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Sean O'Brien

## **Accumulation**

‘The capitalist production process,’ Marx writes, ‘is essentially, and at the same time, a process of accumulation’ (1991: 324). Capital accumulation refers to the *logical* process whereby profits are reinvested in order to increase the monetary value of the initial capital, thereby increasing the total sum of capital. This is what Marx calls ‘the general formula for capital’ (1990: 257), which describes the movement of self-valorizing value that distinguishes the capitalist mode of production from simple commodity production. Yet Marx and many Marxists since have sought to tie the categorical logics of the critique of political economy to the unfolding of capital accumulation as a *historical* process. In what follows, I underscore the importance of the logical and historical processes of accumulation for Marx’s politicization of political economy. I then offer an account of accumulation as it figures in a series of theoretical interventions that deal in one way or another with periodic developments in the history of capitalism—from Giovanni Arrighi’s model of systemic cycles of accumulation, to the French Regulation School’s theory of regimes of accumulation and its influence on Italian post-Marxism—touching briefly on relevant work by economic historians Fernand Braudel and Robert Brenner. I conclude with a discussion of the consequences that follow from capital accumulation’s logical promise to undermine the historically specific reproductive circuitry of the capital-labour relation.

## **The Logic of Accumulation**

Marx famously opens the first volume of *Capital* with the claim that ‘The wealth of those societies in which the capitalist mode of production prevails, presents itself as “an immense accumulation of commodities”’ (1965: 35).<sup>1</sup> He distinguishes the function of the commodity in

capitalist society with reference to ‘the general formula for capital,’ or M-C-M’, whereby monetary value congeals in the commodity-form only on the condition that it be realized at a profit (Marx 1990: 247-257). Thus M-C-M’ differentiates itself from simple commodity production, or C-M-C:

The simple circulation of commodities—selling in order to buy—is a means to a final goal which lies outside circulation, namely the appropriation of use-values, the satisfaction of needs. As against this, the circulation of money as capital is an end in itself, for the valorization of value takes place only within this constantly renewed movement. The movement of capital is therefore limitless. (Marx 1990: 253)

Further, Marx distinguishes between simple reproduction, by which he means a rate of accumulation necessary to sustain a society at a given standard of living—in which the production and consumption of capital goods is equal—and expanded reproduction, which refers to the reinvestment of capital to increase the scope and scale of production (1992: 144-166). It is in this manner that the synchronic logic of accumulation assumes a diachronic form of expansion. Capital accumulation therefore constitutes a historically distinct mode of social reproduction, which is the reproduction of capital as a social relation. As Marx writes in the *Grundrisse*, “the result of the process of production and realization is, above all, the reproduction and new production of the *relation of capital and labour itself, of capitalist and worker*” (1993: 458).

And yet the very movement by which capital accumulates compromises the conditions of its own reproduction. Marx writes, ‘capital itself is the moving contradiction, [in] that it presses to reduce labour time to a minimum, while it posits labour time, on the other side, as sole measure and source of wealth’ (1993: 706). Marx calls this process the ‘general law of capital

accumulation,' which charts the general movement of constant over variable capital as it is coded into the most basic movement of capital over time:

The greater social wealth, the functioning of capital, the extent and energy of its growth, and therefore also the greater the absolute mass of the proletariat and the productivity of its labour, the greater is the industrial reserve army. The same causes which develop the expansive power of capital, also develop the labour-power at its disposal. The relative mass of industrial reserve army thus increases with the potential energy of wealth. But the greater this reserve army in proportion to the active labour-army, the greater is the mass of a consolidated surplus population, whose misery is in inverse ratio to the amount of torture it has to undergo in the form of labour. The more extensive, finally, the pauperized sections of the working class and the industrial reserve army, the greater is official pauperism. *This is the absolute general law of capitalist accumulation.* (1990: 798)

Capital works, on the one hand, to create as much available labour power as possible, and, on the other, to steadily decrease the amount of socially necessary labour time. This is Marx's theory of crisis, according to which rising productivity leads to diminishing rates of accumulation and ever-slacker labour markets. But note here how capital acts as an independent subject, how its action takes place before anyone even shows up for work. Capital recalibrates the conditions for accumulation before exploitation (as a technical feature of accumulation) begins. Through the real subsumption of labour, capital reduces the amount of labour time that is socially necessary for production. Decreasing socially necessary labour time entails what Marx calls a 'rising organic composition' of capital, which indexes 'the progressive decline in the variable capital in

relation to the constant capital' (1991: 318). In other words, capital accumulation proceeds with more hardware and software relative to the number of workers on the job.

