Primitive Accumulation Inside and Out

Abstract:

In honor of Rosa Luxemburg's contribution to the theory of primitive accumulation, this paper proposes an extension of the theory to "mature" capitalism as an element also internal to the mode of production itself, and not merely integral to the regime of accumulation. The theoretical extension is made with historical reference to the United States under the rubric of a concept of concurrent primitive accumulation as an active economic element, necessary for the existence of the mode of production, and not merely a passive non-economic "condition of reproduction" of the capitalist mode of production. The United States is selected because it has been an exemplar of primitive accumulation throughout its history down to our own day. Tracking the theoretical line of primitive accumulation, the presentation will also leave pointers to a variety of other social issues and controversies, practical and theoretical, for future research. The contemporary point of integration is the reproduction of the commodity labor power as variable capital, and the thesis is that mature capitalism necessarily invades the irreducibly non-capitalist sphere of that reproduction by means of commercial capital, and that the invasion advances in conjunction with the expulsion of labor power in the course of relative surplus value production. That invasion generates morbid effects which identify this process with the historic decay of the mode of production, and the course of primitive accumulation becomes the fundamental definitive criterion for the epoch of capitalist decay, a concept also integral to the classical Marxist theory of imperialism.

Introduction: The Other Hidden Abode

The concept of the so-called primitive accumulation is traditionally relegated either to a pre-capitalist past, or to underdeveloped or developing countries at present. The concept was not typically applied to mature capitalist countries unless these were also the metropoles of colonial empires. This is the reference to primitive accumulation found in Rosa Luxemburg's *The Accumulation of Capital*. There "capitalism in its full maturity also depends in all respects on non-capitalist strata and social organizations existing side-by-side with it", and Luxemburg related this need as "not merely a question of a market for the additional product, as Sismondi and the later critics and doubters of capitalist accumulation would have it", but specifically to the "problem" of realization of surplus value. Here "it is quite different...outside consumers *qua* other-than-capitalist are really essential. Thus the immediate and vital condition for capital and its accumulation is the existence of non-capitalist buyers of the surplus value, which is decisive to this extent for the problem of capitalist accumulation".[1]

Much of the subsequent controversy concerning Luxemburg's work revolved around the possible misappropriation of Marx's reproduction schemes as presented in Part Three of of *Capital*, Volume II. Unfortunately this controversy has obscured Luxemburg's more fundamental contributions, where primitive accumulation is seen as necessary to the accumulation of capital as a *concurrent* process, and that this necessary relation could be theorized in connection to Marx's basic theory of capital.[2] For our purposes here, Luxemburg's "error" was to theorize this relation purely at the analytical level of the expanded reproduction of capital, that is to say in relation to the *regime of accumulation* and *social formation,* rather than directly relate this to the basic theory of the cycle of capitalist production itself. In this way the residue of a concept of primitive accumulation as a passive "outside" or "other" was retained, rather than develop the concept as an active, dynamic element "inside" the mode of production itself. This retention is nothing more than the "concurrent" version of classical political economy's original concept of primitive accumulation as constituting the prehistory of capitalism, barbarisms now safely relegated to the past. The phrase “so-called primitive accumulation” announced the critique of the same.

Luxemburg's concurrent version of this “outside” begs the question of what is the status of primitive accumulation once the outsides are used up and absorbed by accumulation? This question is most relevant to our own post-colonial era, where in addition it is that old standby for primitive accumulation, the peasantry, and not the industrial proletariat, that has entered into a sharp decline in the last 50 years.[3] How does primitive accumulation now proceed as a process concurrent to capitalist production and accumulation? Will capitalism simply collapse for want of an “outside”, an “outside” that Elon Musk, like Marx's “unhappy Mr. Peel” in Australia, will fail as well to discover on the planet Mars?

That question will be addressed by way of the example of the United States. This is not a random choice, nor a choice expressive of limitation of perspective to one's country of origin, for in many ways the U.S. has been a clear exemplar of primitive accumulation from its inception to the present. Indeed in its foundation on the social basis of the class alliance of Marx's “antediluvian” merchant capitalists, this including the slaveowners in their joint appropriation of the unpaid labor of slaves, with the now equally anachronistic colonial setter farmers, united on the program for the extermination of the indigenous peoples of the continent and the appropriation of their land, the United States could be said to be history's most perfected state machine for primitive accumulation, with no Bartolomé de las Casas and his moral qualms to stand in the way. This historical fact of birth would also relegate the U.S. as an “antediluvian bourgeois state” once the capitalist mode of production came to dominate the country, as intellectual leaders of American capitalism such as Brooks Adams already understood over a century ago, but this historical feature paradoxically ensured its persistence to the present, precisely because, as Rosa Luxemburg correctly perceived, primitive accumulation is a concurrent necessity for capitalist production and accumulation.[4]

Indeed the United States has negotiated a series of passages through a sequence of what can be termed “historical modes of primitive accumulation”. These comprise three broad epochs encompassing the entirety of Anglo-American development from Elizabethan times to the present. These will be presented here in brief and general form in order to show how primitive accumulation and its historical modes are key to periodization of the development of any modern social formation, and are fundamental to the identification of the succession of regimes of capitalist accumulation, and their crises, that also define that history. This presentation will provide the backdrop for an analysis of the mode of primitive accumulation in the present epoch, defined here from the end of World War II and emphatically not from the end of the 1970's as in the framework of the so-called “neoliberal” interpretation so popular and influential today, with its nostalgic and reformist glance backward, implicit or otherwise, to the “golden age of capitalism” in the postwar. On the contrary, the most recent mode of primitive accumulation in the mature capitalist countries has its roots in the period from the 1930's to the 1950's, and the era since the 1970's has been its more or less conscious and concentrated continuation, for which the United States itself was the pioneer, as it was selfsame literally in its own tradition.

The Epochs of Primitive Accumulation in North America: Rise of Antediluvian Merchant Capital

There are three great epochs of primitive accumulation in the North American case. These are: From the first Elizabethan forays into the transatlantic region to the final expulsion of indigenous peoples from the eastern half of the United States during the presidency of Andrew Jackson, 1580's-1830's; From the rise of the capitalist mode of production in the Northeast USA to the collapse of the social position of traditional household farming in the Great Depression, 1830's-1930's; Finally, the contemporary era that began in the New Deal, crystallized in the immediate Post War, and that unfolded the forms of primitive accumulation peculiar to it from the 1930's to the present. It will be immediately noted that the preceding period of "transatlantic primitive accumulation" typically dated from the mid-fifteenth century to the period of Elizabeth and the Dutch Revolt is left out of consideration. By some accounts this is presented as the "age of the hegemony of Genoese merchant capital", working through the agencies of the Iberian states of Portugal and Spain. This era is excluded from considerations of historical primitive accumulation not simply because the Anglo-American colonies were not yet in existence, but substantially because here was a process of primarily *feudal* plunder, exploitation and appropriation conducted by the highest and final development of Western European feudalism in the shapes of the two Iberian feudal states, ultimately united with a third, Hapsburg Austria. A predominately feudal historical process in itself cannot by definition contribute directly to a historical process of the primitive accumulation of the elements of capital. If a causal relation is drawn from this era to the succeeding epochs under consideration here, it is only via dialectical indirection principally mediated by the political events of the Dutch Revolt and the English Civil War and revolution of the early seventeenth century, culminating in the Thirty Years War that led to the collapse of Hapsburg hegemony in Western Europe and the end of the Iberian monopoly of American colonization. In other words, it was only through the defeat of the Iberian feudal states that the modern road to capitalism was opened up. In this way the place of the state in primitive accumulation is highlighted, as is expected in a process that virtually all agree requires "extra-economic force". The criterion for periodization of the modern eras applied here will also demonstrate the power to organize a synthesis of geopolitical and social narratives on the one side, with those of economic history on the other, from a perspective proceeding from the questions of primitive accumulation and the basic theory of capital, rather than that of the "genesis of the capitalist mode of production" endogenously emergent from, say, English agriculture.[5]

The first epoch of primitive accumulation saw the emergence of the untrammeled rule of independent merchant capital on a world-historical scale, centered upon the littoral of the entire transatlantic region. This is the first epoch where the state and dominant classes begin to act on a conscious policy for the accumulation of *money capital,* but not capital in general, a policy otherwise known as mercantilism. The breakthrough for that independence of action did not occur evenly everywhere, but was concentrated particularly on the English zone of Atlantic colonialism. The first phase of independence involved state backing for merchant piracy and plunder of the Iberian American and African trade routes and possessions by the Dutch, French and English, followed by the capture of colonial territories in the Caribbean and North America. It may be surprising to focus on the English rather than the Dutch zone of colonialism, since the United Provinces was an oligarchical mercantile republic until the later seventeenth century, while England remained dominated by its landlord gentry, subordinating to itself a chartered London merchant oligarchy, save for the brief period of the Rump Parliament, 1648-53.[6] Yet it was for precisely this reason that England and not Holland would prove to be the royal road to capitalism, for the Dutch mercantile bourgeoisie was almost entirely interested in a trading empire, and not in extensive tribute paying territories comprised of hereditary landed property. This meant that the

Dutch state could not be the lever to launch the most crucial historical process of primitive accumulation, the dissolution of feudal landed property and the eventual transformation of land use entitlements into articles of merchant trade, with the concomitant expulsion of the rural population from the land. Holland was fated to be the highest and final development of the medieval type of mercantile state, a world Venice.

In England, on the other hand, a section of the landlord gentry, and not the medieval chartered bourgeoisie, were destined to become the first non-bourgeois class or stratum to take the "capitalist road". The class alliance with the chartered London merchants did not proceed under a banner of "Build Capitalism!" in a transitional program for the same. The actors, still dressed up in feudal garb, had no idea of where they were headed in a long, haphazard, drawn out process. Hence even as they drove the rural population off the land through enclosures, and became dependent upon the sale of their produce either directly or through money rents paid by tenant farmers, rather than on direct feudal tribute, the landlord gentry made sure that the capitalist road was not paved over their own hereditary rights to the land in the British Isles. In the first epoch of primitive accumulation, the dissolution of hereditary landed property was rather to be displaced to and accomplished in the Anglo-American colonies, by default of the unavailability of the indigenous population as labor, due both to epidemics and withdrawal from zones of European settlement. In the absence of tribute-paying indigenous tenants, the English version of the *hidalgo*, the excess "sons of somebody" generated by the same institution of hereditary landed property in the metropole, had to transform themselves into slaveowning merchants, deploying slaves either for plantation production in the continental South of North America and the Caribbean, or by carry trade merchants trading in slaves and owning household servants in the case of the frontier coastal towns of Boston, New York or Philadelphia on the Northeastern seaboard.

