

SEPARATION OF SURPLUS-VALUE INTO CAPITAL AND REVENUE.

THE ABSTINENCE THEORY

Karl Marx. Capital Vol. 1, chapter 24, section 3*

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In the last preceding chapter, we treated surplus-value (or the surplus-product) solely as a fund for supplying the individual consumption of the capitalist. In this chapter we have, so far, treated it solely as a fund for accumulation. It is, however, neither the one nor the other, but is both together. One portion is consumed by the capitalist as revenue, [19] the other is employed as capital, is accumulated.

Given the mass of surplus-value, then, the larger the one of these parts, the smaller is the other. *Caeteris paribus*, the ratio of these parts determines the magnitude of the accumulation. But it is by the owner of the surplus-value, by the capitalist alone, that the division is made. It is his deliberate act. That part of the tribute exacted by him which he accumulates, is said to be saved by him, because he does not eat it, *i.e.*, because he performs the function of a capitalist, and enriches himself.

Except as personified capital, the capitalist has no historical value, and no right to that historical existence, which, to use an expression of the witty Lichnowsky, “hasn’t got no date.” And so far only is the necessity for his own transitory existence implied in the transitory necessity for the capitalist mode of production. But, so far as he is personified capital, it is not values in use and the enjoyment of them, but exchange-value and its augmentation, that spur him into action. Fanatically bent on making value expand itself, he ruthlessly forces the human race to produce for production’s sake; he thus forces the development of the productive powers of society, and creates those material conditions, which alone can form the real basis of a higher form of society, a society in which the full and free development of every individual forms the ruling principle. Only as personified capital is the capitalist respectable. As such, he shares with the miser the passion for wealth as wealth. But that which in the miser is a mere idiosyncrasy, is, in the capitalist, the effect of the social mechanism, of which he is but one of the wheels. Moreover, the development of capitalist production makes it constantly necessary to keep increasing the amount of the capital laid out in a given industrial undertaking, and competition makes the immanent laws of capitalist production to be felt by each individual capitalist, as external coercive laws. It compels him to keep constantly extending his capital, in order to preserve it, but extend it he cannot, except by means of progressive accumulation.

So far, therefore, as his actions are a mere function of capital — endowed as capital is, in his person, with consciousness and a will — his own private consumption is a robbery perpetrated on accumulation, just as in book-keeping by double entry, the private expenditure of the capitalist is placed on the debtor side of his account against his capital. To accumulate, is to conquer the world of social wealth, to increase the mass of human beings exploited by him, and thus to extend both the direct and the indirect sway of the capitalist. [20]

But original sin is at work everywhere. As capitalist production, accumulation, and wealth, become developed, the capitalist ceases to be the mere incarnation of capital. He has a fellow-feeling for his own Adam, and his education gradually enables him to smile at the rage for asceticism, as a mere prejudice of the old-fashioned miser. While the capitalist of the classical type brands individual

* In the German edition this is chapter 22. The difference is due to the separation of the 3 sections of chapter 2 of the German edition into 3 independent chapters in the English edition.

consumption as a sin against his function, and as “abstinence” from accumulating, the modernised capitalist is capable of looking upon accumulation as “abstinence” from pleasure.

“Two souls, alas, do dwell with in his breast; The one is ever parting from the other.” [\[21\]](#)

At the historical dawn of capitalist production, — and every capitalist upstart has personally to go through this historical stage — avarice, and desire to get rich, are the ruling passions. But the progress of capitalist production not only creates a world of delights; it lays open, in speculation and the credit system, a thousand sources of sudden enrichment. When a certain stage of development has been reached, a conventional degree of prodigality, which is also an exhibition of wealth, and consequently a source of credit, becomes a business necessity to the “unfortunate” capitalist. Luxury enters into capital’s expenses of representation. Moreover, the capitalist gets rich, not like the miser, in proportion to his personal labour and restricted consumption, but at the same rate as he squeezes out the labour-power of others, and enforces on the labourer abstinence from all life’s enjoyments. Although, therefore, the prodigality of the capitalist never possesses the bona fide character of the open-handed feudal lord’s prodigality, but, on the contrary, has always lurking behind it the most sordid avarice and the most anxious calculation, yet his expenditure grows with his accumulation, without the one necessarily restricting the other. But along with this growth, there is at the same time developed in his breast, a Faustian conflict between the passion for accumulation, and the desire for enjoyment.

Dr. Aikin says in a work published in 1795:

“The trade of Manchester may be divided into four periods. First, when manufacturers were obliged to work hard for their livelihood.”

