A missing link in the agrarian question: the role of ground-rent and landed property in capital accumulation. The case of Argentina (1993-2019)

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ABSTRACT
This article examines the relevance of ground-rent and landed property for the economic and political forms of capital accumulation in Argentina. This specific focus on capitalist development in Argentina is more broadly framed as a theoretical intervention within recent debates on Agrarian Marxism, which addresses the major issues under controversy through the lenses of an original methodologically-minded approach to the Marxian critique of political economy. Empirical quantitative evidence for the theoretical discussion is offered through the presentation of an estimate of ground-rent and its appropriation by landowners between 1993 and 2019.

KEYWORDS
Agrarian Marxism; landowners; ground-rent; recovery of surplus value; international division of labour; Latin American capital accumulation

1. Introduction

The recent special issue of JPS edited by Levien, Watts, and Hairong in 2018 (Volume 45, Issue 5-6) offered an up-to-date and wide-ranging heterodox reconstruction of ‘Agrarian Marxism’. Indeed, the rich diversity and insightfulness contained across the articles attests to the relevance and vitality of this theoretical programme for the comprehension of the contemporary dynamics of agrarian change in the modern world system (Levien, Watts, and Yan 2018, 856). Yet, the editors themselves note that although those contributions pointed the way beyond the impasse that the old debate between Marxists and ‘populists’ had reached, there are themes and regional perspectives which, although they should undoubtedly be part of this renewed research agenda, were not covered in the volume. Against this backdrop, the aim of this article is to contribute to this lively debate within Agrarian Marxism from two angles. First, we would like to bring to the fore what we feel were important absences in the theoretical and methodological discussion. Secondly, we intend to redress the regional imbalance by focusing on the role and dynamics of agrarian production in capitalist development in Latin America, a region which was only covered in Purcell’s (2018) thought-provoking research on cocoa production and global value chains in Ecuador.
The first two sections examine certain methodological and substantive issues which, we believe, have not been thoroughly addressed either in classical or contemporary controversies within Agrarian Marxism. In the first one, we explore the social determinations of the ‘peasantry’ on the basis of a ‘systematic-dialectical’ approach to the Marxian critique of political economy. This categorial re-examination of this classical agrarian question will allow us to reframe the ‘peasant’ as a social subject fully-constituted by the unfolding of the law of value. Specifically, we argue that they are socially determined as personifications of a small capital, a category which was only hinted at by Marx in Capital, but which is crucial not only to grasp the peasantry but also to comprehend their resilience in agrarian production. In addition, an upshot of this discussion is to throw into relief the absence in most controversies of proper insight into the social determinations of modern landed property and, therefore, of landowners as a class belonging in the very nature of the capitalist mode of production.

Thus, the second section moves to the presentation of the determinations of ground-rent accruing to landowners, with a particular focus on debates over the source of surplus-value that constitutes this specific form of social wealth. The controversy over the nature and different types of ground-rent had gained prominence in the late 1970s and early 1980s, mostly among political economists and with a rather ‘Marxological’ imprint (Ball 1977; 1980; Fine 1979; Itoh 1988). More recently, interest on this issue has resurfaced mainly among radical geographers, albeit with a focus on urban rents rather than agrarian ground-rent (cf. Manning 2021). Yet, we think that the current reconstruction of Agrarian Marxism (Bernstein 2006; Akram-Lodhi and Kay 2010a, 2010b) underestimates the significance of this social form of material wealth appropriated by landowners. In order to bring to view its contemporary relevance for the agrarian question, the discussion shall therefore look at the realisation of the determinations of ground-rent through the movement of the necessarily antagonistic relation between the personifications of capital and modern landed property.

These more abstract theoretical and methodological insights are concretised in the third section, in which we draw their implications for another longstanding debate within agrarian Marxism, namely, that of the nature of intersectoral flows of value between agriculture and industry in the capital accumulation process. More concretely, we shall examine the fundamental role of global flows of ground-rent in the constitution of the potentialities and dynamics of the specificity of capitalist development in Latin America. In this way, the article also hopes to contribute to shed light on the form in which this region of the ‘global south’ participates in the changing forms of the international division of labour that structure the capitalist world market.

The fundamental ideas are brought together in the fourth section, which sketches out an empirical case study of the evolution of the magnitude of ground-rent appropriated by landowners in Argentina between 1993 and 2019. In the first place, this quantitative analysis should bring to light both the significance of global ground-rent flows in the highly contradictory dynamics of the accumulation process in this national space and that of the portion of social wealth that ends up in the pockets of landowners. In the second place, this quantitative analysis will allow us to address the way in which these economic determinations have been expressed in the ideological and political forms
assumed by the subjectivity and action of the personifications of landed property in Argentina during the period under study.

2. The contemporary relevance of the ‘classic’ agrarian question

In the last decades Marxist scholars seem to have reached a consensus over the resolution of the ‘classic’ Agrarian Question, which is now considered settled and ramified into new and varied agrarian questions (Bernstein 2006; Akram-Lodhi and Kay 2010a, 2010b). Forged towards the end of the nineteenth century, the first version of the agrarian question centred on the ‘existence in the countryside of a poor country of substantive obstacles to an unleashing of the forces capable of generating economic development, both inside and outside agriculture’ (Byres 1991, 9). In particular, Marxists tended to regard two related phenomena as politically significant and/or theoretically enigmatic. On the one hand, the resilience of ‘peasants’, which were seen as social subjects that differ from those that should express the full development of the capitalist mode of production. On the other hand, the problem of the peasants’ capacity to generate an ‘agrarian surplus’ that could foster the industrialisation process. In sum, the classic agrarian question boiled down to the specific form of resolving the agrarian transition to a full-fledged capitalist agriculture (Byres 1996).

In broad terms, it could be argued that the varied Marxist responses to this problematic revolved around the further development or articulation of the foundational works of Kautsky (1988), Lenin (1964), Chayanov (1986) and Preobrazhensky (1965). The former two authors had highlighted the existence of inherited historical barriers to the entry of capitalist firms in agrarian production, which should eventually vanish with the evolution and consolidation of capitalism. Chayanov, by contrast, had stressed the existence of a specific mode of production or set of social relations that characterised the agrarian sector, which would thereby not necessarily tend to disappear as capitalism developed. Lastly, Preobrazhensky oriented his analysis to the role of peasants in the industrialisation process, focusing on the intersectoral flows of value between agriculture and industry.