This social transformation can be seen as early as Elizabethan times, in the personages of state sponsored pirate merchants such as Humphrey Gilbert, Walter Raleigh, Richard Grenville, John and Richard Hawkins, and Francis Drake, all marginal West Country gentry in origin. By the end of the eighteenth century, the final result was the formation of a transatlantic independent "outlier" merchant class, an independent early modern bourgeois *class* structurally distinct from its chartered feudal bourgeois predecessors centered in London and dependent upon the monarchy. This transatlantic merchant bourgeoisie was also structurally distinct from those of the Italian city-states such as Genoa, who never developed beyond their dependence upon the Iberian feudal states and subsequently shared in the fate of those states. The new class would then move on to found their own state, the United States of America, toward the end of this epoch. They did so as the dominant partner in a class alliance, and not as a subordinate to a landlord gentry as in Britain, with a rapidly growing mass of small producer land-owning white farmer-settler and artisan households. This meant that, unlike the Dutch or their metropolitan English merchant brethren, the Anglo-American merchant colonists could establish a general market circulating entitlements to land appropriated from its original landlords, the American Indians. These entitlements could then be traded among themselves or retailed to the settler farmer households in what would prove over the longer run to be at times a troublesome, but not irreconcilable, class relation. The white settler farmers armed, in turn would perform the service of both securing the annihilation of the Indians and the enslavement of Blacks, processes that supplied material benefits for both slave and non-slave colonies and states. The rural settlers came to share a subaltern position in the class alliance and the state, and would therefore *not be an important demographic source for a process of the accumulation of potential proletarians on the North American continent.* This was a historical feature shared with the indigenous peoples and, most interestingly, the

Black population during and after slavery, until the 1930's. The farmer-settlers and the Black population would, however, be a vital source for the primitive accumulation of capital in North America. The appearance of an indigenous reserve army of "doubly free labor", one of the poles of the classical Marxist concept of primitive accumulation, would be considerably delayed relative to Western Europe.

The new independent class of Anglo-American merchant colonists were inserted into the transatlantic trade system as "supply-chain" intermediaries and not as producers of the most valuable commodities of that time, silver and sugar. The Northern colonies supplied slaves, grain and shipping for the Caribbean and African trades, while the Southern colonies imported slaves by which they supplied not only rice for consumption by Caribbean slave labor, but also supplied the main North American cash crop of the time, tobacco. The complete system provided the American merchant class with relative economic independence coupled with local political independence in the colonial assemblies. This was effectively a state of quasi-dual power within the first trans-Atlantic British Empire, the "Commonwealth of Oceana". London reacted after 1765, but too late, in a classic case of acceding too much social power to subordinate classes and class fractions. The class meaning of "the American war of independence" becomes clear as the United States succeeds the United Provinces not merely as the bourgeois state of a new merchant oligarchy still embedded within a late feudal, or even "post-feudal", Europe, but as the state of an independent merchant class with access to a vast continental territory, an access mediated by the alliance with the settler-farmer household. The foundation of the United States marked a structural break of world historical importance, for not only had the North American bourgeoisie broken out of the city-state confines of their medieval European counterparts, including the united city-states of Holland, but they now self-consciously abjured the city altogether and centered their existence upon a continental land mass as a rural *continent country*, and not as a city state nor as a bourgeois nation state. This was a type of bourgeois state yet to have made an appearance in human history, and the peculiar "anti-urban" character of its origins lie at the heart of the contradictions of that state today.[7]

The independent North American system as a regime for the accumulation of capital, or more accurately the accumulation of the prerequisites for the emergence of the capitalist mode of production in North America, involved the commercial concatenation or "articulation" of multiple non-capitalist modes of production united by the circulation of *commercial money capital,* in the definition deployed here to be conceptually distinguished from *independent finance capital* where "commerce" is restricted to the circulation of yield-bearing monetary instruments as the commodity form of capital itself. These non-capitalist producers were generally and directly slaveholding, family farmer and artisan producers of use values and not commodities. This does not mean that individual producers, particularly the group of slaveholding producers, did not begin production with the aim of the eventual sale of their production as commodities. This way of formulation of the relation of production to exchange means that before the rise of a capitalist mode of production employing the commodity form of labor power - wage labor - the transformation of use value into exchange value, and useful articles into commodities, was effected *outside* of production in the sphere of a monetized circulation of use values. This is possible because money is the independent, self-identical form of exchange value, a general quality that emerges from its specific attributes as measure of value, medium of exchange and means of payment. Money as a medium of exchange directly effected the transformation in circulation. Money as measure of value and medium of exchange was issued by merchant bankers in a process that nominally involved the transformation of money hoards into money in circulation. Atop ordinary circulation arose a rudimentary system of commercial credit, money as means of payment, particularly in relation to North

American and Caribbean slaveholding cash crop production. It was this early commercial credit system that enabled slaveholding planters to aim for production for sale from the start of production, and on a continuous basis. In the hands of British-based consignment merchants in the 18th century, this system of commercial credit was to metamorphose and generalize across many commodities into the bill of exchange discounting system of the early 19th century well-known by Marx.[8]

With the assistance of Marx's concept of the three general circuits of capital as presented in the first part of Volume II of *Capital,* the system of the accumulation of capital can be viewed in pure abstraction, where first use values were transformed into *simple* commodities in circulation, and did not immediately comprise a *commodity capital*, because the commodity circuit did not bear surplus value, not being the result of production by commodity labor power. How then did the merchant or merchant banker effect the transformation of their money hoard into an accumulation of commercial money capital? The merchant or merchant banker collectively appropriated a *value surplus* on the basis of the *commercial arbitrage* between unevenly developed geopolitical regions in an instance of *unequal exchange*, certainly the case between the underdeveloped Atlantic American periphery and the Western European metropole. The value surplus was immediately and simultaneously realized in a purely monetary form without traversing the “metamorphoses” of the capitalist mode of production. The monetary form was divided into the profits realized by the carry trade merchant, by the direct producer, and the interest on money capital advanced by merchant banking. Under developed capitalist conditions where the capitalist mode of production reigns supreme, this value surplus would merely constitute that portion of the surplus value transformed into *surplus profits* as in the case of agricultural rents, though from an entirely different source.[9]

Commercial arbitrage and unequal exchange are clearly aspects of primitive accumulation. However in this first, “antediluvian”, epoch of capitalist accumulation, profit and “surplus” profit were identical. By this same token, the primitive accumulation of capital was also identical to capitalist accumulation in general, at least in countries like the late 18th century USA. There existed no real differentiation of “primitive” from “capitalist” accumulation. In this way the capitalist mode of production and accumulation on this basis would emerge directly from primitive accumulation, ensuring the integrity and long lasting continuity of a state expressly founded upon merchant capital-led primitive accumulation, as a virtually perfected machine of primitive accumulation, the essence of the North American state as an equally “antediluvian” historical anachronism.[10]

Commercial capital, and not independent financial capital or industrial capitalist production or “finance capital” combinations of the two, formed the original accumulation of money capital in the late colonial and early USA. This expressed one pole of the classical conception of primitive accumulation, where in the USA the other pole, the accumulation of potential proletarians, was to be delayed domestically and was ultimately substantially supplied by classical primitive accumulation outside the United States in the latter half of the 19th century. This structural orientation of early US accumulation has generally been occluded by certain prejudices of classical Marxism that have been faithfully reproduced to our own time, and hence the understanding of US development has fallen into a void between “finance” and “industry” where considerations of historical commercial capital should exist. Marx contributed to this bias primarily in Part Four of Volume III of *Capital*, “The Transformation of Commodity Capital and Money Capital into Commercial Capital and Money-Dealing Capital (Merchant's Capital)”. Here Marx confidently predicts the extinction of independent commercial capital, or more to the point, ignores the possibility that even as commercial capital is brought into interdependency with financial and industrial capital, the commercial capitalist sphere, and not finance or industry, might nevertheless remain the dominant aspect of American regimes of accumulation, congruent with a state founded upon the same.

This is despite Marx's understanding that "The great economists such as Smith, Ricardo, etc. focused their attention on the basic form of capital, capital as industrial capital, and in fact treated circulation capital (money and commodity capital) only so far as it is itself a phase in that [industrial] capital's reproduction process. They were therefore perplexed by commercial capital as a special variety of its own. *The principles about value formation, profit, etc. derived straight from the examination of industrial capital cannot be applied directly to commercial capital.* They therefore entirely ignored the latter. They only refer to it as a kind of industrial capital. Where they deal with it specifically, as Ricardo does in connection with foreign trade, they seek to demonstrate that it creates no value (and consequentially also no surplus value). *But what holds for foreign trade holds also for commerce within a country".*[11]

Marxism after Marx generally followed Smith and classical political economy on the matter of commercial capital, and not the broad hints from the old man himself. This bias is not compensated for by Marx in the chapter of Volume II on "The Circuit of Commodity Capital", the murkiest of the chapters on the three circuits of capitalist production as a whole. Marx correctly notes that commodity capital "bears" surplus value without creating or realizing the same, and also correctly distinguishes between the concepts of commercial capital as social form, commodity capital as abstract circuit, and the transport industry as a branch of productive industrial capital, and hence transport workers as part of the industrial proletariat, rather than as "service workers", as the U.S. Bureau of Labor Statistics incorrectly classifies them. Nevertheless commodity capital as "mere bearer" of surplus value permits its factoring out of the equation, leaving us with the long history of Marxian theories of money and industrial capital, their combination as "finance capital" and finally, "financialization" as the main lever for contemporary theories of primitive accumulation. This essay, however, will take Marx's intriguing commentary on historical commercial capital as license for the theses presented here.[12]

Finally, to considerations of the general relation of merchant or commercial-led primitive accumulation of capital to the other great source of money hoards as potential money capital, *tribute*. Tribute in value terms is transfer by implied force rather than exchange, unequal or not, and takes the forms of state taxes and, in the 'traditional' form, landlord rents. Both forms are directly related to processes of primitive accumulation as they can contribute to the formation of money capital and strip labor of property or land. State tax revenues form the basis of a market in state debt issuance, where interest is a distribution from tax tribute. It was of course one of the great objects of the 1787 constitution to centralize state debt issuance in the hands of the new Federal institutions, and indeed the first epoch of capitalist accumulation saw the formation of the "national debt" and the rudiments of central banking in mixed "public-private" form. Rents of land paid by tenants are the other important source of money revenues, entirely in private hands, and superficially appear as a form of exchange analogous to the general transformation of use values into commodities already described above. This is illusory, first as the original use value of unimproved land is not a product of human labor and second, because the real exchange involves a different transaction from the payment of rent by tenants: the exchange of paper entitlement to access the use value of land. This is an exchange of access to the use value of land against advance payment of prospective rents summed over an arbitrary time period. This sum of money, as an advance on prospective rents, is already a speculative form of exchange and in turn forms the basis of a mortgage market, the speculative sum advanced at interest.