They enriched themselves chiefly by robbing the parents, whose children were bound as apprentices to them; the parents paid a high premium, while the apprentices were starved. On the other hand, the average profits were low, and to accumulate, extreme parsimony was requisite. They lived like misers and were far from consuming even the interest on their capital.

“The second period, when they had begun to acquire little fortunes, but worked as hard as before,” — for direct exploitation of labour costs labour, as every slave-driver knows — “and lived in as plain a manner as before.... The third, when luxury began, and the trade was pushed by sending out riders for orders into every market town in the Kingdom.... It is probable that few or no capitals of £3,000 to £4,000 acquired by trade existed here before 1690. However, about that time, or a little later, the traders had got money beforehand, and began to build modern brick houses, instead of those of wood and plaster.”

Even in the early part of the 18th century, a Manchester manufacturer, who placed a pint of foreign wine before his guests, exposed himself to the remarks and headshakings of all his neighbours. Before the rise of machinery, a manufacturer’s evening expenditure at the public house where they all met, never exceeded sixpence for a glass of punch, and a penny for a screw of tobacco. It was not till 1758, and this marks an epoch, that a person actually engaged in business was seen with an equipage of his own.

“The fourth period,” the last 30 years of the 18th century, “is that in which expense and luxury have made great progress, and was supported by a trade extended by means of riders and factors through every part of Europe.” [\[22\]](#)

What would the good Dr. Aikin say if he could rise from his grave and see the Manchester of today?

Accumulate, accumulate! That is Moses and the prophets! “Industry furnishes the material which saving accumulates.” [\[23\]](#) Therefore, save, save, *i.e.*, reconvert the greatest possible portion of surplus-value, or surplus-product into capital! Accumulation for accumulation’s sake, production for production’s sake: by this formula classical economy expressed the historical mission of the bourgeoisie, and did not for a single instant deceive itself over the birth-throes of wealth. [\[24\]](#) But what avails lamentation in the face of historical necessity? If to classical economy, the proletarian is

but a machine for the production of surplus-value; on the other hand, the capitalist is in its eyes only a machine for the conversion of this surplus-value into additional capital. Political Economy takes the historical function of the capitalist in bitter earnest. In order to charm out of his bosom the awful conflict between the desire for enjoyment and the chase after riches, Malthus, about the year 1820, advocated a division of labour, which assigns to the capitalist actually engaged in production, the business of accumulating, and to the other sharers in surplus-value, to the landlords, the place-men, the beneficed clergy, &c., the business of spending. It is of the highest importance, he says,

“to keep separate the passion for expenditure and the passion for accumulation.” [\[25\]](#)

The capitalists having long been good liveries and men of the world, uttered loud cries. What, exclaimed one of their spokesmen, a disciple of Ricardo, Mr. Malthus preaches high rents, heavy taxes, &c., so that the pressure of the spur may constantly be kept on the industrious by unproductive consumers! By all means, production, production on a constantly increasing scale, runs the shibboleth; but

“production will, by such a process, be far more curbed in than spurred on. Nor is it quite fair thus to maintain in idleness a number of persons, only to pinch others, who are likely, from their characters, if you can force them to work, to work with success.” [\[26\]](#)

Unfair as he finds it to spur on the industrial capitalist, by depriving his bread of its butter, yet he thinks it necessary to reduce the labourer’s wages to a minimum “to keep him industrious.” Nor does he for a moment conceal the fact, that the appropriation of unpaid labour is the secret of surplus-value.

“Increased demand on the part of the labourers means nothing more than their willingness to take less of their own product for themselves, and leave a greater part of it to their employers; and if it be said, that this begets glut, by lessening consumption” (on the part of the labourers), “I can only reply that glut is synonymous with large profits.” [\[27\]](#)

The learned disputation, how the booty pumped out of the labourer may be divided, with most advantage to accumulation, between the industrial capitalist and the rich idler, was hushed in face of the revolution of July. Shortly afterwards, the town proletariat at Lyons sounded the tocsin of revolution, and the country proletariat in England began to set fire to farm-yards and corn-stacks. On this side of the Channel Owenism began to spread; on the other side, St. Simonism and Fourierism. The hour of vulgar economy had struck. Exactly a year before Nassau W. Senior discovered at Manchester, that the profit (including interest) of capital is the product of the last hour of the twelve, he had announced to the world another discovery.

“I substitute,” he proudly says, “for the word capital, considered as an instrument of production, the word abstinence.”

