

**ISS
OCCASIONAL PAPERS**

**Peripheral Accumulation,
Labour Power Absorption
and
Relative Surplus-Population:
some basic remarks**

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1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes that this is crucial for ensuring transparency and accountability in the organization's operations.

2. The second part of the document outlines the various methods and tools used to collect and analyze data. It highlights the need for consistent and reliable data collection processes to support informed decision-making.

3. The third part of the document focuses on the role of technology in modern data management. It discusses how advanced software solutions can streamline data collection, storage, and analysis, leading to more efficient and accurate results.

4. The fourth part of the document addresses the challenges associated with data security and privacy. It provides insights into best practices for protecting sensitive information and ensuring compliance with relevant regulations.

5. The fifth part of the document explores the future of data management and analytics. It discusses emerging trends and technologies that are expected to shape the way organizations handle their data in the coming years.

6. The sixth part of the document concludes by summarizing the key findings and recommendations. It reiterates the importance of a data-driven approach and the need for continuous improvement in data management practices.

7. The final part of the document provides a detailed overview of the data management process, from data collection to data analysis and reporting. It includes a flowchart illustrating the sequential steps involved in this process, ensuring that all necessary components are covered and understood.

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Employment and unemployment are issues of crucial importance, especially in the so-called 'Third World' countries where the magnitude of unemployment has reached impressive levels. In reply to this a large number of studies have recently appeared. Nevertheless, Marxist contributions have so far been relatively scarce, especially at a theoretical level. The aim of this paper is to develop, from a Marxist perspective, some basic theoretical remarks on the employment and unemployment issues in relation to peripheral social formations. In this regard, employment is understood as a process of labour power absorption, i.e. the outcome of the extension of capitalist relations of production, while unemployment is viewed as a process of labour power repulsion, a product of the development of productive forces. The paper contains five sections. The first faces the main theoretical issue: why is there a process of labour power repulsion, and what function does it perform in relation to the accumulation process? The second section articulates the two processes of labour power absorption and repulsion, placing the analysis in a historical perspective in terms of the stages of development of the capitalist mode of production (CMP). In this section we confine our remarks to those aspects that are relevant for the subsequent sections; that is to say, that can be related to the specificity of peripheral accumulation. In these two first sections the basic theoretical elements are provided for facing the issues involved at the level of peripheral social formations. Nevertheless, some remarks on the specificity of peripheral accumulation are necessary in order to facilitate the understanding of the following analysis; these constitute section III. Section IV deals with the process of labour power absorption within the framework of peripheral accumulation. At this stage peripheral accumulation is differentiated into three different types, to which correspond distinct processes of labour power absorption. Finally, section V analyzes the process of labour power repulsion, that is to say, the formation of a relative surplus-population. However, instead of developing the argument according to the differentiation of types of peripheral accumulation, introduced in the previous section, we follow another path distinguishing forms or strata of supernumerary population. Once such forms or strata are identified, they are related to the several types of accumulation in order to find out which main forms or strata perform the function of relative surplus-population in each case.

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RELATIVE SURPLUS-POPULATION: EFFECT AND CONDITION OF THE
ACCUMULATION PROCESS

Two components constitute population in all modes of production: an adequate population, i.e. the set of social agents incorporated into the prevailing division of labour, and an overpopulation. The first expresses a process of labour absorption while the second reflects a process of formation of a relative surplus-population. The relationship between these two processes, or forms of population, is not abstract and historical; on the contrary, it is determined by the specific reproduction of each mode of production.¹ That is to say, the relationship between the nature of the relations of production and the level of development of productive forces defining each mode of production has to be the point of departure for the analysis of the questions which concern us. In this respect, a first distinction between pre-capitalist modes of production and the capitalist one can be made. As Marx pointed out:

Since in all previous [to the capitalist one] forms of production the development of the forces of production is not the basis of appropriation, but a specific relation to the conditions of production (forms of property) appears as *presupposed barrier* to the forces of production, and is merely to be reproduced, it follows that the development of population, in which the development of all productive forces is summarized, must even more strongly encounter an *external barrier* and thus appear as something to be restricted.² (author's emphasis)

Pre-capitalist modes of production, due to the nature of their relations of production (forms of property in Marx's words), are characterized by a tendency to limit the development of relative surplus-population. On the contrary, in the case of CMP, its relations of production, which imply a permanent tendency to develop productive forces, generate a continuous and permanent supernumerary population.³ Therefore we have to analyze why such a permanent tendency to develop productive forces is necessary, and see how relative surplus-population⁴ is not a superfluous element for the accumulation process but performs certain functions, thus becoming part of such a process.

Capitalist relations of production are characterized by the *total* separation of the labourer or producer from the means of production, not only in terms of economic property but also in terms of possession.⁵ Such total separation results in labour becoming a commodity (*labour power*) defined by its use and exchange values. But labour power is the most peculiar of all commodities because its use is the source of value.⁶ Therefore, the goal of capital is to maximize the use of labour power in order to exceed its exchange value. Such a surplus value, as is known, mainly originates in two ways. On the one hand, the use of labour power can be maximized, increasing the duration of the labour day (extraction of absolute surplus value); on the other hand, surplus value can be generated by decreasing the exchange value of labour power (extraction of relative surplus value). The limits of the first process are obvious and immediate and accumulation tends to be progressively

focused on the extraction of relative surplus value.⁷ In this sense, accumulation can be understood as a twofold process of capital valorization through labour power devalorization, the second process being the condition of the first one.⁸

Labour power can be devalorized in several ways; however, there is one, in our opinion, that can be considered the main one, because it is allocated internally within the production process itself: the development of productive forces leading to an increase of labour productivity.⁹ An increase in labour productivity means a reduction in the required time for the reproduction of the labour power and, therefore, the corresponding increase of the non-necessary labour time appropriated by capital for its own valorization.¹⁰ But how is labour productivity manifested? According to Marx:

Apart from natural conditions such as fertility of the soil, etc. . . . , and from the skill of independent and isolated producers (shown rather qualitatively in the goodness than quantitatively in the mass of their products), the degree of productivity of labour in a given society, is expressed in the relative extent of the means of production that one labourer, during a given time with the same extension of labour power, turns into a product. The mass of means of production which he thus transforms, increases with the productiveness of his labour. But those means of production play a double part. The increase of some is a consequence, that of others a condition of the increasing productivity of labour.¹¹

and further:

But whether condition or consequence, the growing extent of the means of production, as compared with the labour power incorporated with them, is an expression of the growing productiveness of labour. The increase of the latter appears, therefore, in the diminution of the mass of labour in proportion to the mass of means of production moved by it, or in the diminution of the subjective factor of the labour process as compared with the objective factor.¹²