In more recent times, these different responses have seen a wider and deeper integration, thus leaving behind the apparent opposition among the various traditional approaches, particularly with respect to the notion of the peasant as a social subject who did not belong in the essential character of the capitalist mode of production (Bernstein 1986; Gibbon and Neocosmos 1985). Bernstein’s (1988) pioneering approach probably is one of the most elaborate in this regard. In his view, the peasant must be explained as a social subject ‘exclusively constituted [...] through the basic social relations and dynamics of the capitalist mode of production’ (Bernstein 1988, 259), and must be grasped through the specifically-capitalist category of the ‘petty commodity producer’. Moreover, Bernstein added, the ‘spaces’ or ‘places’ for petty commodity production ‘within the social division of labour are continuously created as effects of the law of value in capitalist competition, accumulation, and concentration’ (Bernstein 1986, 18–19) and, consequently, ‘petty commodity production will exist as long as capitalism exists’ (Bernstein 1986, 25). However, rather than systematically unfolding the ‘form-determinations’ of competition, accumulation and the concentration of capital that engender petty commodity production, Bernstein just pointed to a set of external circumstances, such as ‘conditions of access to key resources’, the configuration of ‘markets’, ‘nature’
and ‘government policies’, among others (Bernstein 1994, 56). In other words, according to this approach, the limits and potentialities of petty commodity production cannot be immanently derived from the general determinations of the ‘laws of movement of capital’. Instead, Bernstein considered that this phenomenon can only be examined at a very concrete level of research, since at stake are processes which ‘are always the effect of particular conditions of competition and class struggle requiring concrete investigation’ (Bernstein 1988, 264).

Thus, in both the classic controversies and their more recent reception, the agrarian question was essentially conceived of as a problematic of historical transition between modes of production or more narrowly focused on the problematic of the persistence of the peasantry. Either way, the capitalistic social determinations of landowners as a class have remained for the most part overlooked.¹ In this context, it comes as no surprise that the specificity of modern landed property in agrarian production, its relationship with capital and its ‘laws of motion’ and, therefore, the existence of surplus profits appropriated in the form of ground rent have become increasingly neglected in the specialised literature of Agrarian Marxism. To put it differently, all discussion of landed property has been consigned to its role as historical premise or presupposition of the emergence of the capitalist mode of production. But very little light has been shed on its determination as a posited result of the reproduction of capital.

Bernstein’s retrospective look in the 1990s on the resolution of the classic agrarian question is quite telling in this regard: ‘the land question […] was resolved either by revolutionary means, by bourgeois land reforms, or by the internal transformation of feudal property to capitalist farming’ (Bernstein 1991, 487). In this way, all contemporary relevance of the role of landed property in agriculture tends to become boiled down to a problem of access to land for subsistence production or, as Araghi puts it, to a matter of ‘dispossession through displacement’ (Araghi 2000). The essential difference between capital and landed property has been therefore progressively left out of the picture. Similarly, one could argue that to the extent that the industrialisation process gradually left its initial stages behind, Agrarian Marxism also tended to lose interest in the problematic of intersectoral transfers of value between agriculture and the rest of the economy. As Akram-Lodhi and Kay succinctly and expressively conclude, with ‘the development of the forces of production on a global scale […] agriculture has effectively become “decoupled” from the process of capital accumulation’ (Akram-Lodhi and Kay 2010b, 264).

In sum, considering this intellectual trajectory traversed by Agrarian Marxism, it is not surprising that the classic agrarian question has been declared fundamentally settled in the face of the development of capitalism in the past century, particularly in the light of the increasingly manifest subsumption of different agrarian productions to the movement of ‘Transnational Corporations’ associated with the phenomenon of so-called globalisation. Yet, we think that the matter looks different when the agrarian question is approached through the systematic exposition of the general determinations of capital unfolded in the Marxian critique of political economy.

As discussed at great length elsewhere (Starosta 2015), and as has been ever more widely acknowledged in the Marxist literature (Postone 1993), one of the most potent

¹For a similar conclusion from a different theoretical perspective, see Carlson (2018) and Manning (2020).
scientific discoveries of Marx’s critique of political economy was that capital is neither simply a thing (for example, the instruments of production), nor a productive unit or legal entity (such as a firm), nor a social grouping sharing common characteristics and interests (for instance, business or the bourgeoisie). In its general determination as self-valuosing value, capital is actually a materialised social relation between commodity owners differentiated into social classes, which, in its fully developed form as the total social capital, becomes inverted into the alienated subject of the unity of the process of social reproduction and its expansion. Thus, capital is essentially the movement of self-expansion of the objectified general social relation between private and independent human beings which, in its own process, produces and reproduces the latter as members of antagonistic social classes (Marx 1976, 723–24; 1992, 185). All moments of the human life process thus become inverted into material bearers of the life cycle of capital, or they become forms assumed by the flow of value in its circulatory process. Subsumed under the capital-form, the alienated content of social life becomes the production of surplus value or the formally boundless quantitative progression of the general reified form of social mediation (Marx 1976, 251–57).

From this standpoint, every privately-organised productive unit, as a materially integral part of the social division of labour, becomes necessarily subsumed under the movement of formation of the general rate of profit. It follows from this that, whether they have the phenomenal form of an individual capital or not, all productive units become formally determined as if they were one. Hence, the human individuals whose reproduction process is subsumed to that private fragment of social labour, become invested as personifications of capital, labour power and, eventually, landed property. Seen in this light, the peasant is an individual who is simply characterised by the concentration in their own subjectivity of the personification of those three different and antagonistic social roles (Marx 1988, 556; 1994, 142).

This approach to the social determinations of the peasant reframes the discussion of the characterisation and historical potentialities of the peasantry in relation to the kind of capital they personify and the relation that they have in that capacity with landed property. However, in the systematic exposition of the critique of political economy, Marx never went beyond the simplest determination of individual capitals as formally undifferentiated organs of the total social capital. Presumably, he had planned to defer the treatment of the differentiation of individual capitals (in particular, that between normal and small capitals) to the separate book on the concrete forms of competition that he eventually never managed to complete during his lifetime (Marx 1988, 444). Yet, as Starosta (2010) argued, building on Íñigo Carrera’s (2016) insights, it was precisely in considering peasant agricultural production as the carrier of the determination of a small capital that Marx hinted at the basic elements for such a systematic exposition of the differentiation between capitals.

In a nutshell, in those pages Marx implies that despite its significantly smaller scale, the individual capital which the peasant personifies can survive competition from normal capitals. This is possible because ‘the smallholding peasant’s exploitation is not limited by the average profit on capital, in as much as he is a small capitalist; nor by the need for rent, in as much as he is a landowner’ (Marx 1991, 941). Therefore, the smallholding’s higher costs could be offset by having ‘the absolute limit’ to its reproduction in ‘the wage that he pays himself, after deducting his actual expenses’ (941–42). In
other words, this absolute limit implies the absence of all profitability as personification of capital and an income which boils down to the peasant’s condition as personification of labour. As argued elsewhere (Starosta 2010; Iñigo Carrera 2016), before reaching this extreme limit, the small agrarian capital does yield positive profitability, which is regulated by the rate of interest on the liquidation value of productive assets. Against this backdrop, the limit selling price which secures the small capital’s reproduction could even stand below that of the regulating price of production of normal capitals. Under those circumstances, the peasant’s small capital would outcompete normal capitals, with the result that a portion of the surplus labour performed there would be ‘presented to society for nothing’ (Marx 1991, 942).

