The Transformation of Surplus Profit into Ground-Rent

(a) Introduction

The analysis of landed property in its various historical forms lies outside the scope of the present work. We are concerned with it only in so far as a portion of the surplus-value that capital produces falls to the share of the landowner. We assume therefore that agriculture, just like manufacturing, is dominated by the capitalist mode of production, i.e., that agriculture is pursued by capitalists, who, > looked at in material terms, < are distinguished from other capitalists simply by the element in which their capital and the wage-labour that it sets in motion are invested. As far as we are concerned, the farmer produces corn, etc., just as the manufacturer produces yarn. The assumption that the capitalist mode of production has taken control of agriculture implies also that it dominates all spheres of production and bourgeois society, so that its preconditions, such as the free competition of capitals, their transferability from one sphere of production to another, an equal level of average profit, etc., are also present in their full development. The form of landed property with which we are dealing is a specific historical form, a form transformed by the intervention of capital and the capitalist mode of production, whether the original form was that of feudal landed property or agriculture pursued as a livelihood, in which latter case possession of the land and the soil appears as one of the conditions of production for the immediate producer, or at least as the most advantageous condition, the condition for his mode of production to flourish. If the capitalist mode of production always presupposes the expropriation of the workers from the conditions of their labour, in agriculture it presupposes the expropriation of the rural workers from the soil and their subjection to a capitalist who pursues agriculture for the sake of profit. It is thus completely immaterial for our presentation if it is objected that other forms of property and agriculture have existed or still exist besides this one. This reproach can affect only those economists who treat the capitalist mode of production on the land and the form of landed property corresponding to it not as historical categories but as eternal ones.

Our own reason for considering the modern form of landed property is simply that we need to consider all the specific relationships of production and
exchange that arise from the investment of capital on the land. Without this, our analysis of capital would not be complete. We therefore confine ourselves exclusively to the investment of capital in agriculture proper, i.e., in the production of the main plant crops on which a population lives. We can in fact say wheat specifically, since this is the major means of sustenance for modern nations (nations of developed capitalism). (Instead of agriculture, we might equally well have taken mining, since the laws are the same.) It is one of Adam Smith’s great services that he showed how the ground-rent for capital applied to the production of products which are not general means of subsistence, for example industrial crops (for industrial materials), independent stock-raising, etc., is determined by the ground-rent yielded by capital invested in the production of the main means of subsistence. In fact no further progress has been made in this connection since his time. What we should have to keep in mind as a restriction or addition belongs to the independent treatment of landed property, and not here. We shall therefore deliberately not deal with landed property in so far as this is not related to land devoted to wheat production. Instead, we shall simply refer to it here and there for purposes of illustration.

For the sake of completeness it should be noted that what we understand here by land also includes water, etc., in so far as this has an owner and appears as an accessory to the land.

Landed property presupposes that certain persons enjoy the monopoly of disposing of particular portions of the globe as exclusive spheres of their private will to the exclusion of all others. Once this is given, it is a question of develop-

\[1\] [Marx discussed this aspect of Adam Smith’s work The Wealth of Nations in the 1861–63 Manuscripts. See Notebook XII, page 627, of these manuscripts, in English in MECW 31, pp. 564–5. Translator]

\[2\] Nothing could be more curious than Hegel’s development of private property in land. Man as a person must give his will actuality as the soul of external nature, and hence take possession of this nature as his private property. If this is the distinguishing mark of ‘the’ person, of man as person, it would follow that a man must be a landowner if he is to realise himself as a person. Free private property in land – a very modern historical product – is for Hegel not a particular social relation, but rather a relationship between man as ‘person’ and ‘nature’, the ‘absolute right of appropriation which man has over all “things”’. (Hegel, 1840, § 44 [English: Knox 1967, p. 41].) It is, first of all, clear that the individual person cannot maintain himself as a proprietor by his ‘will’ alone, vis-à-vis the will of someone else who similarly wants to give himself corporeal actuality in the same fragment of the globe. Quite other things than the ‘good’ will are needed for this. Moreover, there is absolutely no way of seeing where the ‘person’ sets a limit to the realisation of his will, whether the existence of his will is