

# افغانستان آزاد – آزاد افغانستان

AA-AA

چو کشور نباشد تن من مباد      بدین بوم و بر زنده یک تن مباد  
همه سر به سر تن به کشتن دهیم      از آن به که کشور به دشمن دهیم

[www.afgazad.com](http://www.afgazad.com)

[afgazad@gmail.com](mailto:afgazad@gmail.com)

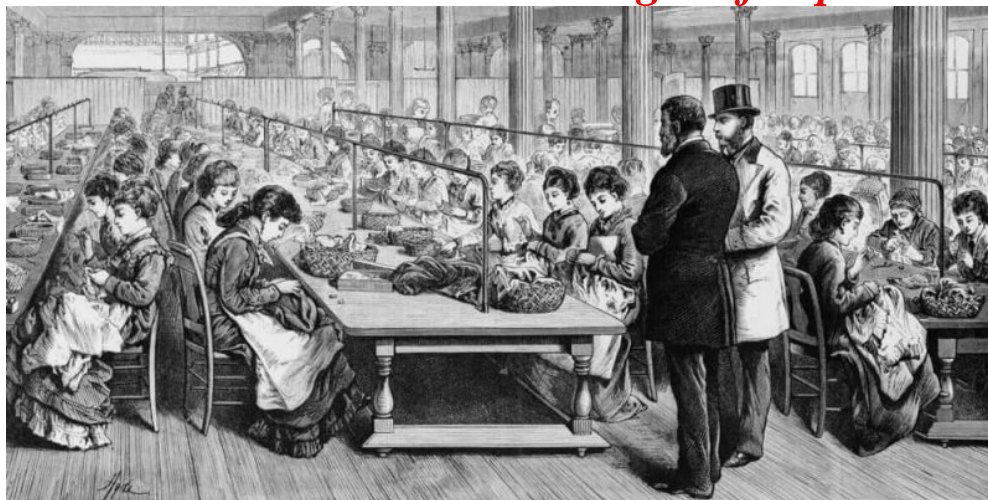
European Languages

زبانهای اروپایی

By Paolo Tedesco

04.09.2023

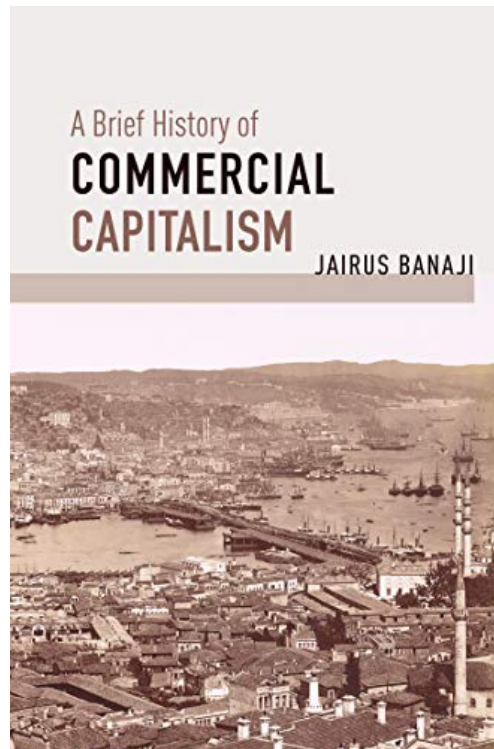
## What do we know about the origin of capitalism?



Sources: Crisis Observatory

*First, there is the capitalism of capitalist merchants who accumulated monetary wealth as capital by extracting surplus value from subordinate producers; secondly, there is the capitalism of the colonial mercantile states that put organized violence at the service of the accumulation of capitalist merchants; Third, there is modern industrial capitalism (in other words, of the full-fledged capitalist mode of production).*

Jairus Banaji's book *A Brief History of Commercial Capitalism*, first published in 2020, sets out to unveil the deep historical roots of capitalist development. The book addresses important theoretical debates, especially within the Marxist tradition, about the origins of capitalism.



Banaji's work challenges several entrenched accounts of world economic history, including the vision of an economically regressive Middle Ages and the idea of a linear transition to modernity. The images Banaji outlines through an impressive set of illustrative cases from across the globe, spanning nearly a millennium, raise many fundamental questions for anyone who wants to understand how the global economic system was formed and how it might continue to develop in the future.

*A Brief History of Commercial Capitalism* has already had a great impact in the academic world and has provoked [numerous reactions](#) among Banaji's fellow historians. But it should also be of great interest to non-specialist readers.