The illusion seems to persist, since an analogous, seemingly arbitrary, transformation of use values produced by human labor against money as means of exchange occurs in the simple circulation of commodities. Here though we see why slavery was so important for the historical launch of a sustained accumulation of money capital in this epoch, and why therefore slavery proliferated in the 18th and early 19th centuries to such a monstrous extent out of all proportion to its existence in prior times immemorial. For slaves themselves were exchanged against money and constituted the original accumulation of a constant capital embodying, literally, both a fixed capital in the purchase price of the slave, and living labor power itself as circulating, but *non-commodity* use value as "raw material", because the slave's labor power itself was unpaid. The slavelord, unlike the landlord, did have some rudimentary if speculative yardstick in the price of the slave with which to measure the potential money value of the use values they produced. If they were a wealthy slavelord they also had their own luxury consumption of goods manufactured in Britain as an additional yardstick. Hence there was some means of regulation, external to production, of the price relative to the use value of the cash commodity, though not at all identical with the regulation of value in the capitalist mode of production by means of waged commodity labor power. There was no way of knowing the exchange value of slave labor power at any moment in production, particularly as the price of slaves also changed over time. It was a simulacrum of the regulation of value, where the speculative character of the sum of money advanced for the purchase of a slave bears analogy with money advanced for the trade in paper entitlements to the land. In the final analysis, slaveowners were not subject to the capitalist law of value in the compulsion to appropriate a profit over and above their own luxury consumption, as evidenced in the general absence of the incorporation of plantations or the issuance of stock even with early 19th century cotton slavery. Production remained upon a household basis, also a specific basis for a class alliance with non-slaveowning settler-farmers before the emergence of the railroad. Profits realized through commercial arbitrage were sufficient to sustain luxury consumption, and hence slaveowners were among the wealthiest households in the early North American republic.

The prospecting landlord on the other hand exchanged money against a piece of paper entitling access to an arbitrarily enclosed plot of land, an enclosure guaranteed and enforced only by the state institutions, typically county courts in the Anglo-American case. This was a purely paper transaction, paper for paper with no involvement of labor power, and money advanced at mortgage interest is therefore the true and original form of *fictitious capital,* a credit speculation piggybacked upon a transactional speculation. Fictitious capital is also the status of the credit system based upon the state form of tribute, taxes, since the state generally acts as a consumer, not a producer. These credit systems are distinct from that of commercial credit, however speculative its extension may be, because they exist upon a qualitatively different non-commodity basis. Commercial credit is *not* fictitious capital, no more than is bank capital advanced to finance industrial capitalist production. Yet the issuance of fictitious capital instruments thrown into circulation constitutes in itself a special form of commercial capital in the circulation of capital - fictitious or otherwise, since the interest yielded is quite real, and really related to the tributary exaction of rent and taxes – but now as capital in its own commodity form as money capital. In this way the two main revenue streams sourced from commercial arbitrage and tribute were transformed into a outwardly homogeneous and dynamic field of money capital.[13]

Primitive Accumulation in the Epoch of the Rise of the Capitalist Mode of Production in the USA

The end of the first epoch of primitive accumulation on the world scale was heralded by the French Revolution, whose Napoleonic aftershocks propelled the landed aristocracies of continental Europe onto the capitalist road opened by Britain in the 18th century. In the USA with its already bourgeois state and absence of a hereditary landlord class, the new epoch was generally signaled by the ethnic cleansing of free indigenous peoples during the Administration of Andrew Jackson in the 1830's, from east of the boundary delineated by the western borders of the stack of states running from Louisiana to Minnesota. Free Indian social formations still subsisted west of this line, but their extirpation would be accomplished in a qualitatively new and different "industrial" mode of annihilation characteristic of the second epoch of primitive accumulation, beginning with the premeditated, systematic genocide of West Coast Indians in the 1850's. The signal economic event was of course the emergence of the modern capitalist mode of production, first in the Northeast and soon thereafter in the Midwest and Far West, and its antagonistic political expression was the emergence of the first "Workingman's Parties" in 1829 at Philadelphia and New York City as journeyman artisans felt the increasing pressures of urban proletarianization.

The moment in high politics can likely be traced to Jackson's destruction of the 2nd Bank of the US and, in connection with this act, the Specie Circular measure demanding the payment of the sale of public lands held by the federal government in gold and silver, by a government hitherto acting as a state merchant capitalist peddler of land entitlements. Together with the withdrawal of paper money in circulation of denominations less than $20, the acts of the Jackson government burst the huge bubble in land prices building in the early part of the 1830's. Sales of land entitlements during the bubble, together with the high tariffs of the 1820's had, extraordinarily enough, enabled the Federal debt to be entirely zeroed out for the only time in its history. It was a measure of the degree to which the North American state could rely on import tariffs, where the middling slaveowner Jackson was not a low tariff politician, together with the revenues from public land sales, to finance its operations without depending upon British finance, or upon monetary regulation altogether. The combination of acts blocked the channels for the circulation of British money capital in the USA, and the deflation of land prices lowered the barriers to land acquisition by Midwestern settler-farmers, smaller slaveowners, and manufacturers. On the one hand such acts contributed to a relative scarcity of money capital, on the other, to the stimulation of domestic non-capitalist producers as sources of continental capitalist accumulation, and atop this already traditional system as its commercial arbitrageurs, towards the transformation of continental merchant capitalist traders into commercial-industrial capitalist employers of wage labor. The continued relative shortage of labor power outside the slave plantation sector in North America was now also addressed by the qualitative rise of immigration from Europe after the Irish Potato Famine and the failed revolutions of 1848, as well as by the traditionally high birth rates of the patriarchal Anglo-American household, though the former was still largely confined in impact to the Northeast seaboard cities, while the new German immigration also extended to Chicago, Milwaukee and St. Louis. A material break with the British colonial or neo-colonial past was now well underway. Remarkably, regulation of the new regime of accumulation relied principally upon what Stephan Skrowronek called "the state of courts and parties", rather than upon state management of the money supply and the supply of money capital by means of central banking as, thanks to Andrew Jackson, lawyers, judges and legislatures continued in their traditional role as state arbiters of commodity production and exchange.[14]

The primary effect of the massive rise of the capitalist mode of production in the 19th century USA was the shift of the transformation of use into exchange value from the overt form in the sphere of circulation, into the industrial "hidden abode" on the basis of wage labor. The transformation of use values into exchange value now increasingly took place out of sight of the open general commodity markets, on the basis instead of the trade in a single commodity, wage labor power. Normally this particular commodity exchange is presented as an advance of labor power for a period of production time, at the end of which the laborer receives money wages. However this is to pose matters at the level of the individual worker or capitalist, but individuals can be released from production at will at any time in the normal case, while production periods overlap for the working class as a whole. It would be both more accurate, and more revealing, to present the transaction as a continuous process, specifically *continuous in production.* Hence this particular commodity circuit runs its course through capitalist production itself , indeed right through "Marx's ellipsis" as seen in the famous formula for capitalist production in general: M-C-(...)-C'--M', where (…) represents the period of the productive processing of use values. The complete formula only makes its appearance in Part I of Volume II of *Capital* while the first volume poses only the general formula of capital, M-C-M'.

Marx posed this as a break or interruption in the circuit of exchange value, but the matter can be seen otherwise as the obverse of how Marx described the transport industry as "distinguished by its appearance as the continuation of a production process *within* the circulation process and *for* the circulation process" (Capital Vol II, pg. 229, 1978). With the wage labor exchange we have the continuation of a commodity circulation process within capitalist production and for capitalist production. Furthermore and finally, wage labor market exchange can only ever comprise a *simple commodity circuit* and not a commodity capital, for variable capital, but not labor power itself, is a form of *money capital*, whereas the simple circuit of commodities in general, produced by non-capitalist labor and formerly enacting the transformation of use value into exchange value out in the open in the general public market, is now transformed into the circulation of commodity capital, commodities produced by commodity labor power and bearing surplus value.[15] In this specific sense, wage labor is the residue of historical simple commodity circulation persistent in the modern industrial capitalist era. As a residue, it can also be seen in analogy with the commercial arbitrage formerly conducted in the open general commodity market, as the surplus value appropriated by the productive industrial capitalist appears in the difference in the purchase of labor power and the sale of the commodity capital. This is an analogy only and not an identity, as commercial arbitrage occurs over unevenly developed geopolitical-economic space, while the exploitation of wage labor occurs diachronically. This too represents a real transformation directly from a field of primitive accumulation of capital to that of the capitalist accumulation of the same. Hardly an "adjunct", primitive accumulation is the direct, integral, lineal ancestor of capitalist accumulation.