Now, the specialised literature in agrarian studies has broadly acknowledged and thematised the existence of specific obstacles for the valorisation of capital in agriculture, among which the limits to territorial expansion, climate-induced pronounced fluctuations of the productivity of labour and overly long production periods stand out (Bernstein 1994, 50–52). These barriers have so far made agriculture particularly apt for the prevalence or even full dominance by small capitals. By contrast, those normal capitals which operate in neighbouring branches of production, which provide agriculture with means of production or commercialise agrarian commodities, have shown virtually no interest in embarking on a process of vertical integration of agricultural production (Heffernan 2000, 68–71). Instead, they have preferred to ‘double squeeze’ the latter by forcing high prices for agricultural inputs or low prices for agricultural output (Weis 2007, 82). Seen in this light, the displacement of the peasant or petty commodity producer by capitalist firms, or a changed orientation of production to the world market are far from entailing the overcoming of the ‘agrarian question’. As long as agricultural capitalist enterprises continue to be small capitals, the limits to the development of the productive powers of social labour in agriculture will remain firmly in place.

On the other hand, the ‘colonisation’ of agrarian production by small capitals leads to a particular relationship between capital and landed property. In principle, there should be a tendency for the repulsion and separation between them. The reason for this is that capital invested in the acquisition of land yields the rate of interest only (Marx 1991, 760–61), whilst its valorisation in production yields the average rate of profit, which is, by definition, normally higher (480–82). By contrast, by virtue of the significantly lower-than-average rate which regulates the valorisation of small capitals, they are unaffected by this barrier to land ownership; it is a matter of indifference to them whether to invest additional capital in buying land or in the expansion of the scale of production. Hence the observable empirical tendency in agriculture for a tenancy regime which fuses together capital and landed property.

The American ‘farmer’ probably is the classic figure that incarnates this ‘hybrid’ personification of reified social relations. However, of more immediate relevance for the theme of this article, it also is the case of the so-called ‘agrarian producer’ (or ‘chacarero’) from the Argentine Pampas. This is a social subject whose reproduction is subsumed under the law that governs the subsistence of small capitals as just sketched out. Consequently, they act in the social reproduction process not only as their own labourer for a wage-equivalent, but also totally or in part as their own landowner. Hence the active role of this type of individual as the political subject par excellence in social conflicts over the
appropriation of ground-rent, as we shall see in our empirical discussion in a subsequent section.

At this juncture, it might be worth noting that the joint personification of capital, wage-labour and landed property is not exclusive to the case of ‘farmers’ and ‘chacareros’, who can be seen as the ‘genuine’ expression of the small agrarian capital. This three-fold personification also tends to be the social determination of individuals that the capital accumulation process throws into the ranks of the rural relative surplus population. In effect, to the extent that their ‘income’ sinks below the absolute limit to the subsistence of small capitals (i.e. below the equivalent of a ‘normal’ agrarian wage), the law that comes to regulate the reproduction of this private fragment of social labour (hence the individuals who personify it) no longer is the formation of the general rate of profit. Instead, their material and social reproduction becomes subsumed under the accumulation dynamics which determine the respective volume of the different forms of existence of the relative surplus population. A paradigmatic example is that of the great majority of peasant communities in most of Latin America, whose subsistence in impoverished conditions rests on petty commodity production usually catering for local food markets, but which have more recently managed to act as suppliers in ‘global value chains’ (e.g. those cocoa ‘owner-producers’ in Ecuador barely scraping a living on USD 2 a day, which Purcell [2018] discusses in great depth in the recent special issue on Agrarian Marxism in this journal). In this latter case, the subjective aim of these individuals centres exclusively on their most immediate material reproduction as personifications of labour, and they are therefore entirely indifferent to the fluctuating movements of ground-rent.²

In our view, this unified concrete mode of existence of capital and landed property explains, to a large extent, the aforementioned neglect of the contemporary role of modern landed property in agricultural production within Agrarian Marxism. However, when the reproduction of the peasantry is approached as a concrete outcome of the unfolding of the ‘law of value’ as mediated by landed property, the latter’s specific significance for agrarian production comes to the fore. As we shall see later, this is also relevant with regards to the problematic of intersectoral flows of value between agriculture and industry, which has been another longstanding concern of the first controversies within Agrarian Marxism. From both angles, the implication of our argument so far is that the consideration of the classic agrarian as fully resolved might be too hasty. To further substantiate this conclusion, we must turn now to the closer examination of the nature and source of capitalist social wealth that takes the form of ground rent.

### 3. Ground rent and its source

Ground rent appears as a mass of value which ends up in the hands of landowners exclusively by virtue of their ownership of land. In his systematic-dialectical exposition of this form of surplus value, Marx identified four mechanisms through which landowners manage to capture this portion of social wealth: differential rent I, differential rent II, absolute rent and simple monopoly rent. The common basis of all of them resides in the existence of natural conditions of production materially tied to land, which thereby

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²For this reason, we shall leave them out of the main theme under discussion in this article. See Villar (2022), for an in-depth examination of the stark contrast between these two qualitatively different kinds of ‘hybrid’ personification (‘genuine’ small capitals vis-à-vis the rural surplus population) in the case of Paraguay.
have a quantitatively limited availability and which capital cannot reproduce without affecting its normal valorisation.

In the case of both types of differential ground rent, they are constituted by surplus profits that emerge as a result of differences in the productivity of labour which, in turn, derive from capital investments in natural environments with diverse material properties, fundamentally fertility or location. Differential rent I simply derives from the varying productivity of labour set into motion by capitals invested on plots of land with distinct degrees of fertility or proximity to consumer markets (Marx 1991, 779 ff). By contrast, albeit predicated on the existence of type I, differential rent II stems from the varying productivity of labour borne by successive capital investments on the same plot of land (812 ff). In both cases, the limit to the extensive or intensive application of capital is reached with the last investment that yields the average rate of profit (i.e. allows the normal valorisation of capital), given the market price for the respective commodity as determined by effective demand.

For its part, absolute rent is constituted through the appropriation of the surplus profit that emerges from the difference between the value and the price of production of commodities, which in turn results when the active affirmation of the landowners’ absolute monopoly over that natural condition of production hinders the participation of agrarian capital in the formation of the general rate of profit (882 ff). Lastly, simple monopoly rent derives from the sheer existence of private property over the worst land (898; 906; 910). Insofar as these two types of ground rent entail a higher unit price for agricultural produce, they also affect the magnitude of differential ground rents (897).

The identification and explanation of the various mechanisms through which surplus profits in agricultural production are transformed into ground rent have been subject to wide ranging controversies in the specialised Marxist literature. In the first place, scholars have debated the determination of absolute ground rent vis-à-vis that of simple monopoly rent (Bortkiewicz 1910; Emmanuel 1972, 216–23; Harvey 2009, 179–82). In the second place, in the last quarter of the twentieth century a controversy over the characterisation of differential rent II cropped up (Ball 1977; 1980; Fine 1979; Flichman 1977). Lastly and of more direct relevance for the theme of this article, there has been a polemic on the primordial source of the surplus value which takes the form of ground rent. More specifically, at stake here is the identification of the wage workers who produce the surplus value that landowners appropriate as the revenue accruing to landed property. As we shall see, this point is of fundamental significance not only with regards to the role of agrarian production in capitalist development as debated in the ‘classic’ agrarian question, but also in connection with the specificity of Latin American societies in the global unity of the accumulation of capital. Let us therefore examine this latter controversy in more detail.