An unparalleled sample this, of the discoveries of vulgar economy! It substitutes for an economic category, a sycophantic phrase — *voilà tout*. [that’s all]

“When the savage,” says Senior, “makes bows, he exercises an industry, but he does not practise abstinence.” [\[28\]](#)

This explains how and why, in the earlier states of society, the implements of labour were fabricated without abstinence on the part of the capitalist.

“The more society progresses, the more abstinence is demanded,” [\[29\]](#)

Namely, from those who ply the industry of appropriating the fruits of others’ industry. All the conditions for carrying on the labour process are suddenly converted into so many acts of abstinence on the part of the capitalist. If the corn is not all eaten, but part of it also sown — abstinence of the capitalist. If the wine gets time to mature — abstinence of the capitalist. [\[30\]](#) The capitalist robs his own self, whenever he “lends (!) the instruments of production to the labourer,” that is, whenever by incorporating labour-power with them, he uses them to extract surplus-value

out of that labour-power, instead of eating them up, steam-engines, cotton, railways, manure, horses, and all; or as the vulgar economist childishly puts it, instead of dissipating “their value” in luxuries and other articles of consumption. [31] How the capitalists as a class are to perform that feat, is a secret that vulgar economy has hitherto obstinately refused to divulge. Enough, that the world still jogs on, solely through the self-chastisement of this modern penitent of Vishnu, the capitalist. Not only accumulation, but the simple “conservation of a capital requires a constant effort to resist the temptation of consuming it.” [32] The simple dictates of humanity therefore plainly enjoin the release of the capitalist from this martyrdom and temptation, in the same way that the Georgian slave-owner was lately delivered, by the abolition of slavery, from the painful dilemma, whether to squander the surplus-product, lashed out of his niggers, entirely in champagne, or whether to reconvert a part of it into more niggers and more land.

In economic forms of society of the most different kinds, there occurs, not only simple reproduction, but, in varying degrees, reproduction on a progressively increasing scale. By degrees more is produced and more consumed, and consequently more products have to be converted into means of production. This process, however, does not present itself as accumulation of capital, nor as the function of a capitalist, so long as the labourer’s means of production, and with them, his product and means of subsistence, do not confront him in the shape of capital. [33] Richard Jones, who died a few years ago, and was the successor of Malthus in the chair of Political Economy at Haileybury College, discusses this point well in the light of two important facts. Since the great mass of the Hindu population are peasants cultivating their land themselves, their products, their instruments of labour and means of subsistence never take “the shape of a fund saved from revenue, which fund has, therefore, gone through a previous process of accumulation.” [34] On the other hand, the non-agricultural labourers in those provinces where the English rule has least disturbed the old system, are directly employed by the magnates, to whom a portion of the agricultural surplus-product is rendered in the shape of tribute or rent. One portion of this product is consumed by the magnates in kind, another is converted, for their use, by the labourers, into articles of luxury and such like things, while the rest forms the wages of the labourers, who own their implements of labour. Here, production and reproduction on a progressively increasing scale, go on their way without any intervention from that queer saint, that knight of the woeful countenance, the capitalist “abstainer.”

Footnotes

[19.](#) The reader will notice, that the word revenue is used in a double sense: first, to designate surplus-value so far as it is the fruit periodically yielded by capital; secondly, to designate the part of that fruit which is periodically consumed by the capitalist, or added to the fund that supplies his private consumption. I have retained this double meaning because it harmonises with the language of the English and French economists.

[20.](#) Taking the usurer, that old-fashioned but ever renewed specimen of the capitalist for his text, Luther shows very aptly that the love of power is an element in the desire to get rich. “The heathen were able, by the light of reason, to conclude that a usurer is a double-dyed thief and murderer. We Christians, however, hold them in such honour, that we fairly worship them for the sake of their money.... Whoever eats up, robs, and steals the nourishment of another, that man commits as great a murder (so far as in him lies) as he who starves a man or utterly undoes him. Such does a usurer, and sits the while safe on his stool, when he ought rather to be hanging on the gallows, and be eaten by as many ravens as he has stolen guilders, if only there were so much flesh on him, that so many ravens could stick their beaks in and share it. Meanwhile, we hang the small thieves.... Little thieves are put in the stocks, great thieves go flaunting in gold and silk.... Therefore is there, on this earth, no greater enemy of man (after the devil) than a gripe-money, and usurer, for he wants to be God over all men. Turks, soldiers, and tyrants are also bad men, yet must they let the people live, and