Socially this inversion also accomplished the transformation of the independent merchant into a commercial capitalist dependent upon capitalist production, or more accurately into a commercial-industrial capitalist. A survey of the biographies of the key industrial capitalists of the mid-nineteenth century USA will reveal time and again beginnings in wholesale merchandising generally. Many of these merchants transitioned into the field of the industrialization of the circulation of commodity capital, otherwise know as the railroads, including also industrialized means of communication such as the telegraph, also a type of transport system. The railroad transformation of the regime of accumulation began to take hold in the 1850's, and by the 1870's railroad capital stood head and shoulders above all others as the undisputed leading sector of that regime. The railroads accelerated the accumulation of industrial manufacturing capital as well as the expansion and mechanization of non-capitalist modes of production such as Midwestern or Western household farming and Southern commercial sharecropping after the Civil War, about which there will be more to note below. This ensemble propelled an unprecedentedly enormous accumulation of capital in the latter half of the century, making the USA the unexpected "China" of its time. This instance of uneven and combined development and its extension across the Atlantic to Europe opened up fresh fields for the operations of commercial arbitrage as commodities originating in North America were circulated and sold across continental regions and oceans. Now however commercial arbitrage could appropriate surplus profits across a geopolitical-economic terrain of its own making as also commercial-industrial capital. On the industrial side, this mainly took the form of the manipulation of routes, shipping rates and volumes by the railroads, escaping state regulation for a much longer time than they were able to escape anti-monopoly court decisions and legislation. On the financial side there is the rise of Chicago and its Mercantile Exchange, tied to the giant complex of grain elevators in that city, as the great commercial-financial terminus for this trade as well as that of cattle and lumber.[16]

The rise of new centers of bourgeois social power in the Midwest, the Western Pennsylvania / Northeast Ohio region, as well as the unreconstructed but revived post-Civil War Southern commercial-agricultural bourgeoisie, set off the seesaw oscillations of political influence characteristic of US Federal politics until the late 1890's. If we apply Marx's analytical presentation of the three circuits of money, commodity and productive capital from the first Part of Vol II of *Capital*, it can be seen that the successor to the merchant bourgeoisie that founded the state, commercial capital in both its industrial and financial ramifications – and not "financial" or "industrial" capital per se as in the usual Marxist or progressive presentations - could become the dominant aspect of the US capitalist regime of accumulation in this period of the second epoch of primitive accumulation, for this configuration of capital was both generally congruent with the original mercantile structure of the state, and in turn was conducive to the reproduction and persistence of that same state and therefore of the social formation as a whole. Indeed the North American state navigated the cataclysm of the Civil War with its state and political institutions little altered – the Canadian Anglo-French colonial state experienced much greater alterations in this period, beginning with the foundation of the Dominion Confederation in 1866.

Dominant commercial capital is one of the secrets of the survival of "the most perfected machine for primitive accumulation", but the enormous expansion of the capitalist mode of production and with it, an industrial proletariat, did appear to make the old pre-capitalist machinery of state increasingly irrelevant in other respects as the continental frontier disappeared in the last quarter of the 19th century. That brings us to the other secret of the survival and persistence of the United States in this epoch: the promotion and expansion, rather than dissolution and destruction, of non-capitalist modes of production for extended periods. The chief examples were cotton slavery followed by commercial sharecropping in the South, and the "Midwestern" household farm also extended to the entire West, with our attention principally on grain production.

The cotton slave boom, of course, began in the last period of the preceding epoch of mercantile-led primitive accumulation. Cotton slavery hardly came to a halt in the face of the rise of the new mode of production. Slave-picked cotton boomed more than ever, all the way up to the eve of the Civil War, precisely because it supplied the chief constant circulating capital to one of the most important industrial capitals of the early 19th century, the textile factories of both Britain and New England. Capitalist production, far from entering into a "contradiction" with slavery, fostered its most dramatic episode of expansion in the long history of slavery, precisely as that history was about to come to an end. In turn, the cotton slaveowing bourgeoisie became the wealthiest and most politically powerful fraction of the US ruling class before the Civil War.[17]

Slave-picked cotton was principally brought down not by capitalist production or its working class, but by the other great pillar of non-capitalist production, the settler-farmer household now centered in the Midwest. A clash over the disposal of western land arose as slaveowners saw the possibility for expansion into an increasingly profitable grain cropping business. It came to a violent clash beginning in Kansas, and it was the Midwestern farmer's sons who proved the best fighters in the Civil War, invading the Mississippi Valley heartland of cotton slavery by early 1863, thereby unintentionally opening the escape route from slavery for Blacks. The "grain boom" that led to this clash took off only in the 1840's due to two factors: the expansion of the railroads which permitted in turn the accelerated expansion of settler farming onto the high prairie, and the end of the Corn Laws in Britain, opening this most important of all 19th century markets to US grain exports. Even more, the non-capitalist farmer household mode of production proved capable of a certain degree of mechanization, as McCormick's farm machinery went on to prove. The layer of farmer households that worked their way into middle class prosperity also proved to be important consumers of industrial manufacturing products, as the emergence in Chicago of the Montgomery Ward and Sears Roebuck mail order enterprises demonstrate, long before Jeff Bezos was a twinkle in anybody's eye. McCormick was a classic commercial-industrial capitalist with a strong marketing acumen, key to its success, while the mail order enterprises were pure commercial capitals. The relation of household farming to capitalist production formed a virtuous cycle that propelled US capitalism to the front ranks of world power.[18]

The basic analysis for this historical description begins with the coexistence of capitalist and non-capitalist modes of production, together with the real subsumption of the non-capitalist producers. These were now suppliers of use values, not transformed within a simple commodity circuit mediated by independent merchant money capital as formerly, but transformed directly into commodity capital as the constant circulating component of productive capital mediated by dependent commercial capital concentrated not only in New York City, the chief node for the transatlantic region, but now also Chicago for the continental interior and, until the Civil War, New Orleans. This specifies the general relation of commercial to commodity capital at the level of the regime of accumulation in the second epoch of primitive accumulation, in what historically is the "internal" continental colonial form of the relation or "articulation" of non-capitalist production to the capitalist mode of production. Slave/sharecropper and household farming existed both "outside and inside" capitalist accumulation in an ambiguous and movable boundary between commercial and manufacturing capital organizing the social forms of the circuits of commodity and productive capital.[19]

The long term movement of that boundary was in the direction of the capitalist mode of production and away from non-capitalist modes. This movement both expresses the relation of primitive accumulation to capitalist production, and the peculiar and unique social character of the capitalist mode of production in its obsessive drive to extinguish all other forms of production, as an unlimited horizon for profits and self-expansion of value is an absolute requirement of this mode of production that it cannot compromise upon on pain of its own extinction. This is a form of monopolization more fundamental to capitalist dynamics than actual instances of "monopoly capital" itself. This long term movement that was to come to the point of a great crisis in the 1920's and 30's, was driven by the commercial arbitrage of the value transformation between non-capitalist and capitalist modes of production. The variety of articulations of commercial arbitrage between capitalist and non-capitalist modes of production qualitatively multiply at this time, particularly with the rapid growth of the cities and development of new "transport industries" such as electrical power and the telephone, to be followed by the emergence of film, radio, aircraft and the automobile at the end of this epoch. Articulation also encompasses nonproductive, but non-capitalist, processes in the transformation of use values, processes that don't exist as independent modes of production, such as in the reproduction of the "new" middle class household in the cities. This last was the forerunner and prototype for a primary domestic locus for postcolonial primitive accumulation in the present epoch since the Second World War, as will be discussed below in the final section. The multiplicity of articulations are a subject for concrete research of the historical material, beyond the scope of an essay that can only point out and delineate the research area in broad theoretical outline here.

This was commercial capital now in combination with productive or money capital as the dominant aspect and, as already mentioned, was a configuration of the three circuits of capital also congruent with a state originally founded upon the dominance of merchant capital in a class alliance with small independent and largely agrarian non-capitalist producers. The state congruence with the American form of industrial capital also acted to reproduce this class alliance as well, including with the now politically subordinated Southern commercial farmer / landowner, exploiter of sharecropping and prison labor. The relative preservation of the subordinated agrarian producers also preserved this important agrarian social basis for the stability of Thomas Jefferson's state, though not without antagonism and controversy as both Populism and Progressivism showed, and is how the state survived intact and little changed in its basic institutional features in the face of the enormous expansion of industrial capitalism.

For industrial capitalism did introduce two new elements foreign to the structure of the state: a mass proletariat and the large anti-Jeffersonian city. The accumulation of a mass of wage labor sufficient to fuel the great expansion of capital accumulation was met by another extraordinary feature of the epoch: mass immigration from Central, Southern and Eastern Europe. In this way U.S. industrial capitalism could both tap into processes of "classical" European primitive accumulation in the expulsion and migration of peoples from their traditional employment as peasants, shopkeepers or artisans to the United States, a migration greatly facilitated by the innovations in transoceanic transport in this period, while at the same time it accomplished the relative preservation of its own traditional non-capitalist forms of production in the South and Midwest. The dialectical relation of urban and rural in the US was such that an already developed rural society with a share of power in the state could largely deflect the later European immigration into the cities by virtue of its own effective social monopoly of the agrarian geopolitical space. The promotion of the "new" largely Catholic and Jewish immigration, augmented by that of Chinese and Japanese on the West Coast, therefore also drove an important wedge between themselves and the "first" antebellum working class of Northwestern European origin, particularly as this earlier wage labor working class was formed in an organic unity with the final industrial phase of continental settler colonialism as railroad and mining workers invaded Indian lands along with the farmers and ranchers. These were the original "white working class".

However generally speaking, the wage labor working class of the second epoch of primitive accumulation was, as Marx put it for his own purposes in *Capital*, "left to its own devices" when it came to provisioning for its own social reproduction as a class. Indeed the persistence of some measure of self-provisioning by the working class household was certainly an outcome of the continued and only gradually attenuated relative scarcity of labor power in North America that also helped to reduce the necessary wage in a country still characterized by relatively high wages. The North American state was not as yet impelled to intervene in this area of class social reproduction, even as it was forced to intervene in capitalist production to break strikes and unions. Yet a working class still dividing its collective labor time between partial self-provisioning and wage labor exploitation to purchase additional necessities in commodity form, is still a proletariat in half-formation with one foot in the arena of classical primitive accumulation. As with the "new" middle class household, working class self-provisioning was also another frontier for articulation with the capitalist mode of production in a new relation of primitive accumulation. In this way it can be seen, already in the second epoch of primitive accumulation, that its effects were quite contradictory and not always deleterious to the wage labor working class itself, once this class has decisively emerged onto the historical stage, as it did after 1877 in the USA. For certain configurations of processes of concurrent primitive accumulation in the regime of accumulation can actually strengthen the social position of the working class relative to its exploiters, particularly when such "internal" processes are combined with the traditional "outside" processes in the form of the surplus profits of metropolitan imperialism, whether these take the form of commercial arbitrage, rent tribute, or simple plunder. Driven by the same but vastly more sophisticated process of commercial penetration of the household, the contradictory advance in the social position of the US working class was to occur again in the so-called "Golden Age" of capitalism in the mid-20th century.[20]

