples'.

Notes

1. *Editors' note*: In accordance with the Marxian notion of capital-as-process, and of the concentration of capitals, Iñigo Carrera uses the Spanish word *monto* (amount or discrete magnitude), which we translate throughout this chapter as size.
2. This determination of industrial capitals formally extends to commercial capitals. These do not produce surplus-value, but, on the contrary, are themselves an unproductive expenditure of surplus-value. Commercial capitals whose scale permits the minimum unproductive expenditure of surplus-value necessary for their realisation participate in the distribution of the total surplus-value produced by the productive workers of industrial capitals. For greater clarity, the exposition only makes reference to industrial capitals. But, *mutatis mutandi*, the reasoning also applies in a formal manner to commercial capitals.
3. However large may be the scale of concentration required for an individual capital in a sector of social production to put into action the productivity of labour that corresponds to the determination of the value of the respective commodities produced, and even if to reach this concentration in a sector the same industrial capital needs to extend over several sectors, this degree of concentration is the one that defines normal capital. This is, therefore, the proper scale of individual capital without qualifications. The category of 'big capital' applied to normal capital does nothing but reflect the point of view of the ideological representatives of small capital, that is, the one that has particular restrictions in its capacity for self-valorisation due to its insufficient size. The purpose of this category is to give normal capital and small capital equal status so as to make them appear as simple species of a same genus, only differentiated by the power that seems to abstractly emanate from their magnitude. This is intended to hide the fact that, whereas the former bears in its increasing concentration the development of the material productive forces of society in the capitalist mode of production, the subsistence of the latter is an expression of the hindrance to that development raised by this same mode of production. Lenin uses the expression 'big capital' uncritically (Lenin 1964: Chap. 2) precisely from the economists of his time, who expressed the mentioned conception about the scale of concentration that was being reached by normal capital

at that moment. Lately, this category has been repeatedly used as if it contained in itself the revolutionary critique of the capitalist mode of production.

4. It is apropos of the determinations of ground rent with regard to small industrial capital applied to agrarian production that Marx, in *Capital*, leaves open the question of the specificity of the valorisation of small industrial capitals (Marx 1981: 938ff). And it was reasonable that Marx did not elaborate since—in contrast to the beliefs of those who put the differences in the concrete capacities of accumulation at the core of their analysis of the general historical development of the capitalist mode of production (resorting to the categories of monopolistic capital, big capital, and so on)—this differentiation is irrelevant for that development. It only relates to the concrete forms of competition. This, of course, is far from saying that it must be explained through the forms of the market.
5. We consider here only the simplest form of the flow of profit released by small capitals of one sector to normal capitals of another, in which the commodities sold by the former to the latter act as the vehicle. However, *mutatis mutandi*, the same determinations are valid for the inverse path, in which normal capitals of one sector sell their commodities at above the price of production, in the proportion required, to the small capitals of another sector.
6. *Editors' note* (see Chap. 4).
7. *Editors' note*: as is the case, for instance, for state-owned companies in contemporary China.
8. The capitalist mode of production is but the necessary historical form in which society develops its productive forces on the specific basis of transforming the productive powers of free individual labour into productive powers of free collective labour, in the concrete form of being the very negation of social labour, that is, as private labour. Therefore capital removes all forms of labour organised on the basis of relations of personal dependence, whether of a coercive nature or not. It needs to impose everywhere the labour of the doubly free workers, as in the sense of not being subordinated to any relation of personal domination, as well as being separated from the means needed to reproduce their life by working individually. That is to say, it needs to impose forced labour everywhere, not through direct coercion upon the workers, but based on their very condition as free individuals. Nonetheless, due to its immanent contradiction consisting in socialising free labour as an attribute of private labour, that is, of the very negation of the immediately social character of free labour, capital does not give up any chance to multiply its valorisation by acting against its own *raison d'être* as a specific historical form of the development of the productive forces of society. Hence, whenever the immediate multi-