In essence, two main perspectives can be discerned. On the one hand, there are those scholars who maintain that, regardless of the type of ground rent, in all cases it is constituted by surplus value produced within agriculture. On the other hand, other authors argue that, except for absolute rent, all other forms of ground rent have their source in surplus value originally produced outside agrarian production.

The former perspective has been fundamentally developed by the Soviet orthodoxy that consolidated out of the debate triggered by Preobrazhensky’s (1965) work on the role of the agricultural sector in the industrialisation process (Lapidus and Ostrovitianov
The basic argument that crystallised as official doctrine was that insofar as ground rent originates due to the higher productivity of labour which produces in more favourable circumstances, the substance of surplus value that constitutes ground rent must be found in that labour itself. This is the conclusion drawn by, for instance, Lapidus and Ostrovityanov: ‘ground rent, which constitutes an extra profit over and above the average profit, is created by the higher productivity of the workers employed on better soil’ (Lapidus and Ostrovitianov 1929, 279). More sophisticated contemporary versions of essentially the same longstanding argument (Balardini 2017) emphasise that since value is a reified social relation, its magnitude can only be determined in the exchange process. Consequently, these authors reject the notion that there could be such thing as intersectoral transfers of previously-constituted masses of value.

However, a first problem with this line of reasoning is that it stands in blatant contradiction with the Marxian explanation according to which an increase in the productivity of labour leads to a larger quantity of use values produced in a certain time but leaves unaltered the total amount of value (Marx 1976, 130–31). Furthermore, as pointed out by some scholars in other debates which have also touched upon the problematic of value-transfers, the implication of the idea that ground rent is constituted by the surplus labour extracted from agricultural labourers is that the total quantity of surplus value generated across society would no longer coincide with the total quantity of surplus labour performed by the working class as a whole. The immanent unity between materiality and social form characterising capitalist society would thereby be torn asunder (Mandel 1998, 92–107; Starosta, Caligaris, and Fitzsimons 2021).

The other position in this debate initially developed within Japanese Marxism in response to Lyubimov (1930) and was also put forward by several Latin American contributions to debates over dependency and the agrarian question in the region around the 1970s (Sakisaka 1930; citaddo en Itoh 1988; Uno 1977, 98 fn 4; Itoh 1988, 237 ff; Laclau 1969; Bartra 1979). The central argument was that since in agriculture the market price is regulated by the least favourable conditions of production, those privately-performed fragments of social labour which set into motion a higher productivity are also expressed in that market price. And this leads to a quantitative divergence between the latter and the magnitude of value of agricultural commodities. As buyers of the consequently dearer agricultural produce mostly comprise members of the working class, the mass of value at stake entails a deduction of the surplus value that could otherwise be extracted from them should they not consume those higher priced commodities. It follows from this that the surplus value which constitutes ground rent originates in those branches of production in which the said wage workers/consumers are employed (i.e exploited by capital).

In our view, this latter perspective is the one which is consistent with the substantive and methodological foundations of the Marxian critique of political economy. As a matter of fact, it is in line with Marx’s own argument in his examination of ground rent which leads him to characterise this part of surplus value as a ‘false social value’, which ‘results from the law of market value to which agricultural products are subjected’ (Marx 1991, 799).
This conclusion that ground rent is surplus value produced in other branches of the social division of labour allows to cast in a different light both the parasitical character of the landowning class and the potential flow of the so-called ‘agrarian surplus’ to industrial capital in general. In the first place, it shows that the material and social reproduction of landowners, as the class of personifications of landed property, and regardless of whether it concretely exists in unity with, or differentiated from, the class of agrarian capitalists, comes at the expense of the accumulation of capital as a whole. More specifically, surplus value that could feed the expansion of social production ends up being squandered in a social class which plays no active part in the capitalist organisation of social labour (not even that of exploiting the ‘direct producers’ of surplus value). In the second place, and fundamentally, it becomes clear that the part of agrarian social wealth transferred to industrial capital in general, far from involving a primordial drain out of agrarian production, actually entails the recovery of surplus value which had originally slipped from industrial capital’s hands. Let us scrutinise this latter point more closely.

First of all, the possibility of the recovery of surplus value initially pocketed by landowners lies in the nature of the revenue that constitutes ground-rent. This form of revenue reproduces a social subject that plays no role in the immediate process of production, so that the appropriation of that part of the revenue by third parties does not affect the reproduction process in its unity (Marx 1988, 539). From this viewpoint, it would seem that the total social capital has no choice but to get rid of the landowning class, taking directly into its hands the exercise of monopoly over the land, or rather, converting private property of the land into state property, so as to not have to cede to this parasitical class a part of the surplus value generated by its own workers (Marx 1988, 470).

However, the abolition of private property for a means of production as significant as the land cannot be realised without calling into question the private property for the rest of the means of production and private property in general. Thus considered, it would appear that the total social capital has no option but to live with the landowning class and, therefore, to cede to it all surplus value corresponding to the form of ground-rent (Marx 1988, 278).

The recovery by the total social capital of the surplus value produced by its workers but which ends up in the hands of landlords in the form of ground rent contains, then, a contradiction. On the one hand, a recovery could be possible insofar as landlords are mere social parasites and, therefore, useless for the entire process of the accumulation of capital; on the other hand, doing away with landlords would imply jeopardising private property of the land and, along with it, the very process of capital accumulation. Marx presents the development of his contradiction in the following way: ‘Capital cannot abolish landed property. But by converting it into rent [which is paid to the State] the capitalists as a class appropriate it and use it to defray their State expenses’ (Marx 1988, 470).

In summary, insofar as ground rent is a mass of value that the landlord appropriates only by virtue of the economic relation they personify, the total social capital can appropriate from them through the power of the state (in its capacity as the political form of capital in general; Müller and Neusüss 1975; Starosta 2015). However, precisely because ground rent is revenue accruing to the private property of land, this appropriation is quantitatively limited by the very questioning of private property that it entails.
4. The agrarian sector and the industrialisation process

Although seldom explicitly acknowledged or formulated in the substantive terms outlined in the previous section, the contradiction between capital (rate of profit) and landed property (ground-rent) has arguably underpinned another issue which has caught the attention of Agrarian Marxism beyond the classical concern over the ‘capitalization of agriculture’, namely: the broader question of the relationship between the agricultural sector and capital accumulation and, more concretely, that of the role of the so-called ‘agrarian surplus’ in financing the ‘development project’ (Akram-Lodhi and Kay 2010a, 192–93). The intellectual lineage of this theoretical concern can be traced back to Preobrazhensky’s intervention in the debates over the New Economic Policy in the Soviet Union (1965, 194–95). However, the part played by ‘intersectoral transfers’ between agriculture and industry was later reconsidered in wider terms as a central aspect of the political economy of ‘late industrialisation’. Specifically, the issue has emerged in comparative studies of capitalist development in Latin America and East Asia.