Nevertheless, the great growth of both urban society and a section of the industrial proletariat not of Northwestern Protestant European origins drove the first significant wedge of social incongruence between the state founded in the 1780's and the capitalist development of society in the USA at the same time as the continent ceased to be a significant zone for further outward expansion. State actions have always been conceived as integral to the concept of primitive accumulation as the application of "extra-economic" force, and the problems of what courses of action were open to "the most perfected machine of primitive accumulation" ever devised, had already arrived at the point of a chronic, and at times acute, crisis by the 1890's. The approach favored here is one that does not limit itself to a concept of a state purely functional to the cohesion of the social formation and regime of accumulation, but instead dispenses with "Amero-centric" teleologies of "progressive reform" based upon a focus on largely internal, domestic factors – a myopic trap that the subject of the United States especially presents, given its geopolitical economic extent and the relative unimportance of extra-continental colonies – in favor of a concept of possible *dysfunction* of the state. The record of the United States until the Second World War in navigating the growing divergence between early twentieth century American society and the 18th century Enlightenment form of the state was uneven, mixed and ultimately a failure. The contradictions of state, society and capitalist accumulation converged and crystallized in the 1920's as the US pivoted from reliance on European immigration to drawing labor power from continental migratory sources – a turn that also provoked a historically sharp turn to the political and cultural right by the American bourgeoisie - while a host of disruptive "new transport industries" became ascendant in this decade. The first trend, also including the migration of female labor from the household as well as Black labor out of the South, and the beginnings of the migration of Latino labor from Mexico, posed the "danger" of the feminization and "Creolization" of the US working class in a society that arose upon white supremacy and the patriarchal household, while the second trend came up against both the "self-provisioning" limits of the working class and the deepening stagnation and decay of the traditional agrarian sector as a consumer of manufactures.[21]

The Great Depression was the form taken by the failure of the state to navigate this divergence in its domestic continental foundations, and fundamental to that failure was the inability of the traditional agrarian sector to act as the motor of development as it had in the 19th century, bringing an end to the second epoch of primitive accumulation in North America. U.S. capitalism was "saved", not by its own devices, but by the emergence of an even more explosive crisis in Europe and East Asia with the final crisis and collapse of the "old regimes" dominated by the traditional landlord aristocracies of these regions. Thus one side of the special conditions that gave rise to the United States at the end of the 18th century – the general absence of a bourgeois caste of a hereditary landlord aristocracy – now became a general feature on the world stage with the collapse of these aristocracies and their colonial empires, and with them, the associated forms of primitive accumulation and capitalist regimes of accumulation.[22]

The United States did move into the breach in decisive military fashion during World War II, but it still faced the problem of how to re-start primitive accumulation in the general absence of a colonial "outside", a problem that it had failed to resolve domestically during the New Deal and that now confronted the North American state on a variable world scale. In addition, any effort to shore up the traditional primitive accumulation foundations of the capitalist mode of production would be overdetermined by the need to contain the exit of large regions of the globe from the capitalist world system, in the shape of the Russian and Chinese Revolutions. This meant both that the old colonial forms of primitive accumulation could not be directly returned to, as Britain and France discovered in the Suez Crisis of 1957, and that a "social democratic" form of class collaboration that conceded some institutional power in the capitalist state to the official political and trade union representatives of the working class had to be acceded to in the surviving "front line" imperialist states of Western Europe. No such concessions were made in the United States as we shall see, nor in Japan, where the newly independent trade union movement was ruthlessly crushed under the American occupation. In the longer run such conditions proved to be temporary as expected of overdeterminations, the concept also indicating that such conditions were not fundamental to the reconstruction of the capitalist world system in a new regime of accumulation with new forms of primitive accumulation as sought by the United States. The "secret" was the projection onto the world stage of the bias in the structure of the North American state towards the dominance of commercial capital in both its industrial and financial ramifications, in internationally variegated but concatenated neo-mercantilist regimes of accumulation. The solution was, clearly, to reshape the world into forms more congruent with the form of that state.

The Third Epoch of Primitive Accumulation: Into Marx's Ellipsis

The standard meta-narrative runs as follows: The New Deal was a big victory for progressive reform and labor rights, and was followed after the war by a "golden age of capitalism" structured around "Keynesian economics" that was then suddenly reversed, ushering in at the end of the 1970's a new age of "neo-liberialism" with its privatization, financialization and globalization. The reality appears quite different once the *continuities* that unite these periods are identified. These continuities can only be sketched out here to indicate the areas for further detailed research, but will indicate that the trends associated with "neo-liberalism" were established at the very beginning of the epoch in the United States, and will conclude with a general analysis of how these trends converge on the problem of the social reproduction of the wage labor working class.[23]

The New Deal began, not with labor rights, but principally with measures to restore the banking system and with systematic attempts to regulate the transformation of commodity capital into money capital through the market pricing system that took the form of the National Industrial Recovery Act of 1933 (NIRA). Putting a floor under prices would stabilize revenue returns to productive capital that would ultimately revive the banking and financial system generally. The Glass-Steagall Banking Act passed in the same year is to be seen in the same light in the separation of commercial from investment banking. These early measures expressed the attempt by the state to reproduce its own existence by reproduction of the dominant commercial capitalist aspect of the U.S. regime of accumulation. This traditionally dominant aspect had experienced an unprecedented systemic collapse, and NIRA was no less than a systematic attempt at domestic neo-mercantilist regulation at the continental level. NIRA was vetoed by Supreme Court judicial fiat in a classic instance of state dysfunction, but it would be a mistake to believe that this was the end to implementation of systematic neo-mercantilist regulation, for NIRA was to be followed by an even more powerful implementation in the state-capitalist orchestration of military production during – and after - World War II. A *militarized* commercial capitalist dominance in a new regime of accumulation would be the permanent achievement of the FDR Administrations, with its dependent financial and industrial manufacturing branches left largely to private market self regulation. Militarization was also functional at the time to the reorganization of the capitalist world system in the post war. Militarization expressed the convergence of the state with commercial capital at the commercial-industrial and -financial apex of its social power, at that time in the shape of General Motors and the other transnational corporate (TNC) "generals" of U.S. capitalism now also able to extend their operations into Western Europe, East Asia and Latin America.

However there was the interlude of labor reform in the mid-1930's. NIRA had also sought to regulate wage levels, logically enough as this is a form of commodity circulation as already described, and had opened the door to Federal recognition of a legal status for trade unions. This took the form of the Wagner Act of 1935, in inception an opportunistic maneuver by the FDR Democrats to attract working class votes in the run-up to the 1936 elections. That it did, in a smashing electoral victory that picked up the support of the Communist Party USA in the bargain, while the main social democratic parties collapsed electorally and dissolved themselves into the Democrats. That was a big mistake, a misrecognition of the historical character of the class compact contained in the Act. In essence the Wagner Act preserved the setting of labor exchange rates in the "labor market", i.e., by the class struggle in "civil society", with the state intervening in the final instance, and only in the undemocratic form of an amalgamated "executive-judicial administrative law court" in the shape of the NLRB, thereby combining the two most undemocratic features of the Federal state into a single institution. The state became the final arbitrator between the buyer and seller of labor power, the agent for the seller in this instance, the trade union officials, empowered to collectively represent, not the working class as a whole as would occur in negotiations with a working class political party, but only its "members". Therefore trade union officialdom actually only represented themselves as a "new middle class" fraction specialized in the arbitrage of wage rates, with the "members" reduced to appendages of their own social power.[24]

In no way then can the establishment of an administrative law court that left the "representative institution", the U.S. Congress, entirely in the hands of the capitalist class, be presented as possessing the same quality as a social democratic share in the state institutions themselves by means of the only real form of collective representation of class power that is the political form. Indeed the New Deal and post war promoted the general dissolution of political parties tout court, including the complete crystallization of the political monopoly of the two official capitalist political groupings of mid-19th century vintage, the Democrats and Republicans,. The U.S. Congress was left free to organize itself into the main offensive fist of ruling class power as this task was shifted from the court system where it had resided in the previous epoch. The Congress acted quickly to assert that power after the war in the shape of the Taft-Hartley Act of 1947. The New Deal and post war compact with labor was therefore never more than, precisely, "neo-" liberal, in the rise of traditional American *labor* liberalism to the status of Federal recognition, with its program for free competition in the labor marketplace on the basis of equal rights – a program that was predicated on relatively high American wages - dating from the early times of Samuel Gompers in the 1880's.[25]

In the 1950's, now seen through a misty nostalgia as the sweet spot of the American form of the "golden age" and witness to the birth of the "American Dream", was in fact marked by a return to the "normalcy" of rapid boom-bust alterations of the business cycle. Nevertheless these failed to hold down the real wage in what was now a thorough-going production regime of "Fordist" relative surplus value extraction, in part because both the postwar form of systematic displacement of labor power with machine technology had only begun in this decade, while the complete commodification of working class consumption, particularly in housing, was not yet complete as rents and housing prices were kept down by the great expansion of suburban housing that had already begun after the Korean War, sponsored in part now by the state owned secondary mortgage securing agency Fannie Mae. Incomplete commodification of the social reproduction of the working class also implied the continued existence of non-commodity forms of subsistence provision, as for example in Andre Gunter Frank's account of the return of an estimated 50,000 Detroit auto workers to their upland Southern points of origin south of the Ohio River to ride out the recession of 1958 without having to permanently accept lower waged work.[26]

The decade of the 1960's, like the 1930's, is often seen principally as one of progressive reform, in the shape of the Civil Rights Act, the creation of Medicare, and the extension of welfare. In fact the principal act of the decade was the launch of the Vietnam War. As with Truman's' Korean war, this was another attempt by the Democrats to enact an attenuated, but yet still massive, military mobilization of the U.S. economy, in order to accelerate the industrial accumulation of capital and override the business cycle through monetary policy. A controversy not to be explored here, this policy is often presented as "military Keynesianism", though the ideology of Keynesianism obscures more than reveals what had actually occurred during this decade. To cite some examples that would fit the "neo-liberal" framework, there was the Kennedy Administration's sizable reduction in both the Federal income and corporate tax rates, with the top rates falling, respectively, from 91% to 65% for income and 52% to 46% for corporate taxes. Thus under Kennedy began the long term trend of reduction of Federal taxation of capital income continuing to our own day. So too with the leading Federal home mortgage agency, the Federal National Mortgage Association (FNMA) or Fannie Mae. In 1954 Fannie Mae had been converted into a "mixed-ownership corporation" with preferred stock held by the Federal government. In 1968 Fannie Mae was fully "privatized" under the Johnson Administration, in part due to the pressures on the Federal budget generated by the Vietnam War.