The relationship between the mass of means of production and the mass of labour power is what Marx called the *technical* composition of capital which is a physical relationship, in contrast to the *organic* composition of capital which expresses the same relationship but in value terms.¹³ Rising labour productivity therefore implies an increase in the technical composition of capital and also in the organic composition of capital although in a lesser proportion.¹⁴ What is important for our purposes is that the development of productive forces, as a result of the attempt by capital to maximize (relative) surplus value, leads to a faster growth of constant capital than of variable capital, with the appearance of a redundant fraction of labour power which is expelled from the productive process. Therefore, a permanent formation of a relative surplus-population is an *effect* of the accumulation process, a product of the nature of development of productive forces which implies the reproduction of the CMP. As Marx asserted:

This accelerated relative diminution of the variable constituent, that goes along with the accelerated increase of the total capital, and moves more rapidly than this increase, takes the inverse form,

at the other pole, of an apparently absolute increase of the labouring population, an increase always moving more rapidly than that of the variable capital or the means of employment. But in fact, it is *capitalistic accumulation itself that constantly produces, and produces in direct ratio of its own energy and extent, a relative redundant population of labourers, i.e. a population of greater extent than suffices for the average needs of the self-expansion of capital, and therefore a surplus population* (our emphasis).¹⁵

But, does this fraction of expelled labour power become a totally superfluous element for the accumulation process?

The fact that a relative surplus-population is directly generated by the accumulation process itself supposes that capital controls a potential labour power that can be used according to its valorization needs.¹⁶ In other words, it is the first mode of production which frees itself from the natural constraint of population growth and other possible social constraints.¹⁷ Knowing that the accumulation process cannot be an uninterrupted and linear process, the existence of a permanent and available relative surplus-population is crucial for the cyclical nature of the accumulation process. In this sense, the supernumerary population is not only an effect of the reproduction of the CMP but it also appears as a condition for it. But in addition to this first function, Marx clearly pointed out a second possible function of this relative surplus-population when he wrote:

The industrial reserve army, during the periods of stagnation and average prosperity, weighs down the active labour-army; during the periods of overproduction and paroxysm, it holds its pretensions in check. *Relative surplus population is therefore the pivot upon which the law of demand and supply of labour works.* It confines the field action to this law within the limits absolutely convenient to the activity of exploitation and to the domination of capital (our emphasis).¹⁸

In this regard, Magaline states that the fourth form of labour power devalorization (partial diminution of use value of labour power) is nothing more than the formation of a relative surplus-population and, therefore, it does not appear as a specific form of labour power devalorization but rather as a *general condition*.¹⁹ That is to say, the existence of a supernumerary population prevents the possible reaction of labour power against its devalorization. Such a fact is of great importance for the process of wage determination because it shows how capital controls not only labour power demand but also its supply.²⁰

Summarizing, we can conclude that the relative surplus-population is at the same time an effect and a condition of the accumulation process and that such a condition is expressed by the two functions performed by the supernumerary population.²¹

ABSORPTION AND REPULSION OF LABOUR POWER

In the previous part we have seen how accumulation is characterized by a tendency to expel labour power from the productive process, giving way to the formation of a supernumerary population. But that analysis has been restricted to only one dimension of the accumulation process. A new dimension can be introduced, which considers the reproduction of the CMP in its space of reproduction; that is to say, within the framework of a social formation wherein this mode of production arises as dominant, imposing its reproduction on other modes or forms of production still existing in the same social formation. In this way, accumulation is understood as extension of capital-labour relationships.²² Here accumulation is synonymous with proletarianization and therefore also implies absorption of labour power. But extension of capital-labour relationships can also be carried out, developing new branches of production without implying the dissolution of pre-capitalist forms of production. Thus, it can be seen how the maximization of surplus value has two implications.²³ On the one hand, capital in the production process tries to exploit labour power as much as possible, increasing the rate of surplus value through the development of productive forces. On the other hand, capital, by extending its relations of production, incorporates more labour power into the production process, increasing the mass of surplus value. Then, from a global view of accumulation which includes both dimensions, the next analytical stage is to see under which conditions one of the two tendencies (labour power absorption or repulsion) will prevail.²⁴ For such a purpose, it is necessary to know how both dimensions of accumulation articulate and in this regard an historical understanding of the development of the CMP in central social formations can help us.

In a first stage, when the transition from feudalism had been completed and the CMP was consolidated as the dominant mode of production, the emphasis of accumulation was mainly focused on the extension of capital-labour relationships: in those branches producing commodities (certain wage goods) which could compete with commodities of pre-capitalist origin, because this represented the most feasible way of accumulation. Thus, although there was development of productive forces, the extraction of surplus value was mainly based on absolute surplus value. This kind of situation expressed how the CMP, through its expanded reproduction, tried to homogenize the social formation, destroying other forms or residua of previous modes of production co-existing with it and incorporating all possible pre-capitalist labourers, i.e. proletarianizing them. Once this process had been deepened enough there was necessarily a shift in the emphasis of accumulation towards exploiting the existing labour power as much as possible. Relative surplus value became the main source of surplus value, showing full development of the CMP and opening a new stage in its development. As a result, extension of capital-labour relationships shifted towards new branches.

These two stages can also be understood from the point of view of competition.²⁵ On the one hand, devalorization of labour power by individual capital materializes through competition vis-à-vis other

capitals. As Magaline shows:

Pour ce capitaliste, l'augmentation de la productivité de 'ses' ouvriers est simplement un moyen de lutter contre les capitalistes concurrents en abaissant ses coûts individuels au-dessous des coûts moyens de la branche (ou, comme dit Marx, en abaissant la 'valeur individuelle' du produit au-dessous de sa 'valeur sociale'), ce qui lui permet soit d'empocher la différence sous forme d'une 'plus-value extra' ou 'profit extra', soit d'élargir ses marchés en vendant à un prix plus bas, soit les deux à la fois. Ainsi, le degré d'exploitation de la classe ouvrière disparaît entièrement, au niveau des représentations, derrière la lutte concurrentielle entre capitalistes. Il n'en reste pas moins que chaque capitaliste contribue ainsi 'inconsciemment' au résultat général: l'imitation de la nouvelle méthode de production par les capitalistes concurrents fait disparaître 'plus-value extra' de l' 'innovateur', mais entraîne une élévation du niveau général de la productivité du travail, et par conséquent une dévalorisation général de la force de travail.²⁶