The Marxian concept of subsumption has proven central to the larger problem of tracking accumulation logically and historically. Spatial readings of subsumption, in particular—as capitalist expansion from the factory into previously separate or semi-autonomous spheres of social life—underwrite a series of contemporary Marxian periodizing models, as I will show below. But subsumption is a contested term in Marxist theory. Marx inherits the concept of subsumption from the German Idealists, for whom it denotes the process of cognitive abstraction through which the particular is brought into subordinate relation with the universal.<sup>2</sup> For Marx, however, the material act of exchange presupposes an abstract universal—value—to which particular concrete labour processes are subsumed. According to Marx (1994), already existing labour processes are first formally subsumed in their pre-capitalist forms through the introduction of the wage. To produce surplus value under such conditions, capital must lengthen the working day beyond what is necessary for the reproduction of labour power, producing what Marx calls absolute surplus value. Driven by competition and limits to the working day, capital increases the productivity of labour via technological ratcheting, reducing the amount of socially necessary labour relative to surplus labour, producing what Marx calls relative surplus value. Real subsumption for Marx thus describes the ‘form-determination’ of the capital-labour relation *in anticipation of value*.<sup>3</sup>

### **The History of Accumulation**

M-C-M' thus names the logical process of capital accumulation understood generally as a circuit through which the total sum of capital increases with each profitable reinvestment. As Giovanni

Arrighi argues, however, ‘Marx’s general formula of capital (MCM’) may be reinterpreted as depicting, not just the logic of individual capitalist investments, but also a recurrent pattern of world capitalism. The central aspect of this pattern is the alternation of epochs of material expansion (MC phases of capital accumulation) with phases of financial expansion (CM’ phases)’ (2005: 86). In his structuralist account of late-twentieth-century developments in the capitalist world system, Arrighi adopts Fernand Braudel’s model of the *longue durée*, with its seasonal logic of hegemonic transition whereby autumn for one declining global hegemon means spring for the next. Following Braudel, Arrighi identifies four systemic cycles of accumulation, each increasing in scope and intensity but contracting in duration: ‘a Genoese cycle, from the fifteenth to the early seventeenth centuries; a Dutch cycle, from the late sixteenth century through most of the eighteenth century; a British cycle, from the latter half of the eighteenth century through the early twentieth century; and a US cycle, which began in the late nineteenth century and has continued into the current phase of financial expansion’ (2010: 6-7). In Arrighi’s model, this financial bubble cannot rescue an ailing hegemon, which at the end of each cycle must inevitably give way to its successor.<sup>4</sup> As Braudel so elegantly puts it, ‘it [is] a sign of autumn’ (1984: 246).

Like Arrighi, Michel Aglietta responded to the economic restructuring of the 1970s by attempting to construct a historical model of capital accumulation adequate to the emergence of new economic and social forms. Emphasizing the role institutions play in the regulation of the capitalist economy, Aglietta founds his theory of regulation on two interrelated formulations central to the Regulation School: the *regime of accumulation* and the *mode of regulation*. A regime of accumulation is a historically bounded and relatively stable system comprising production, circulation, consumption and distribution, while a mode of regulation refers to the

institutional networks of governance that provide supportive environments for a given regime of accumulation. Together they form a *mode of development*. When tensions between the regime of accumulation and the mode of regulation reach a critical point, a structural crisis ensues, and from the chaos and conflict of crisis a new mode of development emerges.

Marx's categories of absolute and relative surplus value form the basis of the Regulation School's periodizing model, which correspond in their theory to extensive and intensive regimes of accumulation understood, respectively, in terms of the domination of one over the other in a given phase of capitalist development. As Aglietta argues, 'under the regime of extensive accumulation, where absolute surplus-value predominates, the length of the working day is the principal means of extracting surplus labour' (2015: 130). For the Regulation School, the extensive regime of accumulation leads for most of the nineteenth century until the rise of Taylorist scientific management around World War I, under which investments in fixed capital increased productivity rates and cheapened consumer goods.

Taylorism thus marks the advent of the intensive regime of accumulation, but remains unstable until the shift, following the Great Depression of the 1930s, from the competitive to the monopolistic mode of regulation. The combination of an intensive regime of accumulation and a monopolistic mode of regulation inaugurates a mode of development they call Fordism. And yet, as Robert Brenner and Mark Glick argue, 'where capitalist social-property relations are fully established, we can, all else being equal, expect to find: development on the basis of relative surplus-value' (1991: 54). Brenner and Glick reject the notion of an extensive regime of accumulation based on absolute surplus-value extraction, given that capitalist production tends to cheapen consumer goods through productivity increases from the outset.