plication of relative surplus-value by means of advancing the private socialisation of free labour is not at stake, it becomes the champion of forced labour through direct coercion against the worker. Agriculture and mining provide a twofold specific basis for this. Firstly, the submission of the productive power of labour to natural conditions not controlled by normal capital is a limit to the development of the technical composition of capital. Therefore, the productive attributes of free labour take longer to express their specific potentiality compared to industrial production in general. Secondly, the subsistence of relations of personal subordination that are the foundation upon which the direct coercion exercised by capital is based, presupposes the direct attachment of the worker to an essential means of production, namely, land. This circumstance has created the inverted appearance that social processes of production ruled by the production of capitalist commodities for the world market are but the expression of the subsistence of feudal or slavery relations prevailing over the valorisation of capital. An inversion from which it follows that the revolutionary path, in those cases, means engendering a national bourgeoisie that could establish locally the capitalist mode of production upon the remnants of feudalism and slavery. The more capital moves forward in its necessity to count upon a universal worker, the greater difficulty it finds in sustaining its valorisation in particular sectors of social production on the basis of the subsistence of directly forced labour. A clear example in this sense is the clash between industrial capital from the north of the USA with agrarian capital in the south over the abolition of slavery. But, at the same time, capital always keeps latent the choice for forced labour if it can be obtained with the productive attributes of free labour. The Nazi concentration camps are a brutal manifestation of this. In them, a portion of the total social capital lives the dream of any individual capital: counting upon an originally free labour-power without having to spend a penny even in its daily reproduction, as it could rely on a continuous flow of it and eliminate any individual immediately unable to work.

9. The exceptions to this determination can be counted, at most, on the fingers of one hand. But the case of the USA constitutes an absolute singularity. This is not the place to discuss this thoroughly. Nevertheless, we can quickly point out that this singularity synthesises several determinations. To begin with, the very emergence of the colony does not hinge on the production of precious metals used for circulation as world money based on indigenous labour-power. Nor does it hinge on providing forced workers for employment in other regions. On the contrary, it is engendered by British capital—in what matters for its future singularity—to satisfy the need to expand its own domestic market. And it does so by annihilating the indigenous population that organised its reproduction through direct per-

sonal relations. On this basis, it then occupies the territory with the surplus population generated by the development of its primitive accumulation and, afterwards, by the expansion of industrial capital in England and Europe. Hence, land ownership is fragmented among the settlers, in contrast with its concentration in the new territories devoted to the production of raw materials under the plantation system or to the breeding of livestock in natural plains. This contrast is also valid in relation to the south of the USA, a region that does not play a direct role in the determination of the singularity in question. Besides, the expansion of the domestic market could reproduce itself on the same basis by extending to the west, and on a scale greater than that possible in similar European national spheres. The formation of an independent national sphere on such a scale already implies a singular potentiality. But, additionally, the USA possessed within its own territory the two natural bases upon which large-scale industry historically developed: iron and coal.

10. *Editors' note*: hereafter, all reference to the appropriation of ground-rent refers to these two types of ground-rent (See Note 3 in Chap. 3, for a definition of the different types of ground-rent.).
11. *Editors' note* (see Chap. 3).
12. *Editors' note*: for example, through the construction and operation of the railway system.
13. *Editors' note*: Since ground-rent acts as the essential source of compensation for the higher production costs that result from the small size of the protected domestic market, the potentiality for the 'inward-looking' production of non-primary commodities depends on the magnitude of ground-rent flowing into the respective country.
14. *Editors' note*: here, Iñigo Carrera is mainly referring to foreign direct investment by transnational corporations since the mid-1950s in, for instance, Latin America.
15. *Editors' note*: in other words, it accumulates against its general tendency to strive to be at the vanguard of the development of the productive powers of social labour.
16. *Editors' note*: this has been the general course of capital accumulation in the southern cone of Latin America since the mid-1970s, and which underlies both its neoliberal and more recent neopopulist political and ideological forms (see Iñigo Carrera 2006; Grinberg and Starosta 2014).
17. Because of the material characteristics of agrarian production bearing rent, and the size and complexity reached by the national process of accumulation based on it, Argentina is the richest concrete case for the study of this specific national modality of accumulation (see Iñigo Carrera 1999, 2000, 2004, 2006, 2007).

18. *Editors' note*: Iñigo Carrera is here referring, on the one hand, to the expanded subjectivity of the organ of the collective labourer responsible for the more complex phases of the labour process consisting in advancing the conscious control of the movement of natural forces (that is, science) and its technological applications in the direct production process and, on the other, to the degraded productive subjectivity of direct production workers that confronts those productive powers as already objectified in the system of machinery (see Chap. 4).
19. *Editors' note*: Iñigo Carrera is here referring to the, so-called, Fordist or Keynesian historical cycle of accumulation and the Welfare State.

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