On the other hand, the extension of capital-labour relationships, destroying pre-capitalist modes and forms of production (once a CMP is constituted), is mainly due to competition. Pre-capitalist products which have already entered circulation, are eliminated from the market by capitalist commodities, due to the higher labour productivity which capitalist relations of production allow. Thus, pre-capitalist labourers, once they have been separated from their means of production, can be incorporated into the CMP as labour power. In the first stage of development of the CMP, competition was mainly directed against pre-capitalist producers, a competition which did not imply a high development of productive forces. This explains why the emphasis of accumulation was based mainly upon Department II (producing wage goods) because these kinds of commodities competed against the pre-capitalist ones, and also why the minimum capital required for penetrating this Department permitted free competition among the capitalists.²⁷ This is the reason why the initial stage can be labelled as competitive. In the latest stage, the shift of the focus of competition towards that of capitalists among themselves led to a higher development of productive forces, with the subsequent increase of mass of capital. Concentration and centralization of capital opened the monopolistic stage of the CMP, wherein competition does not disappear but takes new forms. Labour power absorption, as a result of the extension of capital-labour relationships, took place in Department I (producing capital goods). The development and constitution of this Department expressed the jump in the level of development of productive forces as an outcome of the focus of exploitation on extraction of relative surplus value. Later, labour power absorption continued again in Department II, in this instance as the product of incorporating certain previous luxury commodities (i.e. durable consumer goods) into the reproduction of labour power. But the development of these branches (and consequently the absorption of labour power) faced limits. Their development implied the increase of the exchange value of labour power due to its higher level of physical reproduction (i.e. consumption)²⁸, which contradicts the logic of exploitation.

It can be deduced from the previous remarks that, in the competitive stage, although there was a certain tendency to expel labour power, the absorption of labour power prevailed as an expression of the continuous expansion of the capitalist relations of production. In the monopolistic stage, on the other hand, the absorption of labour power tends to face limits while the repulsion increases according to the development of productive forces.

So far our analysis has been focused on so-called productive labour power.²⁹ The partial displacement of capital towards unproductive spheres³⁰ continues to extend the capital-labour relationships now, however, incorporating a different kind of labour, namely, unproductive. Such an extension can be materialized in three directions. The first is the circulation process. In this case labour was already partially characterized by a wage form, that is to say, was exchanged against (variable) capital, and such an extension does not imply the destruction of pre-capitalist processes of circulation.³¹ For the rest, there was a process of dissolution of pre-capitalist spheres of circulation. Second, capital can extend its relationship to the sphere of services.³² In this case there is a transformation of existing labour into a wage form. This process can even lead to a qualitative transformation, with services being replaced by commodities.³³ Finally, surplus value can be used in the production of those commodities which do not enter into the reproduction of capital and labour. We refer to Department III which is devoted to the production of luxury commodities for the reproduction of the capitalists. In this case, new branches developed which were devoted to the production of what Mandel calls 'means of destruction' (i.e. 'Permanent Arms Economy').³⁴ Therefore the possibility exists for the continuation of the extension of capitalist relations of production, with the subsequent labour power absorption, through different ways in the monopolistic stage.

We can summarize this section by saying that, in the competitive stage or form of the CMP, the focus of accumulation is restricted to productive labour and there is a co-existence of the absorption and repulsion effects, whilst in the case of the monopolistic stage the scope of accumulation is enlarged and a distinction between productive and unproductive labour is necessary. Regarding the first kind of labour there is a clear tendency to expel labour power while the absorption effect faces relative limits. In the case of unproductive labour, the prevailing tendency is the absorbing one³⁵ because there is no important and significant increase of productivity in the unproductive processes.³⁶ In this sense the emphasis of labour power absorption is displaced towards unproductive labour. But the fact that no relevant repulsion effect can be observed for the moment does not allow us to conclude that relative surplus-population tends to disappear. These unproductive processes cannot be reproduced without limits and constraints because they are determined in the last instance, although in different forms and to different degrees, by the production process.

III

SOME GENERAL REMARKS ON THE SPECIFICITY OF THE PERIPHERAL ACCUMULATION PROCESS

In the previous sections our main intention has been to show that the questions of labour power absorption and relative surplus-population formation can only be grasped within the framework of accumulation. Therefore, if we now move towards the level of peripheral social formations, it is necessary to stress those particular characteristics of the accumulation process in these social formations in order to avoid falling into a formalistic exercise in which we try to mechanically transplant the previous analytical findings onto the new theoretical level. Obviously we shall limit our remarks to those features which only directly concern our questions.

The main purpose of the term 'peripheral' is to designate the non-autonomy of that accumulation process. Such a remark can be considered in two ways. On the one hand, it relates to the historical genesis of peripheral accumulation, i.e. its allocation in the periodization of the CMP. On the other hand, it refers to the specific nature that characterizes peripheral accumulation. Although, as we shall see in the next section, several types of peripheral accumulation can be distinguished, they are no more than variants of this basic form. However, let us start with the periodization aspect.

It is only possible to talk about peripheral accumulation in the monopolistic stage, i.e. in relation to imperialism. Peripheral social formations in the competitive or pre-imperialist stage³⁷ cannot be qualified as capitalist, since capitalist relations of production did not exist. This does not mean that these social formations were not part of accumulation on a world scale, because the pre-capitalist processes of production were integrated into it through capitalist processes of circulation. In this sense the famous debate between 'capitalism vs. feudalism' in pre-imperialist peripheral social formations has been formulated in misleading terms. The fact that the nature of relations of production was not capitalist, which therefore denies the possibility of talking about a CMP, does not imply that we are in the presence of a pre-capitalist mode of production which, being dominant, would allow us to qualify the respective social formations as pre-capitalist. The domination of such a pretended pre-capitalist 'mode of production' is not imposed by this 'mode' itself, it lies in the accumulation on a world scale, being mediated by the dominance of the (capitalist) circulation process. In this sense, we should speak of a pre-capitalist *form* of production, although it performs a dominant function. Thus, 'peripheral' is the only possible qualification of the corresponding social formations.

The imperialist stage was characterized, in its beginning, by internationalization of the money-capital cycle (capital exports in the form of portfolio investments), which joined the already internationalized commodity capital (expressed in the existence of a world market). Such a process of internationalization of money capital, like the process of internationalization of productive capital which emerged in a later phase, is an expression of imperialism³⁸ and finds its origins in the contradictions affecting the accumulation process once the social formation has been homogenized.³⁹ The injection of

that money capital contributed to the creation of the general conditions for the emergence of a capitalist process of production from the transformation of the existing pre-capitalist relations of production, or introduced them directly when such a transformation was not possible. These general conditions (infrastructure, national market, currency system, etc.) are provided by the state, being the expression of its economic function. In the case of peripheral social formations at the beginning of the imperialist stage there are two kinds of situation. In a colonial situation, this flow of money capital was complementary to the function developed by the colonial 'state', which directly represented the interests of imperialism. In the case of a post-colonial situation (mainly the cases of Latin American social formations), a capitalist state was not fully constituted and the inflow of money capital to a certain extent replaced the weak state in the provision of these general conditions. Obviously, such a process of emergence of capitalist relations of production did not mean the establishment of a self-reproducing process of accumulation, because it reinforced the existing international division of labour.