### ***Capitalism mercantile***

Jairus Banaji was born in Poona in 1947, the year India gained its independence. and was schooled in England before returning to his native country as Political activist. In his academic work, Banaji is a historian of the Late Antiquity and the Middle Ages with a focus on the Mediterranean and the Orient Proximate, although his interests also focus on the long history of the capitalism. His work addresses various issues, such as the fate of

peasants In the context of a rapidly globalizing economy and the history of commodity economics over the last millennium.

Banaji's main objective in *A Brief History* is to refocus the concept of capitalism Mercantile as a key category to investigate the formation of the economy Modern global. In his work, this term is used to describe a The profit-driven economy in which merchants employ their capital not only to circulate goods, but also to obtain the direct control of production and thus subordinate it to their interests.

Banaji's emphasis on Commodity control over production is a frontal attack on the dichotomy Traditional Marxist among the world of commerce (the "sphere of circulation") and that of production, a dichotomy that led to economists and historians Marxists like Maurice Dobb to dismiss the very idea of commodity capitalism as a contradiction in terms.

As Banaji points out, they were in largely historians working outside the Marxist tradition, or who related more freely to it, those who adopted the category. The most notable case is that of Fernand Braudel, who defined commercial capitalism. as the most useful term to describe the nature of production and the mercantile exchange in Europe and the Mediterranean between the fifteenth and eighteenth centuries.

*A Brief History* is the latest in a series of volumes addressing these issues, after *Agrarian Change in Late Antiquity* (2001), *Theory as History* (2010) and *Exploring the Economy of Late Antiquity* (2016). Although Banaji writes from tradition Marxist academic, his key reference points in the Marxist galaxy They differ from those of most Western Marxist historians. In In particular, Banaji is based on the work of three early Russian scholars of the XX century: historian Mikhail N. Pokrovsky (1868-1932), economist Yevgeni A. Preobrazhensky (1886-1937) and agrarian economist Alexander V. Chayanov (1888-1939).

### ***Pokrovski, Preobrazhensky, Chayanov***

Mikhail N. Pokrovski was one of the most influential intellectuals in society Soviet in the 1920s. It enjoyed enormous prestige, in fact Unmatched, among Soviet historians of his time. Moving away radically of what would become the orthodox Marxist narrative under

Joseph Stalin, Pokrovsky's interpretation of Russian history Emphasis on the centrality of commercial capital as an agent of change socioeconomic between the seventeenth and nineteenth centuries. However, he claimed explicitly that the existence and functioning of commercial capital does not They meant that a capitalist economy had emerged.

Yevgeni A. Preobrazhensky was A pioneer in the study of the consequences of the "lateral penetration" of the Industrial capital in the countryside. Like Pokrovsky before him, Preobrazhensky considered that small commodity production was typical. of commodity capitalism and, at the same time, one of the main obstacles for expansion. In line with agrarian Marxists such as Lev N. Kraitsman, Preobrazhensky saw capitalism as a force uprooting capitalism. peasantry and ended up causing its disappearance.

In his opinion, this happened as a result of two processes. On the one hand, the internal development of capitalist relations in the ranks of the peasantry itself, with the formation of a class of wealthy peasants who controlled large-scale agriculture. On the other hand, in a more widespread and catastrophic way, there was the external subordination of rural areas to large-scale industry, with the creation of of a class of landless peasants who worked on cash crops.

Alexander V. Chayanov was one of the leading agrarian economists of his time. In his work *The Theory of Peasant Economy*, Chayanov highlighted the resistance of the peasant households and their ability to adapt to withstand the onslaught of the capitalism, in direct contrast to the agrarian Marxists and Preobrazhensky. He argued that the development of capitalist tendencies and concentration productive in agriculture did not have to lead to the dispossession of the peasants and the rise of the big capitalist exploitations.

For Chayanov, capital Commercial and financial could also exert their control more subtly. establishing economic hegemony over considerable sectors of the agriculture. In the meantime, those sectors could remain very similar. to those of the past as regards production, i.e. composed of small peasant enterprises based on family labour.

Banaji's work demonstrates that we can reconcile these seemingly incompatible models. Apiece describes a possible different trajectory of capital penetration in the field. But they also reflect different phases of the intellectual trajectory of the Banaji himself.