In effect, some scholars have maintained that the early implementation of comprehensive land reforms prior to the industrialisation process, coupled with the subsequent agrarian state policies channelling the intersectoral transfer of resources, have been a central determinant of East Asia’s (mainly, Taiwan’s and South Korea’s) outperformance of Latin America (Anglade and Fortin 1990; Kay 2002; Kohli 2004). Thus, the argument goes, whilst South Korean and Taiwanese states were able to finance the industrialisation process through ‘the squeeze of the peasantry’ upon the abolition of landlordism, the failure or lateness of land reforms in Latin America resulted in the continued reproduction of a politically powerful landlord class which hindered the state’s attempt to ‘extract such a high surplus from agriculture as in South Korea and Taiwan’ (Kay 2002, 1093). However, as argued at greater length elsewhere (Grinberg and Starosta 2009), although agrarian policies have indeed been a significant element in each region’s respective processes of capital accumulation, the differential resolution of the ‘agrarian transition’ has not been a fundamental reason behind the divergent paths of industrialisation. Instead, those distinct political forms have expressed the qualitatively different modes taken by the essentially global process of capital accumulation in each region, which in turn have mediated the unfolding of the changing historical modalities of the capitalistic international division of labour (Charnock and Starosta 2016). More specifically for the theme of this article, we shall see that the existence of a global inflow of extraordinarily large masses of social wealth in the form of differential ground-rent into Latin America, implied that capital so far has not confronted established forms of landed property as an immediate insurmountable barrier for its accumulation. Consequently, it has been able to valorise normally (i.e. at the average world market rate of profit) by appropriating only a portion of ground-rent and, hence, through the continued reproduction of landlords as a class. However, we shall also see that this form of capital accumulation has resulted in increasingly limited developmental potentialities for those national territories.

Now, as is recognised by virtually all accounts of the history of capitalist development in Latin America, the original subsumption of these territories to the global accumulation of capital was based on the production of agricultural and/or mining commodities for the world market. As Marx remarks in Capital, the establishment of this ‘classic’ modality of the international division of labour (that he labels ‘new’), which ‘converts one part of the
globe into a chiefly agricultural field of production for supplying the other part, which remains a pre-eminently industrial field’ (Marx 1976, 580), was determined by the production of relative surplus value through the system of machinery of large-scale industry.

In effect, the exceptional natural conditions prevailing in many of these territories allowed for a greater productivity of agricultural or mining labour, thereby resulting in the cheapening of means of subsistence and a lower value of labour-power. However, this form of subsumption of Latin American territories into the global circuits of accumulation was ridden with a contradiction: if, on the one hand, the total social capital enhanced its valorisation by reducing the value of labour-power, on the other this was partly offset by the drain of surplus value, otherwise available for capital’s appropriation, flowing into the pockets of domestic landowners in the form of ground rent. Moreover, to the extent that primary commodities produced in the region have been exported and consumed overseas, ground rent has constituted a continuous extraordinary international inflow of social wealth (as opposed to the normal outflows in the process of equalisation of the worldwide rate of profit emphasised by some Marxist dependentistas, e.g. Dussel 2002).

Capital was thus driven to overcome this barrier to its accumulation capacity by reshaping those spaces of valorisation in order to recover part of that surplus value, through the establishment of an ‘antagonistic association’ with local landowners over the appropriation of ground rent. From being simply a source of cheap raw materials and means of subsistence, those territories became also determined as sources of ground rent recovery for global industrial capital. The developmental trajectory of these countries has been determined by the historical course of this modality of capital accumulation, not only throughout the so-called agro-export stage, but also during the so-called Import Substituting Industrialisation (ISI) phase and, in South America, until contemporary times (Iñigo Carrera 2016, 34–47).

As Caligaris (2016, 66) points out, insofar as ‘the political representation of the global total social capital by the state is mediated by the national form taken by the accumulation process’ the total social capital’s recovery of ground rent ‘must take shape, first of all, in the appropriation of ground-rent by the national total social capital of “resource rich” countries through its own national state.’ This political mediation has been necessary in order to block the ‘spontaneous’ course of ground rent towards landowners through a wide array of state policies that intervene in the circulation of ground rent-bearing commodities and divert its flow towards industrial capital. Thus, the transfer of ground-rent has been achieved through different policy mechanisms (overvalued exchange rates, export and import taxes, direct state regulation of staple food and raw material prices, etc.), which resulted in the establishment of specific domestic conditions for the circulation of capital within those national territories. Consequently, its appropriation could only be done by industrial capitals operating within those countries and whose circuit realised its final phase (i.e. the sale of commodities) almost exclusively on protected domestic markets of a very limited size vis-à-vis world market norms (Grinberg and Starosta 2009, 769 ff). Although this has meant that individual capitals could not reach the scale needed for profitably utilising advanced technologies, they have compensated for the resulting higher production costs by appropriating a portion of ground-rent. In this way, they have valorised at the average rate of profit despite their restricted magnitude and backward technologies. This abundant extraordinary mass of social wealth has
systematically complemented the surplus-value extracted from the domestic working class to the point of marking the very specificity of the accumulation process in those national spaces.

The modality of the accumulation of capital based on the appropriation of ground-rent in Latin American protected markets has been very attractive for domestic capitals which, with the exception of those producing ground-rent-bearing commodities, were not competitive enough to sustain their expanded reproduction by producing for the world market. But additionally and fundamentally, those markets have proved especially profitable for industrial capitals of foreign origin (i.e. TNCs), which were established there from the mid-to-late-1950s onwards. Unlike the internationalisation strategy of TNCs in East Asia (the establishment of ‘world market’ factories, whether directly or through OEM arrangements), foreign capitals in Latin America operated on the smaller scale that those domestic markets required and, given their protected nature, actually made possible. In this way, TNCs in Latin America managed to valorise obsolete fixed capital and accumulate without spending a portion of surplus value in the active development of the productive forces of social labour. However, the other side of this same coin is that the scale of Latin American processes of capital accumulation continued to be structurally dependent on the highly-cyclical evolution of the magnitude of ground-rent available for appropriation (hence the widespread ‘political and institutional instability’ that has historically characterised most Latin American countries, with sharp oscillations between nationalistic populist and/or developmentalist regimes and neo-liberal ones).

This also explains the noticeable lack of dynamism of capital accumulation in the region since the mid-to-late-1970s, which was momentarily and only partially reversed during the recent ‘primary commodities boom’ that seems to be just coming to an end (politically expressed in the current shift to the right in, for instance, Argentina, Brazil and Chile): in effect, the mass of ground-rent, especially of agrarian origin, has been, on average, growing at a slower pace than is required by industrial capital in Latin American national spaces of accumulation. As a consequence, the process of capital accumulation in the Latin American countries slowed down or entered into deep crisis. In this context, and in order to compensate for the slowly growing ground-rent in sustaining industrial capital’s profitability, these national processes of capital accumulation have resorted to other sources of extraordinary social wealth, such as the payment of labour-power below its value and the massive inflow of global fictitious capital in the form of mounting foreign debts (the latter made available as a result of the expansion of international liquidity deriving from the long-standing crisis of global overproduction).