The second aspect that should be emphasized is the specific nature of peripheral accumulation. This process is characterized by being a non-self-centred process; that is to say, instead of relying upon the mutual development of Department I (capital goods) and Department II (wage or mass consumption goods)⁴⁰, it is constituted, on the one side, by a fragmented development or even absence of one of these two Departments and, on the other side, by a predominating circulation process of luxury commodities.⁴¹ Such an accumulation has three main implications. First, the fragmented development or absence of Department I implies the inability of self-reproduction of the process expressed by the tendency towards the non-domination of peripheral capital in the accumulation process. Second, the partial development or non-existence of Department II means that labour power tends to be excluded in its reproduction from the capitalist circulation process. The pre-capitalist forms of production play an important role in the provision of those commodities which enter into the reproduction of labour power. And third, the existence of that circulation process of luxury commodities implies that certain local unproductive processes are annexed to it, mainly in the form of services.⁴² However, we are concerned here with the consequences of both aspects (the historical genesis and the specific nature) of peripheral accumulation for our questions.

It can be deduced from the above that peripheral accumulation is a sort of 'appendage' to central accumulation. In this sense, it expresses the continuation of the process of extension of the capital-labour relationship focused on the absorption of productive labour. But such an extension process does not depend on the expanded reproduction of the CMP itself, which arises as dominant in the peripheral social formation. The inability for self-reproduction means that the last determination of the extension of capital-labour relationships lies in the needs of central accumulation. Thus, although the CMP emerges as dominant in a peripheral social formation, it tends to preserve pre-capitalist forms of production.⁴³ Moreover, the location of the appearance of peripheral accumulation in the periodization of the CMP, i.e. in the monopolistic stage, implies a relatively high level

of development of the productive forces. Actually, the CMP does not tend to destroy pre-capitalist modes or forms of production, especially the petty commodity form of production,⁴⁴ and competition remains centered among capitals. This situation is directly linked with the partial development or non-existence of Department II, as we pointed out earlier.

We can conclude from the previous paragraph that the process of labour power absorption is bound by the non-continuous extension of capital-labour relations. Moreover, a pronounced tendency to labour power repulsion has been inherent since the beginning of the accumulation process. Therefore, the limits to (productive) labour power absorption appear as quite obvious. The existence of unproductive labour power absorption, on the other hand, does not correspond to the same causes as in central accumulation. The transfer of the bulk of surplus value to central accumulation from this kind of labour, side by side with the fact that this labour is carried out in pre-capitalist forms that are still to be penetrated, does not cause the same contradiction as that pertaining to central accumulation itself. There is no need then to use surplus value in unproductive processes. In the frame of peripheral accumulation, unproductive labour emerges in terms of the circulation process of luxury commodities. Its generation is quite important given the high level of consumption of peripheral dominant classes, the absorption of labour power tending to be focused in this process.⁴⁵ Labour power in this case is not necessarily characterized by a wage form. In relation to the relative surplus-population, the conservation of pre-capitalist forms of production has important consequences for its inner differentiation in strata, as we shall see. But let us now deepen our analysis by examining each type of peripheral accumulation.

IV

PERIPHERAL ACCUMULATION AND LABOUR POWER ABSORPTION

In principle, three types⁴⁶ of accumulation process can be distinguished. The first is the so-called 'primary-export' type and was the first to appear in the initial phase of imperialism.⁴⁷ The second is generally recognized as 'import-substitution industrialization' and started to develop in the second phase, while the third is known as 'export-oriented industrialization' and is the most recent.⁴⁸ Let us analyze each of these cases separately, looking at their consequences for the process of labour power absorption.

The genesis of the first case has already been explained in the previous section in relation to the beginning of the imperialist stage and to the internationalization of the money-capital cycle. Given the fact that this type was the first to appear it is worth adding some remarks on the process of proletarianization in order to increase our understanding of the process of labour power absorption in peripheral accumulation, as well as the formation of a relative surplus-population.

Two kinds of situations can be observed. First, there was the case wherein the pre-capitalist relations of production in the pre-imperialist stage were articulated in the process of accumulation on a world scale. In this situation there were favourable conditions for the proletarianization of pre-capitalist producers. First, there was a certain degree of commoditization that favoured the dissolution of pre-capitalist relations of production. Second, the centre could play with intra-peripheral competition on the world market by removing protectionist situations, forcing the establishment of capitalist relations of production which, implying higher productivity, could lead to a more competitive position in the world market. Third, migrations could constitute the first impulse towards the process of proletarianization. Different, however, were the cases wherein the appearance of an accumulation process needed an abrupt introduction of capitalist relations of production. In this situation the use of extra-economic coercion was required, either by forced labour, directly incorporating the pre-capitalist producer into the capitalist process of production, or by forced commoditization, trying to break the autonomous reproduction of pre-capitalist modes or forms of production.⁴⁹ In this sense, such an extra-economic coercion can be compared in its function to the primitive accumulation at the centre. But this analogy cannot be pushed too far because there are two limits. First, we face a situation of peripheral accumulation, i.e. the CMP's reproduction is not a product of the inner historical development of the social formation, and therefore the extension of that process is a limited one. Second, the historical stage in which it occurs supposes a certain level of development of productive forces that cannot rely too long upon extra-economic coercion. The process of labour power absorption had to shift towards economic means, either trying to consolidate the already constituted labour power⁵⁰ or dominating it externally, through the circulation process. In the latter situation we are in the presence of a sort of 'domiciliary work', a phenomenon that we shall analyze in relation to relative surplus-population.