In his early writings, Banaji adopted Preobrazhensky's idea of lateral capital penetration to show the destructive effect of industrialization on the peasantry of the Russia of the late nineteenth and early twentieth centuries. In this context, the Preobrazhensky's model was useful as a point of comparison for the analysis of Banaji of peasants all over the world. In subsequent studies, without however, Banaji came to consider the reconstruction of Preobrazhensky only as one of the possible ways of penetration of industrial capital into the field.

In this turn he was influenced by a renewed interest in Chayanov's work, in particular the works that later developed and expanded Henry Bernstein. Chayanov's conceptualization The relationship between the peasantry and capital therefore occupies a place central as the primary source of inspiration for *A Brief History of Banaji*.

This reevaluation of the work of Chayanov leads Banaji to include in his model the historical circumstances in those that peasant households resisted the penetration of capitalism. We have to understand such "resistance" in the sense that households Peasants were not uprooted but "incorporated", an act that in turn It allowed conflict and resistance on its part. Although these homes They continued to exist in large numbers, their cycle of social reproduction was now largely and crucially determined by capital.

### **Merchants and manufacturing**

In *A Brief History*, Unlike his earlier works, Banaji does not care so much about establishing a theoretical distinction between what Karl Marx called "the mode of production capitalist" and non-capitalist modes. Instead, it addresses capitalism in less normative terms, arguing in particular that a kind of "Commodity capitalism" existed long before industrialization in certain regions of the world, in a period from the twelfth century (or even earlier) until the XVIII.

Although Banaji does not offer a Formal definition of commercial capitalism, we can grasp its meaning combining the analysis of the book with his previous theoretical writings. Fernand Braudel saw capitalism as a global network of bankers and big guys. merchants who presided over the economy of everyday life from their centers urban

financiers, while lacking any direct control over primary producers. Banaji, meanwhile, identifies the long history of capitalism in terms of its characteristic social relations.

Capitalism is a system in that the holders of capital have limited control of the means of production and reduce labor to a factor within the production process, A simple commodity that can be bought and sold. The confrontation between a capitalist and a peasant or artisan—a person who survives by selling his work—is at the very heart of Banaji's analysis.

Starting from this distinction, argues against the widespread Marxist view that commodity wealth does not It constitutes capital in the Marxian sense, because it remains external to the process. of production. Since commodity wealth is, according to Marx, separate from what is What he called the real subsumption of labor to capital, is limited to extracting the products of primary producers, and merchants make profits selling them.

For his part, Banaji maintains that commodity wealth actually consists of capital and that, from the point of view XII century to XVIII, merchants systematically used this capital to control and exploit the labour of a significant part of the population worldwide Afro-Eurasian. Identify two areas of production in which the penetration of commercial capital was especially Significant.

The first was in the cash crop agriculture, where "merchant capitalists" appropriated large amounts of unpaid family labor through various dossiers, thus imposing debt relations on the peasants. The Merchant capitalists were landowners who became Merchants; Sometimes they were also merchants (including moneylenders) who They were interested in controlling cash crop farms. They formed a Floating category historically very difficult to pin down.

Despite their differences, the The productive base of most product trades was a hand of Mixed work. This is a point that Banaji has demonstrated in his examination of the small farmers of Deccan in the late nineteenth century, and receives further support from the Lorenzo Bondioli's work on the Egyptian peasantry of the eleventh century.

The second sector is that of the artisanal production, or "commodity manufacturing," as Banaji calls it. In this sector, merchants forced the rural and urban poor to process silk, wool and cotton for the market. This meant that they merely sold their surpluses, but worked for the merchants at a time. "piecework".

### ***Paths accumulation***

In *A Brief History*, Banaji examines the "trajectories of accumulation" that lead to capitalism mercantile to industrial. While the mercantile capitalists reward the opening up of agriculture — along with mining, the exploitation of marine resources, etc.—to capitalist exploitation, industrialists take that process to a whole other level. The mere scale of subordination, the nature of its impact and the degree of subsumption they distinguish the subjugation of the countryside to the industrial accumulation of cycles previous "capitalism".

Banaji doesn't just notice a quick intensification of the mechanisms of exploitation under capitalism industrial. It also notes a radical change in the distribution of benefits. between merchants and industrialists for the benefit of the latter. At the end of the nineteenth century, the economic agents who directly controlled production they thus managed to marginalize the merchants, achieving the subordination of the commercial capital to industrial capital described by Marx.

This seems to be the key to a lasting separation, in Banaji's view, between the era of capitalism commercial and that of industrial capitalism, an era fully deserving of label of capitalist mode of production. However, these trajectories of the Commercial to industrial capitalism were multilinear in time and in time. space. They did not follow a rigid sequence of stages nor were they irreversible, as contemporary trends demonstrate.