The most dramatically systematic "neo-liberal" trend was the long, drawn out unraveling of the post war Bretton Woods compact. As with the New Deal, the pact fell well short of what J. M. Keynes had actively sought, principally by its placement of the United States and its currency at the center of the new financial and currency system, part of the reorganization of the old imperialist states into a single neo-mercantilist cartel led by the U.S. By the end of the 1950's, capital controls had been lifted, currency floats had begun, and the US dollar was already in the first phases of a chronic crisis of the dollar peg to gold that was the anchor of the currency system. The dollar crisis was greatly exacerbated by a Vietnam War effort that fueled price inflation in the U.S. The launch of the war effort had led a dramatic growth in both GDP and the rate of profit in the first half of the '60's, but the rate of profit began to again fall after 1965 under the impact of a new trend of rising import competition from West Germany and Japan, enabled by general introduction of the transoceanic shipping container, eliminating the oceanic economic protection that the USA had enjoyed throughout its history. In the 1968-72 period, Bretton Woods and the gold dollar were dissolved in the conjuncture of import competition and the political, economic and military failure of Vietnam war mobilization under the Democrats, who would never turn to this strategy again.

Abandonment of the gold dollar was a protectionist measure by the Nixon Administration to stem the tide of imports through currency devaluation, but in general, it was the consequences of failure in the Vietnam war mobilization, rather than the implementation of a systematic neo-liberal master plan by the Powers That Be, that drove the turn to a more confrontational approach towards both the working class and the Black and female populations. In the conjuncture of '70's failures, the American bourgeoisie also unknowingly encountered a new historical fact in their turn towards dissolution of the New Deal and post war class compact, even as they were careful to preserve the rest of the regime of accumulation founded from the 1930's to the 1950's. Supplemented by the growing stream of regional migration from Mexico and the Caribbean, this was the fact that a new and permanent "reserve army" of labor would have to be carved from the hides of the US working class itself. Here the workers precisely could not be left to their own devices outside the workplace as in the 19th century, the class essence of "paleo-liberalism". *Neo-mercantilism* was preserved for the capitalist class while an incipiently totalitarian *anti-liberalism* was and is applied to the working class across all aspects of its social life at home and at the workplace. A new and historically unprecedented situation has now emerged in the USA, and its name is not neo-liberalism.[27]

Turning back now to an analysis of primitive accumulation in the current epoch, what then have been the domestic sources for the phenomena grouped under the label of "neoliberalism"? Much of what is called "neo-liberalism" is in reality nothing but new forms of primitive accumulation, as increasingly perceived under alternative labels by astute observers such as Saskia Sassen or in popular form, Naomi Klein.[28] Presented here in very basic schematic form is an analysis that identifies the key site of primitive accumulation under mature, developed capitalism without colonies, or non-capitalist modes of production, or non-commodity forms of subsistence provision. The assumptions are congruent with those of Marx's analysis of capitalist production, where there existed only two classes, capitalists and "free" wage laborers. The schema centers on the wage labor household as a locus for the processing of use values in the reproduction of labor power. The "inputs" are all in commodity form exchanged against wages earned from both private and social wage sources. Housing land rent, not an input at all, is factored in as an overdetermination. As with Marx's treatment of capitalist production in Vol I of *Capital*, the identity of individual to the total or collective wage labor working class household is also assumed.

With these assumptions in place, the relation to capitalist production is established: the waged working class household consumes "Department II" commodities exchanged against wages, and provides the commodity labor power as output to capitalist production. The commodity labor power itself is produced by non-commodity means of pure use value processing "in the household", a fluid social boundary as will be seen, but one that in itself is nevertheless an *irreducibly* non-capitalist production process. This is the first point to establish, the second is that this household process of the reproduction of labor power possesses no imminent exchange value "laws of motion" discernible to analysis as a general form of social reproduction. The law of value is not immanent to this form of the household. Consequentially the household production of labor power cannot constitute a mode of production. The regulation of the household production of labor power occurs purely through the exogenous force and pressure of capitalist production and accumulation to which it is conjoined as an irreducible human "residual". As the incidental provider of labor power, the wage labor household is conjoined to and mirrors the circulation of labor power against wages in capitalist production, where it has been noted previously that this is a *continuous* process of simple commodity circulation within production. The conjoined household production of labor power does extend but does not not "complete" the simple commodity circuit of labor power in and out of capitalist production, for the household production of labor power, being immanently "value lawless" and subjective, also marks the real site of the "break" or discontinuity in the general value circuit, the crystallized locus of "Marx's ellipsis".

The waged worker household processes consumer commodities as simple commodities, and dissolves their commodity form in household consumption as use values. On the "input" side, the transformation from consumer *commodity capital* into simple commodities ultimately in the hands of the household is accomplished, not by the worker, but by the capitalist owner of these "Department II" commodity capitals. Immediately identifiable here is a special relation, not with capital in general, but with precisely our old companion, commercial capital, who has also closely accompanied us through the course of U.S. history. The transformation of commodity capitals into simple commodities is thus also another field for the operations of commercial arbitrage, and therefore of another field of primitive accumulation, against which the waged working class household is particularly powerless due to lack of market leverage. Notice also how the transformation is the reverse of that which heralded the rise of capitalist accumulation at its rosy dawn in the first epoch of primitive accumulation. This feature of the overall relation of household to capital will remain outside the analytical focus presented here, save to also note the overdeterminations of financial intermediation in the forms of consumer debt. It deserves mention only in order to contradict the overemphasis of "financialization" here as elsewhere, by indicating consumer finance as an overdetermination, and reserve the fundamental and necessary relation instead to commercial capital.

The focus then is on the relation of simple consumer commodities as inputs to the commodity, labor power, as output. The first thing to note is that because there are no laws of motion or "law of value", immanent to the wage labor household determining the exchange value of consumer commodities and labor power, there is no necessary identity between the exchange value of labor power and the exchange value of the commodities consumed in the process of producing that labor power. This identity was merely a convention assumed by Marx in the analysis of capital, where the wage worker was "safely left to their own devices". In reality there is no guarantee of any identity of the value magnitude of consumer commodities with that of the exchange value of labor power as seen from the side of the household, because each of these value magnitudes are determined at different sites of exchange. *They do not immediately exchange against each other.* The exchange value of labor power is determined in the continuous circuit of productive capital in the workplace as already mentioned, and is therefore an exclusive relation to productive capital, while the exchange value of consumer commodities are determined in a relation of the household to, primarily, commercial or commodity capital and secondarily, financial or money capital. It can be objected that the value magnitude of wages necessarily limits the value magnitude of consumer commodities, but this does not obviate the principle of non-identity, but only reinforces it in the identification of a space for the intervention of consumer finance in the advance of "future" wages as credit, where it can be further asserted that this non-identity also holds for a "long run" where consumer debt is in fact never paid off and instead may undergo a relative secular increase. This is true even before injecting the payment of rent tribute for housing land into the non-equation, to be investigated later.

Further, the matter of equation is not so obvious at all when traced in the opposite direction, from the exchange value of the commodities consumed to the exchange value of labor power, where the mere value of consumer commodities does not automatically translate into future wages simply because they were exchanged against past wages and consumed by the wage laborer. This value direction is the point of view that also corresponds to the problem as framed here, from the point of view of the wage labor household, and is therefore the more important one to consider here. From this point of view - "the point of view of the industrial working class"! - the laborer must *first* produce their capacity to labor in a non-commodity process, and then later present their labor power in the productive labor market at the workplace for sale. Labor power must first be produced before it can be productively consumed. Here the principle of non-identity is absolute regardless of the exogenous pressures of the various circuits of capital. This perspective, and not the perspective that simply equates wages with commodities consumed in the reproduction of labor power as if the household were another production unit, is also the one that *corresponds to the real direction of the capitalist production cycle itself*. Hence the only determinant relation discernible in the household is purely one of the relation of the quality of the use values consumed to the use value of labor power produced. Here it must be clearly the case that the lower the quality of use values consumed, the lower will be the quality of the labor power produced by the household.[29]

On the consumption side of our household non-equation there is also the possibility that the quality of consumer commodities can fall independently of their exchange value, as the working class household sector lacks the market power to enforce a definite relation between the two sides of the commodity. This is more likely regulated by inter-capitalist competition in the consumer commodity sector that might drive down price, and only on the assumption that lower quality use value is equated with cheapened production of the same. However the distribution of consumer commodities is in the hands of commercial capital with the power to saturate the household sector with advertising propaganda in pursuit of the "sales effort", this in itself also a type of "transport network" whose commodity capital is advertisement. Thus it is almost certainly the case that there will be a systematic divergence, within certain limits set by competition, between price and use value of consumer commodities. This too is another zone for the operation of primitive accumulation, again in a specific relation to commercial capital, just as in "the good old days" of the 18th century. The question of the cheapened production of consumer commodities also brings us full circle to the relation of the household production of the use value labor power to capitalist production, and specifically to relative surplus value production characteristic of the third epoch of primitive accumulation. The so-called "Fordist" production, among other things, involved also a general deskilling or "dumbing down" of employed labor power even as it permitted a rise in real wages, on condition that this latter did not alter the rate of profit, which instead was supposed to rise even faster with the competitive rise in the organic composition of capital. Hence there is a congruence between the commercial capitalist distribution of consumer commodities in the systemic divergence of price levels with the quality of use value, the lowered quality of labor power that consumes these inferior use values in the process of its own production, and lower quality of labor power purchased by the "Fordist" producer. The result is a trend towards "degraded" labor power, and the actual combinations of manufacturing and commercial capital took the traditional commercial-industrial form in the U.S. that featured the commercially dominated orientation of General Motors rather than that of Ford.[30]