Confess that they are bad, and enemies, and do, nay, must, now and then show pity to some. But a usurer and money-glutton, such a one would have the whole world perish of hunger and thirst, misery and want, so far as in him lies, so that he may have all to himself, and every one may receive from him as from a God, and be his serf for ever. To wear fine cloaks, golden chains, rings, to wipe his mouth, to be deemed and taken for a worthy, pious man Usury is a great huge monster, like a werewolf, who lays waste all, more than any Cacus, Gerion or Antus. And yet decks himself out, and would be thought pious, so that people may not see where the oxen have gone, that he drags backwards into his den. But Hercules shall hear the cry of the oxen and of his prisoners, and shall seek Cacus even in cliffs and among rocks, and shall set the oxen loose again from the villain. For Cacus means the villain that is a pious usurer, and steals, robs, eats everything. And will not own that he has done it, and thinks no one will find him out, because the oxen, drawn backwards into his den, make it seem, from their foot-prints, that they have been let out. So the usurer would deceive the world, as though he were of use and gave the world oxen, which he, however, rends, and eats all alone... And since we break on the wheel, and behead highwaymen, murderers and housebreakers, how much more ought we to break on the wheel and kill.... hunt down, curse and behead all usurers.” (Martin Luther, l. c.)

[21.](#) See Goethe’s “Faust.”

[22.](#) Dr. Aikin: “Description of the Country from 30 to 40 miles round Manchester.” Lond., 1795, p. 182, sq.

[23.](#) A. Smith, l. c., bk. iii., ch. iii.

[24.](#) Even J. B. Say says: “Les épargnes des riches se font aux dépens des pauvres.” [the savings of the rich are made at the expense of the poor] “The Roman proletarian lived almost entirely at the expense of society.... It can almost be said that modern society lives at the expense of the proletarians, on what it keeps out of the remuneration of labour.” (Sismondi: “études, &c.,” t. i., p. 24.)

[25.](#) Malthus, l. c., pp. 319, 320.

[26.](#) “An Inquiry into those Principles Respecting the Nature of Demand, &c.,” p. 67.

[27.](#) l. c., p. 59.

[28.](#) (Senior, “Principes fondamentaux del’Écon. Pol.” trad. Arrivabene. Paris, 1836, p. 308.) This was rather too much for the adherents of the old classical school. “Mr. Senior has substituted for it” (the expression, labour and,profit) “the expression labour and Abstinence. He who converts his revenue abstains from the enjoyment which its expenditure would afford him. It is not the capital, but the use of the capital productively, which is the cause of profits.” (John Cazenove, l. c., p. 130, Note.) John St. Mill, on the contrary, accepts on the one hand Ricardo’s theory of profit, and annexes on the other hand Senior’s “remuneration of abstinence.” He is as much at home in absurd contradictions, as he feels at sea in the Hegelian contradiction, the source of all dialectic. It has never occurred to the vulgar economist to make the simple reflexion, that every human action may be viewed, as “abstinence” from its opposite. Eating is abstinence from fasting, walking, abstinence from standing still, working, abstinence from idling, idling, abstinence from working, &c. These gentlemen would do well, to ponder, once in a while, over Spinoza’s: “Determinatio est Negatio.”

[29.](#) Senior, l. c., p. 342.

[30.](#) “No one ... will sow his wheat, for instance, and allow it to remain a twelvle month in the ground, or leave his wine in a cellar for years, instead of consuming these things or their equivalent at once ... unless he expects to acquire additional value, &c.” (Scrope, “Polit. Econ.,” edit. by A. Potter, New York, 1841, pp. 133-134.)

[31.](#) “La privation que s’impose le capitaliste, en prêtant [The deprivation the capitalist imposes on himself by lending ...] (this euphemism used, for the purpose of identifying, according to the approved method of vulgar economy, the labourer who is exploited, with the industrial capitalist

who exploits, and to whom other capitalists lend money) ses instruments de production au travailleur, au lieu d'en consacrer la valeur à son propre usage, en la transforment en objets d'utilité ou d'agrément." [his instruments of production to the worker, instead of devoting their value to his own consumption, by transforming them into objects of utility or pleasure] (G. de Molinari, l. c., p. 36.)

32. "La conservation d'un capital exige ... un effort constant pour résister à la tentation de le consommer." (Courcelle-Seneuil, l. c., p. 57.)

33. "The particular classes of income which yield the most abundantly to the progress of national capital, change at different stages of their progress, and are, therefore, entirely different in nations occupying different positions in that progress.... Profits ... unimportant source of accumulation, compared with wages and rents, in the earlier stages of society.... When a considerable advance in the powers of national industry has actually taken place, profits rise into comparative importance as a source of accumulation." (Richard Jones, "Textbook, &c.," pp. 16, 21.)

34. l. c., p. 36, sq.

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