Now, since at least the late 1950s, the planetary production of relative surplus value by the total social capital has led to the emergence and gradual development and expansion of a novel configuration of the international division of labour, which has not simply displaced but co-exists alongside the ‘classic’ modality just sketched out. Premised on the concrete material forms taken by the further automation of the capitalist labour process and advances in means of transport and communication, the so-called ‘New International Division of Labour’ (NIDL) has revolved around the international fragmentation of the collective productive subjectivity of the working class (Fröbel, Heinrichs, and Kreye

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3For the so-called ‘Pink Tide’ in South America, see Grinberg and Starosta (2015) for Argentina and Brazil, and Purcell (2016) and Dachevsky and Kornblihtt (2016), for Ecuador and Venezuela.
Moreover, as a result of its own immanent tendencies, the simplest original form of the NIDL has evolved into a more complex constellation, whereby capital searches worldwide for the most profitable combinations of relative cost and qualities/disciplines resulting from the variegated past histories of the different national fragments of the working class. Each national sphere of accumulation that actively participates in the NIDL therefore tends to concentrate on a certain type of labour-power of distinctive ‘material and moral’ productive attributes of a determinate complexity. While spatially dispersed from each other, they are all collectively exploited by capital as a whole in the least costly possible manner.

Although this more recent global restructuring of the international of labour had its most emblematic expression in the ‘late industrialisation’ experience of East Asia since the 1960s (Grinberg 2016), it also had a profound impact in Latin America; paradigmatically in Mexico after the ‘debt crisis’ of the early 1980s and, more recently, in Central America and the Caribbean Basin. Thus, despite the similar developmental trajectory of Mexico vis-à-vis Argentina and Brazil until the 1980s, in the past three decades the former country has transformed the specificity of its capital accumulation process. More concretely, it has become a source of relatively cheap and disciplined simple labour power for industrial capital in general, which exploits it in the material conditions (of scale and technology) needed for competitive world market production (whether directly in Mexico through the maquilas regime, or mediatedly through the international migration of workers into the USA). Hence the contrast with Argentina and Brazil, where capital continued to find it more profitable to valorise on the basis of the appropriation of a portion of ground-rent; either because the specific kind of labour-power it needed was not there or was not cheap enough, and/or because the mass of ground-rent was large enough to offset the benefits of a ‘structural transformation’ in the other direction by providing the source of extraordinary social wealth sustaining those profitable protected domestic markets (albeit on a diminishing scale).

In the following section, and by way of empirical illustration of our general argument, we shall provide quantitative evidence for Argentina of what could be referred to as the ‘social cost of reproduction of the landowning class’. On the one hand, we shall see that, in effect, in the last 30 years landowners have appropriated a significant amount of social wealth: they have pocketed an average of 30% of the total ground rent that has flowed into the country. On the other hand, this means that this has not prevented capital from recovering the remaining 70%, thus making evident that the antagonistic relationship between capital in general and landed property has continued finding ‘room to move’ in Argentina through the reproduction of landowners as a class.4


To begin with, let us draw the reader’s attention to the fact that, in Argentina, there is a noticeable prevalence of small capitals in the agrarian sector, just as discussed in section

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4Our discussion will focus on the portion of ground rent appropriated by landowners. We are currently finalising an update of the measurement of the ground rent appropriated by capital in general.
1. Consequently, the tendency for the unity between capital and landed property is also verified, with the same individual thereby determined as a joint personification of both social roles. In effect, according to the latest National Agrarian Census (2018), as many as 47,276 holdings explain the total annual crops in the Pampas. In turn the tenancy regime in the Pampas is still dominated by the individual agrarian capital’s ownership of land: whilst this latter form of land tenure accounts for 61% of the cultivated area, only 36% takes the form of tenant farming. Admittedly, the share of lands under tenancy has risen, albeit with fluctuations, over the recent past. In our view, however, this empirical trend does not clash with the general determination on the unity between capital and landed property in agrarian production discussed in section 1. As a matter of fact, it is a phenomenon to be expected in circumstances of pronounced technological change, as happened between the late 1990s and the mid-2000s. In effect, the resulting increase in minimum ‘efficient’ scales of production led to the ruin of smaller agricultural holdings. Consequently, those areas came to be leased to neighbouring farms, which thereby extended their scale of operation, or to so-called ‘large sowing pools’. The latter surged during the unprecedented hike in prices in the 2000s and were mostly formed out of speculative capitals from outside agriculture through, for instance, the establishment of financial trusts (Fernández 2010; Caligaris 2015). Yet, they tended to disappear when agrarian prices eventually dropped towards the mid-2010s (Gras and Cáceres 2017). Either way, these phenomena led to the diffusion of a novel kind of social subject, namely: the ‘pure’ small landowner (so-called ‘mini-rentier’ in the local literature), whose subsistence turns to rest on the minimum magnitude of ground-rent necessary for their material and social reproduction, which in turn can be comprised by familial subdivision of landed property through inheritance. Against this backdrop, hereafter we shall refer to ‘landowners’ to denote all social subjects whose material reproduction is tied to the personification of landed property, whether ‘in pure shape’ or jointly as personification of an agrarian capital as well.

Our quantitative estimate of the magnitude of ground-rent captured by landowners draws on the general methodology originally formulated by Iñigo Carrera (2007), which he applied to the period 1882-2004. Here we present a new estimate which involved a revision of some statistical sources and the update of all data, covering the period 1993-2019. In a nutshell, the method consists in the estimation of both the primary appropriation of ground-rent by landowners and the portion recaptured by capital in general. In this article, we focus on the former portion, which derives from the comparison between the rate of profit in the agrarian sector with that in industry, with the latter as a proxy for the normal or general profitability of capital within the national space.

Insofar as the rate of profit in both sectors is calculated as the relationship between the surplus value appropriated and the total capital advanced, a higher sectoral rate of profit in agriculture entails the existence of surplus profits in that branch of production. As we have seen in section 2, this mass of capitalist social wealth is transformed into ground-rent accruing to landed property. To put it differently, the inter-branch comparison of rates of

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5For an in-depth analysis of the latest National Agrarian Census, see Ameghino and Fernández (Ameghino and Fernández 2019).
6In our view, these two phenomena (the leap in the normal degree of concentration of capital in agrarian production and the appearance of sowing pools) underlie the so-called fading away of the ‘chacareros world’ described in the specialised literature (e.g. Balsa 2006; Gras and Hernández 2019).
profit allows to set apart the profit of agrarian capital and landowner’s ground-rent. This is shown in Figure 1, which plots the evolution of the respective sectoral rates of profit and absolute magnitude of ground-rent appropriated by landowners between 1993 and 2019.

In addition to showing the existence of systematic surplus profits in the agrarian sector (i.e. ground-rent), this figure also evidences the remarkable increase (more than three times) in its absolute magnitude during the 2000s. More specifically, this means that during the period 2002-2019, around a third of the agrarian net product (which amounts to 2% of Argentina’s GDP) was essentially ‘squandered’ in the reproduction of landowners as a parasitic social class. As is well known, this rise relates to the surge in agrarian production during the so-called (primary) ‘commodities boom’. Thus, except for 2009, which was doubly affected by both a draught and the plummeting of prices of agrarian commodities in the context of the global financial crisis, landowners benefitted from the general prosperity of the agrarian sector in the form of an absolute increase in the mass of social wealth that they appropriated as a class.