Let us now analyze the characteristics of this type of peripheral accumulation in order to grasp its consequences for the process of labour power absorption. This type is characterized by the existence of a primary branch (export-oriented) articulated with an import flow of luxury commodities, this constituting the circulation process. The primary branch expresses the fragmentation of Department I, when the commodity is a raw material, or of Department II, when the commodity is a foodstuff. In the first case its export orientation contributes to the devalorization of constant capital in central accumulation, and in the second case to the devalorization of variable capital. Accumulation can be carried out by local or foreign capital, differentiating between a non-enclave and an enclave situation. The last case is a perfect example of the 'appendage' nature of peripheral accumulation. Moreover, it is possible to add a third situation, wherein the producer appears as 'independent' but is dominated externally through the circulation process as we have pointed out in the previous paragraph. As can be deduced from these remarks, the limits in absorbing labour power once the capitalist relations of production have been consolidated are quite obvious. First, the extension of capital-labour relationships depends directly on the needs of capital valorization of central

accumulation, which means that this type of peripheral accumulation is only one branch linked to central accumulation. Second, it is directly affected by the cyclical movement of this valorization process in central accumulation, implying that labour power is expelled in crisis situations. Third, as we pointed out in the general remarks, there is a tendency to develop productive forces, especially given competition on the world market.⁵¹

The second type, i.e. 'import-substitution industrialization' represents the less non-self-centred case. The causes have to be found in its historical genesis. This type started to emerge during the second phase of imperialism, a phase characterized by the crisis of the thirties, which implied a weakening of the links between central and peripheral accumulation. Thus in those social formations wherein the accumulation process (in its primary-export form, of course) was relatively extended, there was a certain development of manufacturing and where a post-colonial situation existed an industrial branch within a relatively autonomous framework started to develop.⁵² Such a development was initially focused on Department II, trying to internalize the circulation process, that is to say, commodities started to be locally produced and no longer imported. The development of the productive forces was not high because the protectionist situations, thanks to the existence of a post-colonial state wherein local capital could impose its interests over foreign capital, prevented competition from imports. But the weaknesses of the material basis of this process (the inability to simultaneously develop Department I and the limits in the circulation process, specifically in the internal market), combined with the final consolidation of imperialism, started to erode such a relatively autonomous framework. This type of peripheral accumulation was redefined in the global context of accumulation on a world scale.⁵³ In this new situation the non-self-centred nature of the process has been accentuated, as is clear in these cases, wherein 'import-substitution industrialization' started in the third phase of imperialism. The process moved to the production of luxury commodities, which implied developing mainly Department III (branches devoted to the production of luxury goods) to the detriment of Department II. As Samir Amin points out:

Industrialization through import-substitution will start from the 'end', i.e. the manufacture of products corresponding to the more advanced stages of development of the center, in other words consumer durables. As we have already pointed out, such products are highly capital intensive and users of scarce resources (skilled labour, etc.). The result will necessarily lead to a distortion in the allocation of resources in favour of these products to the disadvantage of sector 2 ['mass' consumption goods]. This sector will be systematically handicapped: it will not give rise to any 'demand' for its products and will not attract any capital or labour to ensure its modernisation.⁵⁴

The continuity of this process has led to a development of Department I, i.e. capital goods branches. There are two main reasons why the development of this Department is also a partial and fragmented one. First, the essential conditions of reproduction, i.e. those branches or stages of production which constitute the core of this Department, remain externally located. Second, this development tends to be mainly articulated with the branches producing luxury commodities (Department III) and not with Department II, which necessarily

implies a limitation due to the reduced internal market.

For our purposes some conclusions can be derived from the previous analysis. It is without doubt that this type of peripheral accumulation is labour power absorbing during its initial phase. Capital-labour relationships expand relatively easily and moreover the inherent repulsion effect is mitigated by the low development of productive forces. But, when 'import-substitution' reaches further stages, the extension of capitalist relations of production becomes more difficult and productive forces start to develop. That is to say, the process no longer absorbs labour power and the repulsion effect becomes the dominant tendency. However, as some of the stag-nationist analyses of the previous decade foresaw, these limits of the accumulation process are not absolute in those social formations where 'import-substitution' is most developed. Two elements allow this process to continue, one of them being the so-called 'third demand'⁵⁵ which originates in three different ways. First, the introduction of more capital-intensive techniques (which characterize the development of Departments I and III) implies a process of over-qualification of a small stratum of labour power while the remaining labour power becomes de-qualified, leading to a heterogeneous process of labour power absorption with subsequent wage differentiation.⁵⁶ The first category of over-qualified labour power includes engineers, technicians, 'skilled' workers, etc., whose wage levels allow them to be integrated into the luxury commodities market, previously restricted to the dominant classes.⁵⁷ A second way of enlarging this demand is through the appearance and expansion of unproductive labour, especially in the circulation process.⁵⁸ Finally, state bureaucracy (at least the upper and middle strata) can also be incorporated into the luxury commodities market.

The second way of continuing the industrialization process is by displacing the circulation sphere outwards, i.e. through exports. Actually these two elements ('third demand' and exports) are complementary, because exports reactivating branches of Department III increase the level of income constituting the internal demand for the commodities concerned (demand of the capitalists and of the classes included in the 'third demand').⁵⁹ Therefore, inasmuch as the accumulation process continues there is labour power absorption, though the important repulsion effect inherent in the level of development of productive forces which define these late stages of 'import-substitution' should be kept in mind.

Finally, before we pass on to the third type of peripheral accumulation, it should be pointed out that this new external orientation of the industrialization process is not restricted only to Department III commodities. An increasing share in exports of commodities produced in Department I (such as iron and steel, some semi-industrialized products, certain processed minerals, etc.) can be observed. What is important is that in this new impetus of accumulation the state plays a crucial role which does not correspond to its traditional supporting function. Some authors have qualified this new phenomenon as 'state capitalism'.⁶⁰ Perhaps we are facing a new type of peripheral accumulation but it is too early to enter into this discussion. In any case it is normal to expect that new processes of labour power absorption will be geared in this direction.

The third type of peripheral accumulation is quite recent, making its analysis difficult due to insufficient historical perspective. It consists of production stages⁶¹ characterized by labour-intensive techniques. Its origins have to be found in the need of capital devalorization in central accumulation, where labour-intensive techniques appear as one of the means for achieving it. But the condition of exploitation in central accumulation does not allow the development of these techniques, which require very cheap labour power.⁶² Capital reacts, displacing these production stages to certain peripheral social formations where a very large supernumerary population and the kind of existing relations of political domination guarantee such cheap labour power. The fragmentary nature of this type of peripheral accumulation is shown in the absence of fully constituted branches and their substitution by stages of production. Moreover, production is exported, that is to say, this process is an 'appendage' of central accumulation.