Now to take a closer look at the process of production of labor power under mature capitalist conditions. Unlike commodities in general, labor power involves what can be called "differential turnover times of use and exchange value". Food, clothing, entertainment, transport, housing, health and education all involve very different time-spans in the reproduction of labor power. The use values with short turnover times, such as food, clothing and entertainment, are susceptible to rapid reduction in both exchange and use value. The deeply interrelated areas of transport and housing fall in the mid range of turnovers, and also intimately intertwine with land rent, while health and education span entire lifetimes and beyond. Here will be presented only some indicators of the vast array of interrelations between the different levels of turnover times, and their relations to both primitive and capitalist accumulation and production. In the United States, all of what Ben Fine called "systems of provision" save education have always been generally "privatized", hence "neo-liberalism" can present nothing new here except for "financialization". The use and exchange value cheapening of short turnover time consumables is the basis of the multiplication of needs within the limits of a constant real wage, new needs filled by the partial mechanization of household production itself, opening here also new channels for the circulation of "consumer durables". Capitalist production could capture the household processing of food and entertainment outright in the form of fast food and commercialized entertainment venues, generating also "new needs" in the form of medical services to treat physical and psychological illness such as obesity and attention deficit disorder induced by degraded foodstuffs and commercial entertainment.[31]

This mechanization and capitalist capture in turn is closely related to the migration of female labor from the household into wage labor. The "push" was provided initially by the rising inflation of the 1960's and '70's and later by the direct assault on the U.S. working class launched at the end of the latter decade. The "pull" was the opening and expansion of entire branches of feminized labor, not only in the formerly household areas of food, clothing and entertainment, but also in the now rapidly growing areas of education and health care. There is a dialectal relation between the shortest and longest term turnover times such that debasement of food provisioning promotes the growth of the "health care industry", while the proliferation of commodified entertainment together with the commercial capitalist need to saturate the entire consumer sector with advertisements, has had a deleterious effect upon public provision of education, rendering the educational sector oriented to the working class redundant, while opening up this area as a "new frontier" to invasion by capital. Not accidentally the health and education sectors have been the sites of the most rapid accumulation of capital in the USA since the beginning of the 1980's.[32]

The mid-range turnover times of consumer transport and housing intersect with land rent and formed the core of the "American Dream" of not paying rent to the lord. Here is an interesting intersection of two separate non-capitalist processes: land as a pseudo-commodity and the reproduction of waged labor power. The rent of land, a form of tributary value transfer, must necessarily occupy a portion of the wage and indeed rent – minus the residual value of the house and maintenance - is typically the single largest item covered by the wage, and occupies a permanent part of the wage when only rental housing is available for wage labor. Hence wage levels must be above the levels required for the reproduction of labor power in the form of a potential "surplus wage". However this is merely passed on to the landlord and hence was merely a transfer from the employing capitalist to the landlord, the surplus wage transformed into land rent. In the post war "Golden Age", the rapid greenfield expansion of suburban housing, enabled by the state-sponsored proliferation of the automobile and home mortgages, made homeownership in the lower tiers and in the secondary market available for significant sections of working class households. This enabled some working class households to transform the potential surplus wage into "home equity" and, upon sale, into an actual surplus wage. This savings could even be parleyed into landlord ownership of rental property. This reveals why housing landlordism is favored by privileged workers and the middle class, for entry into this non-capitalist form of appropriation of surplus value does not require one to be a capitalist, however one may feel to be as such.[33]

However renters, homeowners and petty housing landlords alike are then exposed to the inherently speculative operations of fictitious commercial-financial capital in the trade in mortgages, and as was seen in 2008, to the derivative money capital of independent finance itself. The chief hazard of this form of exposure is that land rent embodies a non-capitalist social relation such that the magnitude of land rent depends solely upon the volume of money capital circulating in the market for land entitlements. Regardless of the specific forms of the regulation of finance capital generally, the net result is the contradictory expansion of land rent share of the wage in relation to the commodity share of the wage. The contradiction is suppressed so long as relative surplus value production can cheapen the value of commodities to make room for more rent. As the rising organic composition of productive capital leads to the realization of a falling rate of profit, though, the advance of relative surplus value production will stagnate and this contradiction will come to the fore as it did at first at the end of the 1970's, and finally in 2008, despite also the accelerated commercial arbitrage of the production and circulation of cheapened consumer commodities by US TNC's across the world market since 1980.

The contradiction of land rent and commodity price in the wage, resting upon the systems of consumer provisioning in transport and housing, is in turn embedded in the contradictions of the short term consumption of food, clothing and entertainment with that of health and education. Their combination acts as a mighty domestic lever for the accumulation of non-productive capital, and for the expulsion of workers from both land and secure employment, in the realization of Marx's "absolute general law of capitalist accumulation". The growing redundancy of productive labor power in the USA has in turn been fertile ground for emergence of further non-productive "industries", most notoriously the USA's mammoth prison-industrial complex, feeding off surplused labor in the form of both inmates and their guards. The sum of the rapid growth of non-productive accumulations of capital defines parasitic capital, quite literally feeding off, not an "outside", but the social body formed by its own past accumulations of capital, including especially wage labor. With its out-sized growth, parasitism marks the continuation of the epoch of capitalist decay that opened with the First World War, even as the concept by which this conclusion is arrived at also stands as a refutation of both Hilferding and Hobson, the latter whose ideal was precisely a mature capitalism without colonies.[34]

Finally the presentation here has, in the case of the United States, exposed the role of commercial capital in both its industrial and financial branches in the promotion of parasitic capital, even as it is once again the site of the third generation of "new transport industries" concentrated in the IT sector, whose capitals such as Apple, Amazon, Microsoft, Facebook and Google tower above all others, as did their railroad predecessors in the 19th century. These TNC's form the nexus of the intersection of domestic and overseas sources of primitive accumulation, the latter source left uncovered here. This commercial capitalist nexus is presently preparing to unleash the next wave of automation in the productive and consumer transport sectors. In this way and with myriad and ever rising social and ecological costs, the traditionally dominant aspect of North American capitalist accumulation and its state seek out the path to their own social reproduction. The anachronistic state appears to have reached once again a critical threshold of dysfunction. There will be no Czarina's death to save it.

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1 This focus of the “problem of disposal of the surplus”, still couched here in terms of Marx's basic theory of capitalist production, was no doubt a motive for publication of Luxemburg's most famous work by Monthly Review Press in 1968 (Third Printing).

2 The concept of “ Marx's basic theory of capital” is borrowed from Makoto Itoh's work of the same name, *The Basic Theory of Capital* (1987), derived from the Kozo Uno school of Japanese Marxism. The concept is used in this paper as a shorthand reference to the first volume of *Capital*, with conditional extension to the unfinished manuscripts comprising volumes two and three.

3 As the Marxist economist Michael Roberts noted in his blog: “ The global workforce has risen by 1bn in the last 20 years. But there has been no de-industrialisation globally....The big fall has not been in industrial workers globally but in agricultural workers...So should we not really talk about de-ruralisation, as Marx did in the mid-1800s? That is the great global phenemonon of the last 150 years”. https://thenextrecession.wordpress.com/2014/10/21/de-industrialisation-and-socialism/ Exponents of deindustrialization are a bit too hasty in their desire to usher the proletariat off the historical stage as a social force, revolutionary or otherwise. However the relative deindustrialization of the *mature capitalist countries* does point in the same direction as the main thesis of this essay.

4 See for one example Brooks Adams, *The New Empire* (1902), pgs. xi-xv. In the same work, Adams also indulges in a realist celebration of Anglo-American hostility to interracial “creolization”, a very important distinguishing characteristic of Anglo colonization beyond the scope of this essay. The historical character of “anachronism from birth” is one reason the early United States tends to drop from view, especially in Marxist interpretations, as for example the location of the founding of the U.S. in the “era of bourgeois revolution”. For a most recent example of this aporia, see *How the West Came to Rule: The Geopolitical Origins of Capitalism* (2015), Alex Anievas and Kerem Nisancioglu, Chapter 6: “The 'Classical' Bourgeois Revolutions in the History of Uneven and Combined Development”. Or perhaps this means that the Anglo-American insurrection was not a bourgeois revolution? Should we follow the Political Marxists and dispense with the category altogether? On the other hand, Margit Mayer and Margaret A. Fay correctly posed the problem of the United States for Marxist analysis over 40 years ago on page 40 of “The Formation of the American Nation-State”, *Kapitalstate*, Number 6, Fall 1977, proposing also to relate the problem to Marx's theory of capital. Mayer and Fay's answers show how far a Marxist analysis had yet to go in adequately addressing the matter, beginning with the misconception of the USA as a “nation-state” contained in the title of their essay.

5 In this way the old debate on the origins of capitalism is finessed as it moves between the poles of “neo-Smithian” world systems theory and “Eurocentric” Political Marxism. The first is classically represented in Immanuel Wallerstein's *The Modern World-System: Capitalist Agriculture and the Origins of the European World-Economy in the Sixteenth Century* (1974), the second by Robert Brenner. "Agrarian Class Structure and Economic Development in Pre-Industrial Europe", *Past and Present* (1976). Yet both dispose of the Marxian basic theory of capital in theory and practice.

6 See for example Robert Brenner's *Merchants and Revolution: Commercial Change, Political Conflict, and London's Overseas Traders, 1550-1653* (2003)

7 Mayer and Fay (op cit) capture the independent merchant class basis of the USA at founding, and correctly include the slaveowners as a class fraction, but completely miss the significance of the class alliance with the *settler* farmers, who are instead treated fundamentally as an oppositional social force. That is because the indigenous peoples are entirely left out of the analysis, while the rapidly growing Black population – Africans were the single largest migratory current to the Americas in this epoch – hardly make an appearance in their account, not to mention the status of women in the deeply patriarchal settler household. They do astutely note the absence of any constitutional status for the city. But Mayer and Fay wrote on the cusp of the great outpouring of New Left and progressive historiography on the Atlantic world and the early United States before Reconstruction.

8 Mayer and Fay correctly capture this: “the fact that the products of North American agriculture assumed the character of exchange values when they entered the sphere of circulation on the world market does not mean that they were already produced as such, that they were already commodities in production (cf. Marx III, 386)”, ibid, pg. 43.

9 On Marx's concept, see Book II, “The Process of Circulation of Capital”, Part I “The Metamorphoses of Capital and their Circuit”, *Capital, Vol. II.* Marx's treatment of historical merchant's capital is substantially congruent with that presented in this essay. However note the divergent emphasis here on a clear distinction made between the circulation of simple commodities and that of commodity capital, and more importantly, the characterization of independent merchant capital as a combined accumulation from both the non-capitalist exploitation of labor power and from the commercial arbitrage of uneven development, resulting in unequal exchange even in the absence of applied force. Commercial arbitrage, and the transformation of a value surplus into merchant profits, in the industrial capitalist epoch becoming surplus value transformed into a form of *surplus* profit, goes completely unanalyzed in Marx's *Capital.* See Vol II, pgs. 441-443, (1978).