Yet, on closer inspection of shorter-term variation of agrarian prices, it is possible to discern a certain delinking between the movement of international prices, hence the mass of total ground-rent flowing into Argentina through the export of agrarian commodities (paid more dearly at the expense of surplus value produced abroad by virtue of the ‘false social value’ contained in them), and the portion of ground-rent pocketed by landowners. For instance, between 2010 and 2012 there is a pronounced hike in agrarian prices (of more than 40%), but it did not translate into the growth of ground-rent captured by landed property (which actually contracted during 2012 and 2013). Conversely, when in 2014 agrarian prices reversed their upward trend to henceforth stabilise until 2020 at around 35% below the peak of 2012, the mass of social wealth appropriated by landowners actually grew to unprecedented levels Figure 2.
Now, what is the reason for this delinking between the movement of international agrarian prices and the magnitude of ground-rent appropriated by landowners? As argued in the previous section, this is explained by state policies which mediate the diversion of the course of ground-rent flowing into the country towards capital in general; among them, the establishment of taxes on agrarian exports and the regulation of the exchange rate (more concretely, the overvaluation of the national currency, achieved through a rate of devaluation that lags behind inflation), stand out.

**Figure 2.** Landowner’s Ground-rent and Agrarian Prices. Source: See methodological appendix.

**Figure 3.** Share of Capital and Landed Property in Total Ground-Rent. Source: See methodological appendix.

Now, what is the reason for this delinking between the movement of international agrarian prices and the magnitude of ground-rent appropriated by landowners? As argued in the previous section, this is explained by state policies which mediate the diversion of the course of ground-rent flowing into the country towards capital in general; among them, the establishment of taxes on agrarian exports and the regulation of the exchange rate (more concretely, the overvaluation of the national currency, achieved through a rate of devaluation that lags behind inflation), stand out.
Indeed, as Figure 3 makes evident, the increase in total ground-rent derived from the hike in international prices since 2007 ended up mostly in the hands of capital in general. Unsurprisingly, this process led to a heightening of the political confrontation between the governing ‘populist coalition’ (the so-called ‘Kirchnerist’ administration) and the land-owning class (represented in different ‘rural’ organisations), especially since 2008 (Pérez Trento 2021). The material basis of the growing discontent of the personifications of landed property lied not only in the decrease of their share of total ground-rent but was actually compounded by the actual fall in the absolute magnitude of social wealth appropriated as a class. Between 2010 and 2015, landowners pocketed, on average, 25% less ground-rent than in the period 2002-2008. As a matter of fact, the contrast with the latter period is even starker: from 2002 until 2006, landed property had actually increased its appropriation of ground-rent vis-à-vis the levels reached in the 1990s up to, and including, 2001. Moreover, this took place in the context of a sharp drop in the inflow of total ground-rent into the country, which thereby meant that intersectoral transfers into the rest of the economy concomitantly fell (and virtually faded away between 2002 and 2004). A similar pattern can be discerned during the right-of-centre Macri administration from 2016 until 2019, albeit on a smaller scale. In effect, on the one hand, the pronounced fall in international prices of agrarian commodities since 2014 led to a decrease in the total ground-rent available for appropriation. On other hand, the substantial reduction of export taxes, coupled with the devaluation of the national currency after the sudden lift of all foreign exchange controls, meant that both the absolute level and the share of ground-rent captured by landowners increased.

In sum, these estimates illustrate the connection between the ebbs and flows of the availability of total ground-rent in the national space and its capture by both the different social subjects comprising the agrarian sector and that by the accumulation of capital in general outside agriculture. When climatic conditions (i.e. draughts or floods) or international prices lead to the shrinking of total ground-rent, given its key role in the general reproduction of the national process of accumulation, the need arises to sustain the scale of agrarian production. Consequently, a reduction of export taxes and/or a devaluation of the (usually overvalued) national currency takes place, with a view to increasing the domestic price of agrarian commodities and thereby shielding the sector from the negative effects of the crisis. Thus, the development and resolution of the accumulation crisis is achieved through the growth of the relative share of landed property in the appropriation of total ground-rent. Under particularly dire economic circumstances, it might even lead to the absolute growth in the mass of social wealth captured by landowners, as happened in both 2002 and 2016. In other words, the resolution of the crisis is in all cases achieved at the expense of the share of agrarian capitalists and, fundamentally, that of agricultural workers (as shown in Figure 4) and, more generally, by curtailing the transfer of ground-rent to capital in general across society.7

At this juncture, it is interesting to consider against this backdrop the ideological and political forms of subjectivity and action which have mediated those fluctuations in the magnitude, and the changes in the share, of the inflow of ground-rent into Argentina.

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7For a more extended discussion of the changing material conditions of reproduction of agrarian wage-workers during this period, see Villulla (2021).
Specifically focusing on the personifications of landed property, two kinds of phenomena can be discerned as the underlying determinants of their antagonistic stance towards state policies that channel a portion of ground-rent into the accumulation process of capital in general. In the first place, as Iñigo Carrera (2008) points out, the concrete mechanisms adopted by intersectoral transfers of social wealth are of the essence, particularly as far as it concerns the ideological dimension of the political consciousness of landowners. In this sense, the overvaluation of the national currency stands apart from other, more direct or overt forms of diverting the course of a portion of ground-rent into the pockets of capital (such as special export taxes on agrarian commodities), for its universal scope and relatively opaque or ‘invisible’ nature. To a large extent, this helps explain its predominant and recurrent character over the historical course of capitalist development in Argentina. It also allows to understand the support of landowners to, or even outright participation in, political regimes whose main economic policies included the overvaluation of the national currency.

Yet, the potentiality of this modality of appropriation of ground-rent by capital to pacify the opposition of landowners and proceed in comparatively ‘harmonious’ ways, largely depends on the existence of a single foreign exchange rate regime. By contrast, when the overvaluation of the national currency operates in a context of foreign exchange controls, with a dual or multiple exchange rates regime (whether formal or informal), ‘parallel’ exchange rates bring to view the ‘drain’ of social wealth entailed by the overvaluation of the ‘official’ exchange rate for exports. Thus, landowners tend to radicalise their political opposition to state policies that mediate the diversion of the course of ground-rent. In this sense, this latter scenario tends to resemble that of direct, and thereby

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8In other words, on the grounds spelled out earlier on, the following discussion does not apply to the rural surplus population that constitutes the social determination of most ‘peasants’ in the rest of Latin America. As already mentioned, for those social subjects the appropriation of ground-rent is entirely immaterial for their conditions of reproduction and, therefore, for the constitution of their political subjectivity.
more conflictive, forms of appropriation of ground-rent, such as regulation of domestic prices of staple foods or special export taxes on agrarian commodities. The latter, in particular, carry a quantitative limit in their capacity to act as vehicles for the appropriation of ground-rent. In effect, beyond a certain threshold, they clash with the ‘non-confiscatory’ juridical principles that structure the fiscal powers of the capitalist state.