Today, retailers Global operating in the world market control manufacturing through flows of commercial capital without owning the means of production. How observed Nelson Lichtenstein,

The hegemony of trade retailer in the XXI century echoes and even reproduces characteristics of the Commercial regime once presided over by large merchants and

houses banks of Amsterdam, Hamburg and the City of London of the seventeenth centuries and XVIII.

In short, a kind of Braudeliano entrepreneur has "returned to prop up the global system contemporary'.

Banaji's exhibition of the "Commodity capitalism" can therefore accommodate several levels and diverse. degrees of integration between production and circulation, signaling strength The motor movement of capital as a common denominator that crosses different Configurations. The resulting model of commercial capitalism is that of a Uneven and combined development. This model rejects the notion of a linear sequence. between the different modes of production — old, feudal and capitalist — and It rescues the histories of capitalism from both Eurocentrism and Eurocentrism. orientalism.

### ***Perspectives Reviews***

Since its publication in 2020, *A Brief History* has attracted the attention of a wide and diverse community of specialists in the field of the history of capitalism, which it has led to multiple reviews of Banaji's work. Although each author expressed different concerns about various aspects of his vision of capitalism, We can identify three major issues: (1) The definition of capitalism (2) the relationship between the rise of commercial capitalism and the state and (3) the impact of commercial capitalism and colonialism on social life.

The first criticism arises from the Banaji's loose definition of commodity capitalism. Lorenzo Bondioli points out that the infrastructures of commercial capitalism that Banaji has identified as the first to appear in the ninth century of our era have deeper roots than the book suggests. Its foundations were laid in Late Antiquity (sometimes with roots dating back to Antiquity proper), and continued to function without discontinuities dramatic until the Middle Ages.

On the basis of this observation, Bondioli isolates three possible definitions of capitalism and attempts to outline a non-teleological relationship between them. First, there is the capitalism of The capitalist merchants who deployed monetary wealth as capital by extracting surplus value of subordinate producers in various ways; Secondly, there is the capitalism of the colonial mercantile states that put the Organized violence in the service



of accumulation by merchants Capitalists; Third, there is the capitalism of capitalist society. modern industrial (in other words, of a capitalist mode of production of full right).

State intervention in the world economy is the second criterion that Banaji deploys in his analysis of commercial capitalism. Banaji sees in the "collusion between trade and State"—that is, in the rise of mercantilist states in Europe Late Medieval and Early Modern—a significant change in the process of accumulation of capital and subordination of labor. However, we can observe 'collusion' *per se*, and in particular the Participation of merchants in state finances, in many historical contexts.

This suggests that, like Martha, Howell clearly demonstrates, it was not the mere presence of a state in collusion with the merchants which determined an acceleration of the scale of capital accumulation. Nor was it any kind of state—like the states. Muslim tributaries or Chinese dynasties examined by Andrew Liu—the one who determined a change in the scale of capital accumulation and subordination of the work.

Rather, it was just the state. that the one who controlled said was acting as an exporter of aggression and violence. change. This idea also refocuses the key link between the Commercial capitalism and colonialism, underlining that it was violence colonial which brought about a change in the quality and functioning of capital commercial.

With this point, we move on to the The third element of controversy that emerges from Banaji's account: the Relationship between commercial capitalism and colonialism. As they observe insightfully Priya Satya and Sheetal Chhabria, Banaji does not separate race from class or class caste. However, these distinctions are important, since they allow us to diagnose the point at which commercial capitalism is It crossed with colonialism and began to depend on racialization or Caste identity.

This gap also points to the direction of a broader critique. In his analysis of the relations of In this production, Banaji does not always make clear how commercial capitalism impacted and violently remade the social life of people subordinate to him. In In other words, we are left to ask ourselves to what extent capitalism commercial, as described by Banaji, fundamentally transformed (or not) modes of social life in different places and at different times.

This question could open a series of promising avenues of research that seem to point all in one same address. We cannot write the history of capitalism without considering the intersection of different mechanisms of oppression such as race, gender, ethnicity and national origin, as well as social class. These offer a Richer picture of how "different levels of oppression" changed the life of ordinary people under capitalism.

*Paolo Tedesco, Professor of History at the University of Tübingen (Germany)*

Source: <https://observatoriocrisis.com/2023/08/25/que-sabemos-sobre-el-origen-del-capitalismo/>

Rebellion 03.09.2023