10 Theories of unequal exchange come down to us primarily from Andre Gunder Frank beginning with *The Development of Underdevelopment* (1966). A recent representative can be found in *Imperialism in the Twenty-First Century: Globalization, Super-Exploitation, and Capitalism’s Final Crisis* (2016) by John Smith. Both are limited by a refusal to consider whether commercial arbitrage, unequal exchange and the development of underdevelopment can occur in

mature capitalist countries. This school thus leaves itself unable to explain "the development of undevelopment" in imperialist countries palpable since the 1970's. A parallel treatment in the area of uneven and combined development (UCD) can be found in Michel Lowy, a follower of Ernest Mandel, in *The Politics of Combined and Uneven Development: The Theory of Permanent Revolution* (1981), where UCD is confined to countries outside the imperialist metropole. On the other hand it can been seen that the "value form" interpretation of Marx's basic theory of capital pioneered by Michael Heinrich in *An Introduction to the Three Volumes of Karl Marx's Capital* (2012) is in actuality a historical theory of the emergence of capitalism and not a theory of a mature capitalist mode of production.

11 *Capital* Vol III, pgs 441-442 (1978), emphasis added. Hence Marx was well aware of the "problem area", but uncharacteristically never really plunges into the thorough analysis of this area.

12 The classic Marxist formulation is found in Rudolf Hilferding's *Finance Capital, A Study of the Latest Phase of Capitalist Development* (1910). As is well-known, Lenin relied upon Hilferding's theory together with that of John A. Hobson's *Imperialism, A Study* (1902) for his famous pamphlet on imperialism. Hence Hilferding's concept dominated Comintern Marxism and from there also influenced all other Marxist currents, including Trotskyism. Since then a new concept of a free-floating, global "financialization" detached from all other forms of capital, or from Marx's basic theory of capital, has emerged to completely obscure the problem of commercial capital raised in this essay.

13 Based upon Marx's admittedly spotty and uneven treatment on fictitious capital in Vol. III of *Capital,* where fictitious capital appears as a residual category and the analysis of land rent is limited to agricultural production. David Harvey, understandably naming primitive accumulation "accumulation by dispossession", nevertheless in both *The New Imperialism* (2003), and in his earlier work, *The Limits to Capital* (1982, 2006), never makes clear distinctions between the forms of primitive accumulation by means of tributary transfers or commercial arbitrage, nor relates the forms to the corresponding different forms of finance. Harvey in essence generally aligns with the Baran and Sweezy Monthly Review school, both in the abandonment of Marx's basic theory of capital, and in the raising to supreme importance the so-called "problem of the surplus", for which Harvey's "overaccumulation" is but an alias. Of course Luxemburg's *Accumulation* was tainted with this same theoretical preoccupation, when the real problem is how to propel the self-expansion of value yet to be created ever forward, not how to "dispose" of already accumulated capital. The redundancy of capital is related to the realization of the tendency of the rate of profit to fall, the true measure of when accumulation becomes "overaccumulation". Overaccumulation, in short, is not a "thing".

14 Skowronek, Stephen (1982, 1997) *Building a New American State: The Expansion of National Administrative Capacities, 1877-1920.* This characterization can be reduced to simply a "state of courts", as the legislative personnel were largely drawn from the same court-lawyer social layer and legislatures themselves retained the judicial functions of courts in this epoch, as they do in our own.

15 This view has correspondence with the "Augusto Graziani school", *The Monetary Theory of Production* (2003, 2009). hence the negation of central banking in the "Jacksonian" epoch placed the commercial credit banking system in the driver's seat as the creator of money capital on advance.

16 See for example *Nature's Metropolis: Chicago and the Great West,* William Cronan (1992)

17 There is of course much written on cotton slavery, and it is not too much to say that cotton slavery catapulted the "first industrial revolution" forward, and with it brought into existence the modern capitalist world system as we know it. *The Political Economy of the Cotton South: Households, Markets, and Wealth in the Nineteenth Century*, Gavin Wright (1978) is a classic, while Edward E. Baptist's *The Half Has Never Been Told: Slavery and the Making of American Capitalism* (2016) is a most recent contribution, a passionate description of the "whipping machine" that made slavery "work". Baptist documents the enormous intensification of the oppression and exploitation of Black people – of a form of primitive accumulation - in the move from tobacco to cotton slavery. Naturally this has made Baptist an object for attacks by pro-capitalist "economics".

18 See *Capitalism from Above and Capitalism from Below, an Essay in Comparative Political Economy,* Terence J. Byres (1996) for an excellent critique of the classical Marxist misinterpretation of the historical course of US agriculture. This misinterpretation continues in Michael Perelman's *The Invention of Capitalism: Classical Political Economy and the Secret History of Primitive Accumulation* (2000), especially pgs. 352-368. In fairness, Perelman here is not primarily engaged in research revealing the secret history of actual primitive accumulation, but rather on the ideological suppression of the matter of primitive accumulation in classical political economy, where the critique of Smith in particular is of great value. However Byres goes unnoticed in Perelman's book.

19 "Articulation" is lifted from Pierre-Philippe Rey *Les alliances de classes* (1973). Rey developed the concept to describe the relations of the Western European imperial metropole to the West African colonial periphery. However the concept can be extended without difficulty to general relations of capitalist to non-capitalist modes of production, where the capitalist mode has become dominant.

20 See Perelman on self provisioning and primitive accumulation, op cit., pgs 92-123

21 Nicos Poulantzas and the above cited Margit Mayer and Margaret A. Fay are examples of structural functionalist Marxism, the latter likely influenced by the former. The "Skowronek School" (op cit) is a US example of reform teleology, however nuanced the interpretation of the historical material.

22 This follows Arno Mayer's *The Persistence of the Old Regime: Europe to the Great War* (2010). Indeed this present essay deploys an expanded concept of primitive accumulation to lay out the framework for comprehension of the persistence of another "new old regime" of a historically different type, that of the United States.

23 The typical view of the American New Left that counterposes the New Deal to "Reaganism" can be found in *The Rise and Fall of the New Deal Order, 1930-1980* Steve Fraser and Gary Gerstle, Eds. (1989)

24 A school of U.S. labor law history related to Skowronek provides evidence for this interpretation, originating with Karen Orren in *Belated Feudalism: Labor, the Law, and Liberal Development in the United States* (1991), but see especially Ruth O'Brien, *Workers' Paradox: The Republican Origins of New Deal Labor Policy*, 1886-1935 (1998). As the title suggests, New Deal labor regulation had its origins in earlier efforts of Republican attempts at the same, particularly in the 1920's. This was at the same time Herbert Hoover strove to organize the regulation of the "new transport industries" in the automotive, aircraft and radio sectors as Commerce Secretary. Hence for this and other reasons, Jordan A. Schwarz was correct to include Hoover in his list of political biographies of key New Dealers in *The New Dealers: Power Politics in the Age of Roosevelt* (1993). All goes to show the basic continuity of the New Deal with the U.S. past and present. However certainly Orren, and even O'Brien, stop short of fundamental questioning of the teleological meta-narrative of progressive reform.

25 In support of this particular point, see especially Ruth O'Brien, op. cit., though O'Brien stops short of the conclusions made here.

26 Frank as referenced in Perelman, op. cit., pg 360

27 For the rise and decay of the as yet unfallen New Deal / Cold War military neo-mercantilist regime of accumulation, as well as interpretive accounts of the unraveling of Bretton Woods, see variously *The Golden Age of Capitalism: Reinterpreting the Postwar Experience*, Stephen Marglin and Juliet Schor Eds., (1990); *Capitalism Since World War II: The making and breakup of the great boom*, Philip Armstrong, Andrew Glyn, John Harrison (1984); *Economics of Global Turbulence: The Advanced Capitalist Economies from Long Boom to Long Downturn, 1945-2005*, Robert Brenner (2006); *Geopolitical Economy: After US Hegemony, Globalization and Empire*, Radhika Desai (2013)

28 See Sassen, *Expulsions: Brutality and Complexity in the Global Economy* (2014); Klein, *The Shock Doctrine: The Rise of Disaster Capitalism* (2007)

29 This is the analysis "from the side of the worker" that will get Marxism "out of the box" of capital logic, see Lebowitz, Michael (1992) *Beyond Capital: Marx's Political Economy of the Working Class.* In short this is a problem of scientific analysis, and not a moral issue, at least not in its immediacy.

30 Harry Braverman presents a classic study of deskilling in *Labor and Monopoly Capitalism* (1974). For the limits of Fordism, see David Hounshell, *From the American System to Mass Production, 1800-1932* (1984), pgs 263-330. Ford further injured his prospects by his hostility to FDR, support for the America First movement and his lukewarm war support. FDR Democrats responded by limiting Ford access to military contracts, and the Ford Motor Co. teetered on the brink of bankruptcy in 1945, after the end of the greatest manufacturing bonanza in world history.

31 Ben Fine, *The World of Consumption: The Material and Cultural Revisited (Economics as Social Theory)* (2002)

32 Female labor both in and outside the household is obviously in special and intimate relation with the subject matter of primitive accumulation throughout all of its epochs, and justice is hardly done to the subject in this brief mention. The classics are *Patriarchy and Accumulation on a World Scale,* Maria Mies (1986) and *Caliban and the Witch*, Silvia Federici (2004). More recent feminist approaches to critical political economy also relating to the 2008 crisis and primitive accumulation can be found in *Gendered States of Punishment and Welfare: Feminist political economy, primitive accumulation and the law*, Adrienne Roberts (2017), and *Scandalous Economics: Gender and the Politics of Financial Crises*, Aida A. Hozic and Jacqui True Eds., (2016). Roberts usefully presents a concept of the constitution of markets by law, though there was no space in her abbreviated book for further investigation of this concept.

33 An exposition of suburban expansion in the US can be found in Richard Walker, *The Suburban Solution*, PhD dissertation, Johns Hopkins University (1976)

34 Hence this conclusion by Lenin and Trotsky is adhered to here, even as the theoretical means employed, at least by Lenin, are refuted. For the history, persistence and present day growth of unfreedom under capitalism in the context of primitive accumulation, see *Labor Regime Change in the Twenty-First Century: Unfreedom, Capitalism, and Primitive Accumulation*, Tom Brass (2013). The most original concept presented by Brass is deproletarianization as both an ongoing process and as a capitalist counter to the evolution of the working class into a class of revolutionary proletarians.