Nevertheless, the Regulation School's theory of Fordism proved decisive for Antonio Negri, who draws on this work to narrate a historical shift from the mass worker of Fordist industrialism to the socialized worker of post-Fordism. This line of reasoning follows from the notion that the development of productive forces has entailed a shift from formal to real subsumption—a transition that many theorists argue constitutes a distinct period in the history of capital accumulation roughly analogous to postmodernity—creating a kind of social factory in which the totality of human activity contributes to an aggregate profitability. For Negri and other thinkers associated with the Italian post-Marxist tradition such as Carlo Vercellone (2007) and Franco 'Bifo' Berardi (2009), real subsumption has little to do with relative surplus value extraction, and instead tracks a paradigmatic shift beginning in the 1970s from the regulated, often physical types of labour central to Fordism, to the flexible, dematerialized and precarious labour practices that characterize the post-Fordist economies of Western liberal democracies.

In post-Marxist thought, the shift from Fordism to post-Fordism signals a period of capitalist expansion, since from this point of view all forms of social activity are now potentially productive for capital. Other Marxist critics, however, have characterized capital accumulation in the period following the Fordist 'Golden Age' in terms of secular stagnation, or the persistence of negligible growth rates beyond normal business cycles. Brenner, for instance, provides an account of the 'transition from long boom to long downturn' (2005: 267). For Brenner, inter-capitalist competition tends to produce global overproduction and overcapacity, exerting downward pressure on prices and lowering returns on capital investments. As a result, profitability declines, which in turn places downward pressure on wages and triggers rising unemployment rates. In Brenner's account, inter-capitalist competition between the US, Germany and Japan reached a point of saturation in the early 1970s, ushering in a protracted

period of economic stagnation and contraction in the advanced capitalist countries. As a result, ‘average rates of growth of output, capital stock (investment), and real wages for the years 1973 to the present have been one-third to one-half of those for the years 1950-73, while the average unemployment rate has been more than double’ (Brenner 2005: 4). Brenner reminds us that capitalists are subject to competitive constraints that compel them to innovate, accumulate and move from line to line in search of the highest returns, but over time these same constraints tend to trap firms in stagnant lines, placing downward pressure on extant profit rates.

Joshua Clover’s theory of riot (2016) offers a compelling interpretation of the contemporary state of accumulation, as capital’s self-undermining process of exploitation dissolves the social structures that previously reproduced (and were in turn reproduced by) the capital-labour relation. For Clover, this shift in the capital-labour relation is accompanied—indeed, is symptomized—by new forms of struggle. Clover joins a number of theorists working within the communization current in emphasizing the constitutive role of a surplus population in the post industrial economy, and in tying changes in class composition to the political significance of the proliferation of riots since the end of the long boom.<sup>5</sup> Cycles of struggle are here theorized in relation to the logical and historical trajectory of capital accumulation as it interlocks with class composition. Marx calls this dynamic the ‘double moulinet’ (*zwickmühle*): the systematic reproduction of the capital-labour relation at the level of the social totality.<sup>6</sup> The return of the riot signals the exhaustion of what *Theorie Communiste* call ‘programmatism’ (2005), as the struggle of workers to affirm themselves as a class both within and against capital wanes with the breakdown of capitalist social reproduction in the postwar period. When capital accumulation crosses this threshold, the affirmation of labour—the traditional Marxist project of its liberation and socialization—becomes impossible. Labour cannot represent an opposition to

capital or be the agent of its overcoming in an era of deindustrialization, not simply because it is always already an alienated form of human activity, but because it no longer occupies a structural position within the class relation from which to assert itself as an antagonist.<sup>7</sup>

‘Accumulation of capital’ has certainly meant ‘multiplication of the proletariat’ (1990: 764), as Marx predicted. More of the world’s population must sell their labour to acquire the essentials of social reproduction than ever before in human history. And yet this has not entailed an expansion of the industrial working class or the arrival on the world stage of the collective worker whose destiny it was to usher in a new world on the back of the development of the productive forces.<sup>8</sup> Instead of being integrated into industrial production and concentrated into a great mass of semi-skilled factory workers, the vast majority of the world’s proletarians find themselves in low-paid service work if they are included in the formal economy at all. Expelled from the point of production, labour must seek the means of its reproduction in the sphere of circulation, greasing the wheels of capital as facilitators of exchange rather than producers of value.<sup>9</sup> In its scramble to secure profitability, capital accumulation has returned to forms of absolute surplus value extraction, with the rise of zero-hours contracts and the monetization of care work. Meanwhile, relatively low unemployment figures increasingly mask a growing rate at which people drop out of the labour market altogether. Austerity, financial crises, rising precarity and mounting debt can all be understood as part and parcel of a slow down in capital accumulation. Since the 2008 credit crash, productivity rates, output figures and real wages have all stagnated, and stagnant economies breed right wing populisms. A world free from the crushing weight of the value-form may seem impossibly far away, but the future for capital accumulation looks very bleak indeed.