In the second place, there is the sheer material determination of the political consciousness of landowners, which we can sketch out with a brief look at the ‘politics of intersectoral transfers’ in the last three decades in Argentina. The so-called ‘convertibility regime’ implemented during the 1990s, which pegged by law the Argentine peso to the US dollar, resulted in a very strong overvaluation of the national currency (which was maintained by a mounting foreign debt that would eventually turn impossible to service and led to a declaration of default in 2001). Nevertheless, in the absence of foreign exchange controls, this allowed to hide from view that both the absolute magnitude of social wealth appropriated by landowners and their share in total ground-rent, was in historically very low levels. Despite these comparatively unfavourable circumstances, the personifications of landed property would receive with standing ovation President Menem’s speech at the annual exhibition of the Rural Society of Argentina (the organisation which gathers the larger landowners). Conversely, in the next period (2002-2007), the prosperity enjoyed by landowners by virtue of the sharp increase in their capture of ground-rent, softened the political and ideological impact of the reintroduction of more visible forms of appropriation such as export taxes, which had been eliminated during the 1990s. Relatively moderate taxation rates, coupled with a national currency that remained undervalued until 2007 (upon the heavy devaluation of 2002), also contributed to the momentary pacification of the state-mediated antagonism between capital and landed property (Barlow and Peña 2021).

However, this relatively peaceful scenario would be drastically uprooted in 2008. Faced with the sudden and historically unprecedented hike of agrarian prices in the world market, the left-of-centre Fernández de Kirchner administration unsuccessfully tried to introduce ‘moving export taxes’ which, in that context, would have entailed ‘confiscatory’ levels of taxation and breach the ideological juridical principle of ‘horizontal fiscal equity’. After a long-drawn-out and fierce political conflict with landowners, the Fernández de Kirchner administration was forced to withdraw the said policy proposal. State-mediated recapture of ground-rent by capital thus came increasingly to depend on growing levels of currency overvaluation. However, unlike in the 1990s, and against the backdrop of a default on the public foreign debt that had not been fully resolved, there was no access to global liquidity that could compensate for the drain of US dollar reserves from the central bank in the face of a gradual worsening of the current account of the balance of payments. The state responded by the reintroduction of foreign exchange controls. The ensuing duality in the exchange rate made increasingly visible again the effects of the overvaluation on the appropriation of ground-rent by landowners, who thereby intensified their opposition to the ‘populist’ Fernández de Kirchner administration.

This antagonistic stance of the personifications of landed property dwindled between 2016 and 2019, during the term of office of the ‘market-friendly’ right-of-centre Macri administration, who even appointed a former president of the Rural Society as head of the Ministry of Agribusiness. This renewed ‘harmony’ between landowners and the state had the following basis. As soon as it took office the new administration
implemented a drastic reduction of export taxes, lifted all foreign exchange controls, and devalued and unified the exchange rate. Although the overvaluation of the national currency remained in place at least until 2018, the intersectoral transfer of ground-rent tended to become more hidden from the view of landowners. In effect, this was a period in which, due to the substantial drop in international prices of agrarian commodities since 2014-5, total ground-rent available for appropriation in Argentina started to shrink. As happened before in 2002, the continued reproduction of the unity of the accumulation process required that the scale of agrarian production be sustained which, as mentioned earlier on, resulted in the rise of the amount of ground-rent captured by landowners vis-à-vis the average levels registered in the prior ‘Kirchnerist’ administration.

**Conclusion**

In this article we addressed a series of relatively absent themes in the contemporary literature in Agrarian Marxism and showed their relevance for a regional analysis of contemporary forms of capitalist development in Latin America, which was, in turn, illustrated through a case study of the role of the agrarian sector in capital accumulation in Argentina. The following, we think, are the fundamental points that can be extracted from our discussion.

In the first place, we unfolded the concrete determinations of the general laws of motion of capital that underpin the tendency for the repulsion between normal individual capitals and landed property. Consequently, we argued that the constitution of the peasant as a social subject in the capitalist mode of production expresses their determination as the unity of the personification of a small capital, wage-worker and landowner. On this basis, we explained the ‘colonisation’ of the agrarian sector by small capitals as an expression of the ‘law of value’, which also cast in new light the resilience of peasant production. More generally, this discussion called into question the contemporary consensus over the resolution of the agrarian question.

A corollary of the previous point was the need for a rigorous analysis of modern landed property in the capitalist mode of production and of the determinations of ground-rent as the form of social wealth accruing to landowners as a parasitic social class. More specifically, a case was made for the importance to revisit and clarify the longstanding Marxist debate over the source of surplus-value that constitutes agrarian ground-rent, i.e. whether it originates in the exploitation of workers within or outside agriculture. Our answer to this question paved the way for a discussion of the potentialities of capital in general to recapture a portion of this mass of social wealth to feed its own accumulation.

As a further implication of this, the article made a case for the significance of ground-rent in the unity of its underlying determinations for the comprehension of the specific form in which Latin American national spaces participate in the global process of capital accumulation. In a nutshell, we argued the role of these territories is not simply to act as suppliers of raw materials and staple foods for the capitalist world market but, more importantly, to be constituted as spaces for ground-rent recovery by the global total social capital. It is this qualitative specificity, we further claimed, that explains the limited potentialities of the industrialisation process and the highly contradictory and
crisis-ridden character of the economic and political forms of the accumulation process in the region.

Finally, both this general approach and a methodology for the quantitative estimation of ground-rent, were used to shed light on the recent developmental dynamics in Argentina during the so-called ‘commodities boom’ in the 2000s. This allowed us accurately to identify the relationship between the movement of international prices of agrarian commodities and the appropriation of ground-rent by the different social subjects, as mediated by the public policies implemented by the state. Furthermore, this discussion of the quantitative evidence for the fluctuations in the flow of ground-rent laid the ground for a materialist analysis of the political forms taken by the state-mediated antagonistic relationship between the personifications of landed property and capital in general. In other words, the article sketched out the concrete determinations which underlie the political subjectivity and action of landowners as a class.

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Methodological Appendix

*The respective rate of profit (R) in each sector (agriculture and industry), is obtained as follows:

\[ R = \frac{SV}{K} \]

Where,
- \( SV \) is total surplus-value appropriated
- \( K \) is total capital advanced

In turn,

\[ SV = VA - W - CFK \]

\[ K = CK + FK(\text{+livestock in the agrarian sector}) \]
Where
- VA is the value added in each sector
- W is the cost of labour-force
- CFK is the consumption of fixed capital
- CK is the circulating capital advanced
- FK is the fixed capital advanced

* Ground-rent appropriated by landowners (LR) is calculated as follows:

\[ LR = Ka.(Ra - Ri) \]

Where,
- Ka is the total capital advanced in the agrarian sector
- Ra is the rate of profit in the agrarian sector
- Ri is the rate of profit in the industrial sector

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