Notes:

1 Here, I am using Samuel Moore and Edward Aveling's 1965 English translation of *Capital, Volume I*. Ben Fowkes (1990) translates the German 'ungeheure Warensammlung' as 'immense collection of commodities,' but note that the German word Marx uses, 'ansammlung,' also means accumulation and is translated as such in S.W. Ryazanskaya's 1970 edition of Marx's *A Contribution to the Critique of Political Economy*. While I use the Fowkes translation in all other instances, 'accumulation' is arguably the more pertinent translation in this case.

2 For Kant (2007), subsumption is a cognitive process that organizes conceptual experience according to categorical truths, whereas for Hegel (2008) the universal resides in and is mediated by the particular. For an extended critical appraisal of the category of subsumption as it figures as a periodizing model in various strands of Marxian thought, see Endnotes, 'The History of Subsumption' (2010).

3 The idea that value 'form-determines' the labour process derives from Marx's writings on the capitalist value-form. In *Theories of Surplus Value*, Marx uses the German term *Formbestimmtheit* ('form-determination' or 'determination of form') to describe the process by which money or commodities become forms of value for capital (1910: 531). Diane Elson develops a cogent account of how value form-determines labour in her essay, 'The Value Theory of Labour,' where she writes, 'The argument of *Capital, I*, goes on to show the dominance of the universal equivalent, the money form of value, over other commodities, and how this domination is expressed in the self-expansion of the money form of value i.e. in the capital form of value. Further it shows that the domination of the capital form of value is not confined to labour 'fixed' in products, it extends to the immediate process of production itself, and to the reproduction of that process. The real subsumption of labour as a form of capital...is a developed form of the real

subsumption of other aspects of labour as expressions of abstract labour in the universal equivalent, the money form of value' (2015: 165-166).

4 Arrighi notes, however, that capital accumulation must eventually 'reach a stage at which the crisis of overaccumulation cannot bring into existence an agency powerful enough to reconstitute the system on larger and more comprehensive foundations,' and suggests that 'there are indeed signs that we may have entered such a stage' (2010: 341).

5 See, for example, Blaumachen, "The Transitional Phase of the Crisis: The Era of Riots" (2011), Endnotes, "A Rising Tide Lifts All Boats: Crisis Era Struggles in Britain" (2013), and several pieces from the second issue of the international communism journal *SIC* (2014).

6 This rendering derives from the French translation of *Capital Volume I*. Marx uses the term *Zwickmühle* in the original German, taken from the thousand-year-old game of Mill, sometimes called Nine Men's Morris. For some reason, the term is entirely absent from the English translation—appearing instead as 'alternating rhythm'—and is more accurately translated as the 'double mill,' which refers to a grave dilemma, being caught in a trap or an iron grip. For a discussion of the term 'double moulinet' as it figures in Marx and subsequent work in communization theory, see the Introduction to issue 8 of *riff-raff* (2006).

7 That is not to say that the surplus proletariat has now become the revolutionary subject of our era. As the Surplus Club writes, 'The proliferation of riots within the present moment as an addendum to the development of the surplus proletariat does not necessitate a romantic projection that distinguishes an identitarian agent closer to communism than those more fortunate' (2015). Nevertheless, the horizon of anti-capitalist struggle in the present necessarily confronts the fact of a proletarian class in the throes of decomposition.

8 This latter point forms the crux of the long-form essay “A History of Separation” by the Endnotes collective (2016), which situates the rise and fall of the workers’ movement against the backdrop of the development of the productive forces and the long transition to full proletarianization over the nineteenth and twentieth centuries.

9 As Aaron Benanav and John Clegg note, ‘This surplus population need not find itself completely “outside” capitalist social relations. Capital may not need these workers, but they still need to work. They are thus forced to offer themselves up for the most abject forms of wage slavery in the form of petty-production and services’ (2014: 606, n. 14).

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