Within this type of peripheral accumulation two variants can be distinguished. In the first case, capital does not enter into the production process and thus recreates a simple commodity form of production (sub-contracting system). Here we are facing a situation of 'domiciliary work' that we shall analyze in relation to relative surplus-population. In the second case, capital becomes directly productive. The extension of capital-labour relations combined with the low organic composition of capital, which characterizes it as reaction to capital devalorization, means that the repulsion effect does not arise as the prevailing one; on the contrary, so far the process has mainly been labour absorbing. As Trajtenberg points out:

The structural conditions of underdevelopment often lead at the same time to a high level of unemployment and underemployment, providing a reserve of actually available labour (or labour potentially available with minor incentives and no transformation of the basic structure of the economy). This second aspect is important for the continuance of the initial incentive to invest. Otherwise, increased demand for labour (from foreign investment) might quickly disturb the wage level inducement. This point is of particular significance in this form of internationalization owing to the noticeable amount of direct employment created, unlike other types of penetration by transnationals where only a very small part of labour force is affected.⁶³

Nevertheless, as we have mentioned earlier, lack of historical perspective is a problem that does not allow us to draw any firm conclusion. Thus, future inherent limits to this process can be observed, as Mandel points out:

The more the tendency for branches of light industry to be transferred to countries with cheap labour-power develops, the sharper will become the corresponding competitive struggle in these branches or directly affected by them. This struggle will take the form of increasing rationalisation and automation and will thus cancel out the temporary difference in wage levels that now gives an advantage to the underdeveloped countries. In other words, it will eliminate the surplus-profits hitherto achieved in these countries.⁶⁴

PERIPHERAL ACCUMULATION AND RELATIVE SURPLUS-POPULATION

As stated in the introduction, we shall approach the question of the formation of a supernumerary population in terms of its several strata or forms. In this regard, all such forms should be defined according to Marx's analysis.⁶⁵

Marx considered four forms of relative surplus-population: namely, the floating, the latent, the stagnant and a fourth which 'dwells in the sphere of pauperism'.⁶⁶ A first distinction that Marx made between these forms was in terms of the way in which they performed their function in relation to accumulation. Thus, the three first were considered by Marx as active while the fourth was qualified as passive. For Marx the latter was constituted, 'exclusive of vagabonds, criminals, prostitutes, in a word, the 'dangerous class' (the lumpenproletariat), of three groups: first, 'those able to work', second, 'orphans and pauper children', and finally, 'the demoralised and ragged, and those unable to work'.⁶⁷ It is in relation to this form of relative surplus-population that the whole question of absolute pauperism has to be referred.⁶⁸ As Marx said, in describing 'social assistance':

Pauperism is the hospital of the active labour-army and the dead weight of the industrial reserve army. Its production is included in that of the relative surplus population. Pauperism forms a condition of capitalist production, and of the capitalist development of wealth. It enters into the 'faux frais' of capitalist production; but capital knows how to throw these, for the most part, from its own shoulders on to those of the working class and the lower middle class.⁶⁹

This remark is important because it leads to the question of the necessity to reproduce the supernumerary population as a whole, especially the passive form. Here, the question of the state providing such maintenance as one of the general conditions for the accumulation process is raised. Labour can be reproduced as a commodity (i.e. labour power) either by being integrated into the production process or by being maintained in the relative surplus-population. In the first case, each individual capital, employing workers, guarantees automatically the reproduction of labour power. But in the second case, individual capitals cannot provide the maintenance of the supernumerary population. The state then has to intervene, guaranteeing the reproduction of the main commodity of the production process, i.e. labour power. Moreover, the existence of a relative surplus-population is required by the functions which it performs vis-à-vis accumulation. As Brunhoff has pointed out:

Discipline du travail, insécurité de l'emploi, permanence de l'approvisionnement en force de travail prolétarienne au moindre coût possible: la combinaison de ces aspects implique une intervention étatique immanente au procès d'accumulation capitaliste en même temps que fondamentalement extérieure à ce procès. L'extériorité de la gestion étatique de la force de travail est la condition même de son immanence.⁷⁰

In this regard, the state ideological apparatuses, especially the school, play a crucial role.⁷¹ Through the state capital tries to ensure a labour power supply that is adequate for its own needs. These needs become more accentuated when the capitalist division of labour leads to a heterogenization of labour power with the introduction of 'skills'. The state then appears as the main instrument in the provision of such 'skills'.⁷²

The first active form that we shall consider is the *floating* one, being the most adapted to the changing nature of the accumulation process. Marx described it in the following terms:

In the centres of modern industry - factories, manufacturers, iron works, mines, etc. - the labourers are sometimes repelled, sometimes attracted again in great masses, the number of these employed increasing on the whole, although in a constantly decreasing proportion to the scale of production. Here the surplus-population exists in the floating form.⁷³

It represents the strata closest and most directly related to the CMP. In this sense, labour power in its use can be totally adapted and moulded to the needs of capital valorization.⁷⁴ The *stagnant form* is different. According to Marx it 'forms a part of the active labour army, but with extremely irregular employment. Hence it furnishes to capital an inexhaustible reservoir of disposable labour-power.'⁷⁵ Its 'irregularity', its main feature, makes it possible for 'its conditions of life to sink below the average normal of the working class; this makes it at once the broad basis of special branches of capitalist exploitation. It is characterized by maximum of working time, and minimum of wages.'⁷⁶ Such an irregularity is possible due to the origins of this form of supernumerary population. As Marx pointed out, the exemplification of this form should be found in domiciliary work. That is to say, the formation of this stratum shows an articulation process between the CMP and the petty commodity form of production. Viewing the stagnant form in this way is crucial for understanding its existence in peripheral social formations, as we shall see later.

The last form is the *latent* one, a specific product of accumulation in the agrarian branch.⁷⁷ Such a specificity relates to the boundaries that accumulation faces in this productive branch, due to the fact that land is the only means of production which is not reproducible in an enlarged way.⁷⁸ This means that the repulsion effect will become the only one without any possibility of being counter-vailed. The existence of this absolute limit implies the displacement of the relative surplus-population generated in the agrarian branch towards the industrial one, a phenomenon which, in spatial terms, is expressed in terms of rural-urban migratory flows. That is the reason why vis-à-vis the agrarian branch this form appears as latent. As Marx pointed out:

Part of the agricultural population is therefore constantly on the point of passing over into an urban or manufacturing proletariat, and on the look-out for circumstances favourable to this transformation. (Manufacture is used here in the sense of all non-agricultural industries). This source of relative surplus-population is thus constantly flowing. But the constant flow

towards the towns presupposes, in the country itself, a constant latent surplus-population, the extent of which becomes evident only when its channels of outlet open to exceptional width. The agricultural labourer is therefore reduced to the minimum of wages, and always stands with one foot already in the swamp of pauperism.⁷⁹

From this heterogeneous view of the supernumerary population its functions can be redefined. In the case of the 'reserve' function, the floating stratum can better perform such a function. In the case of the 'wage' function, the fractioning of the relative surplus-population produces different degrees of labour power devalorization. Rosa Luxemburg, relating the different strata of the relative surplus-population to the space of trade union action, hinted at this as follows:

L'armée de réserve industrielle limite l'action syndicale dans l'espace: n'est accessible à l'organisation et à son influence que la couche supérieure des ouvriers d'industrie les mieux situés chez lesquels le chômage n'est que périodique et 'flottant' selon une expression de Marx. La couche inférieure de prolétaires ruraux sans qualification affluant vers les villes, des professions semi-rurales irrégulières comme la fabrication de briques, etc., se prête beaucoup moins à l'organisation syndicale, ne serait-ce que par ses conditions spatiales et temporelles de travail et par le milieu social. Les vastes couches inférieures de l'armée de réserve, les chômeurs à l'occupation irrégulière, l'industrie à domicile, les pauvres occupés occasionnellement, échappent à l'organisation. Plus la misère est grande dans une couche prolétarienne, et moins l'influence syndicale peut s'y exercer.⁸⁰

These remarks on functions of the supernumerary population raise an important issue on the maintenance of those functions in the monopolistic stage; this issue is directly linked with peripheral accumulation, due to the fact that peripheral accumulation has a predominant monopolistic character. Certain authors who favour the so-called 'marginality' approach have denied any functionality of the relative surplus-population in the monopolistic stage.⁸¹ In relation to 'wage' function the argument is reduced to the 'skilled' fraction of labour power. It is the floating stratum which acts upon this fraction and it is precisely in this situation wherein trade union action does not face important limits. In this sense, it is clear that the 'wage' function tends to be minimized, but the weakness of the argument lies in the identification of 'skilled' labour power with monopoly capital and unskilled labour power with non-monopoly capital. Monopoly capital still exploits a significant fraction of unskilled labour power which cannot so strongly resist devalorization; therefore, a supernumerary population still has a function to perform. In the case of the 'reserve' function the argument is based on the prevailing repulsion affecting productive labour power. Here it is necessary to distinguish two dimensions. The first relates to the cyclical nature of capital valorization. In this sense there is always a 'reserve' function.⁸² In a more structural dimension it is obvious that the limits to the absorption of productive labour power make the supernumerary population functional. But again the analysis has a reduced scope, since

extension of capital-labour relationships continues in the unproductive spheres. For unproductive labour power the relative surplus-population is still functional.

In a situation of peripheral accumulation it is necessary to reformulate the previous remarks. The main issue is that peripheral social formations are not totally homogenized and the conservation of pre-capitalist forms of production implies that a significant set of social agents are not *fully* and *directly* proletarianized. In this case, by definition, this set cannot be included in the supernumerary population. Nevertheless, this does not mean that they do not have any relation to it at all. The forms of production which define this set are dominated by the CMP; that is to say, their reproduction can be only a relatively autonomous one. In this sense this population cannot be considered as an independent element as the marginality approach has asserted.⁸³ We think it would be more correct to qualify it as a *potential* supernumerary population. In a certain way, it should be considered as the passive form of the relative surplus-population but with the difference that its magnitude does not allow it to be considered as 'dead weight' for capital. The possibility of its own reproduction avoids this.⁸⁴ Another consideration is that possibly a great deal of this potential supernumerary population never reaches the condition of an actual one due to the size of the accumulation process.

In the first type of accumulation ('primary-export') the fact that there are limits to labour power absorption makes the 'reserve' function superfluous. But that is not the case for the 'wage' function. There is no reason why capital will not try to devalorize labour power as much as possible.⁸⁵ In the second type of peripheral accumulation ('import-substitution'), on which the 'marginality' approach has been concentrated, we can use similar arguments to those used in relation to the monopolistic stage in general. There is still a 'wage' function to perform vis-à-vis the unskilled labour power exploited by monopoly capital and there is a 'reserve' function to perform in relation to the emergent unproductive labour power. Obviously the size of this unproductive labour power is proportionally smaller than in central accumulation and therefore, in this sense, the 'reserve' function tends to lose in significance. But the fact that this type of accumulation does not become stagnant and a new type of accumulation process is emerging, raises the importance of this 'reserve' function, now vis-à-vis productive labour power. Finally, in the third type of peripheral accumulation ('export-oriented industrialization') the two functions of the supernumerary population are crucial for the reproduction of this type of accumulation. On the one hand, cheap labour power constitutes the very essence of this process and a large relative surplus-population is absolutely necessary. On the other hand, this type of accumulation provides an important 'reserve' function for central accumulation, as we shall see later.

These introductory remarks will now allow us to deal with each of the active forms of relative surplus-population, examining their relations to the different types of peripheral accumulation pointed out in the previous section.

It can be deduced from the initial remarks that the floating form tends to be minimized. Such a fact shows why it is not convenient to trace a clear distinction between the supernumerary population in a strict sense and the rest of the population which is not absorbed in the CMP. In fact, the latent and the stagnant forms appear as the most relevant within a peripheral accumulation process. Our analysis will therefore focus on those forms, starting with the latent one.

In our previous more abstract analysis, a full development of capitalism in agriculture was implied; in other words, the non-existence of pre-capitalist relations of production although, given the peculiar development of the CMP in this branch, a parcellary form of production emerges. In the case of peripheral social formations the persistence of pre-capitalist relations of production is more pronounced. Two kinds of situations can be distinguished which correspond to the two processes of proletarianization that were analyzed in relation to the first type of peripheral accumulation. Firstly, there is the case of a capitalist circulation process, i.e. where rent is integrated into the accumulation process on a world scale and reproduced as such.⁸⁶ Secondly, the absence of previous articulation with accumulation on a world scale, where extra-economic coercion was required in order to constitute 'free' labour. We are concerned now with the way in which a relative surplus-population is generated in these two situations.

In the first case, the 'agrarian reform' road means the tendency to instal a parcellary form of production which, due to its subordinated nature, creates the conditions for the further development of capitalism in agriculture, if this has not emerged in the initial stage. The higher degree of development of productive forces allowed by the capitalist relations of production has a dissolution effect on the parcellary form of production with the subsequent proletarianization of the lowest strata of the peasantry and the formation of relative surplus-population, given the obvious limits to the absorption of labour power in the agrarian branch of the CMP. An outstanding example of such a process is the so-called 'green revolution' which, as Zarembka has pointed out, is no more than the 'struggle against the peasantry through development of productive forces'.⁸⁷ In the second case, after the initial phases of forced commoditization or proletarianization, the submitted modes and forms of production are to a certain extent conserved, due to the functions that they perform.⁸⁸ This new situation of subordination implies an easier way of appropriating the produced surplus. Such a fact is expressed in several ways. In Amin's words:

L'arsenal des moyens administratifs mis en oeuvre pour obliger le paysan à produire ce que l'on veut qu'il produise, et de la manière dont on le veut, est riche: de l'obligation pure et simple, à celle à peine voilée par l'imposition en argent, alors que l'on offre de ne lui acheter qu'un seul produit, ou à l'obligation découlant de l'action dite de promotion ou de modernisation des services de l' 'encadrement rural' - vulgarisation accompagnée de ventes pratiquement forcées des matériels (charrues, semoirs, houes attelées, insecticides, engrais ...) - 'sociétés de prévoyance' et 'coopératives' etc. L'intervention constante de l'administration dans le processus productif conditionne et

complète celle du capital: tant de la partie visible de ce capital - commerce colonial et agents subalternes, transportos - que de sa partie 'invisible', la fraction immergée de l'iceberg, c'est-à-dire du capital des industries de transformation localisées en Europe ou sur la côte d'Afrique. Encore une fois le capital est social avant d'être parcellisé.⁸⁹

But the increasing appropriation of this produced surplus, responding to changes in the international market, is in contradiction with the prevailing pre-capitalist relations of production due to the relatively low level of development of productive forces which can develop. Such an increase is based primarily upon intensification of labour. The producer's reaction to this pressure is emigration, initially to virgin lands and, when this possibility is exhausted, to the CMP itself.⁹⁰ The outcome is the same as that of the latent form of supernumerary population although its genesis is different.⁹¹

Before analyzing the last form of relative surplus-population a final remark on the latent form is necessary. A specific of the peripheral accumulation is that this latent form, in spite of its displacement towards the industrial branch, does not necessarily become explicit. Normally it is integrated into what we have called potential supernumerary population.⁹²

We have said that the stagnant form expresses mainly an articulation between the dominant CMP and the petty commodity form of production, and also that this form of production was subjected to a dissolution effect during the pre-imperialist stage. But in the imperialist stage this form is re-created mainly due to the fact that the dominant CMP does not homogenize the (peripheral) social formation. Moreover, the partial development or absence of Department II combined with the fact that local demand is mainly composed of luxury commodities, implies that the reproduction of exploited classes cannot be totally guaranteed by the CMP itself. This is the main reason for the conservation of the petty commodity form of production. Le Brun and Gerry state this as follows:

Since it uses an essentially capital-intensive production, industrial capital only employs a very small proportion of the urban active population in underdeveloped countries. Consequently, the market for the commodities produced by industrial capital is very small, despite income-redistribution from wage-earners to their dependents. Only petty production is capable of satisfying the largest part of the consumption requirements of the urban masses (clothing, footwear, housing and furniture, household effects, transport, repairs and cooked food). This is the principal factor in the conservation of petty production. However, conservation does not take place in a static sense: workshops and petty enterprises are developed and transformed, regress and disappear. In fact, this internal growth is almost exclusively involutory, taking place against a backdrop of restrictions, constraints and distortions imposed by the dominant capitalist mode of production.⁹³

The re-creation and conservation of this form of production provides the material basis for the existence of a stagnant stratum of supernumerary population, but it only appears in two kinds of situations. The first takes place in the second type of peripheral accumulation and tends to be located in relation to the first industrial branches to develop; as we have pointed out, these are mainly dominated by non-

monopoly capital. The reproduction of this capital depends mainly on the ability to maintain a high rate of surplus value, using labour power extracted from this stagnant form of relative surplus-population.⁹⁴ The second situation refers to the third type of peripheral accumulation, the existence of cheap labour power being the foundation of this type. One possible variant of this process is the re-creation of the domiciliary worker. This was the example *par excellence* of the stagnant form of supernumerary population pointed out by Marx. Also, in relation to this situation it is important to mention its complementarity,⁹⁵ and even its possible partial substitution for the international migratory flows. Moreover, the case of the domiciliary worker provides a clear 'reserve' function, as Trajtenberg points out:

... the constitution of a new reserve army of labour through this cheap labour expansion abroad partly substitutes for the need for this mass of migrants. But not only that. For instance, the system of subcontracting, characteristic of the second variant mentioned above, provides a reserve as flexible as the one required by early accumulation in the centre. Thus, the shifting towards subcontracting, with no change in activity of artisans, becomes the moving frontiers of the capitalist industrial sector and, at the same time, the central economies in a wider sense.⁹⁶

To sum up, specific to the question of relative surplus-population in a frame of peripheral accumulation is the existence of higher potential supernumerary population. This is related to the insignificance of the floating form in spite of the monopolistic nature of the accumulation process. This leads to the importance of the two other forms that become predominant. Moreover, these forms have quite particular processes of formation as products of the specificity of peripheral accumulation.

NOTES

1. The amount of overpopulation posited on the basis of a specific production is thus just as determinate as the adequate population. Overpopulation and population, taken together, are the population which a specific production basis can create. The extent to which it goes beyond its barrier is given by the barrier itself, or rather by the same base which posits the barrier. Just as necessary labour and surplus labour together [are] the whole of labour on a given base.

K. Marx: *Grundrisse, Foundations of the Critique of Political Economy (Rough Draft)* (Harmondsworth: Penguin, 1973), 605.

and, ...in fact every special historic mode of production has its own special laws of population, historically valid within its limits alone. An abstract law of population exists only for plants and animals, and only in so far as man has not interfered with them.

Marx: *Capital*, Volume I (London: Lawrence and Wishart, 1967), 632.

2. *Grundrisse*

3. It is an exaggeration to state, as P. Singer ('Elementos una teoría do emprego aplicável a países não desenvolvidos', *Cadernos CEBRAP* 18, São Paulo, 1970, 5) does, that in pre-capitalist social formations there did not exist a relative surplus-population because any social agent was automatically incorporated in the social division of labour, due to the fact of being a member of those social formations. In our opinion, there have been relative surplus-populations in pre-capitalist social formations, although to a limited extent and not comparable to that existing in capitalist formations. We agree with R. Luxemburg (*Introduction à l'économie politique*, Paris: Anthropos, 1971, 240) that no previous social formations (to the capitalist ones) knew such a permanent and increasing generation of supernumerary population. She pointed out only one exception: the Roman urban 'proletariat', a product of the dissolution of the peasantry by the expansion of the latifundia and the use of slave labour. But this fact was the outcome of the particular development of the slave mode of production in the Roman social formation. For an analysis on this question see P. Anderson: *Passages from Antiquity to Feudalism* (London: New Left Books, 1975), 53 ff.

4. A clarification of this term is necessary. J. Nun ('Superpoblación relativa, ejército industrial de reserva y masa marginal', *Revista Latinoamericana de Sociología*, No: 2, 1969, 180 ff), following an Althusserian path, considers that the term 'relative surplus-population' corresponds to the general theory of Historical Materialism while the term 'industrial reserve army' corresponds to the theory of the capitalist mode of production. F.H. Cardoso ('Comentario sobre los conceptos de superpoblación relativa y marginalidad', *Revista Latinoamericana de Ciencias Sociales*, June-December 1971, 60), from his typical anti-Althusserian posture, criticizes such a distinction. We are not going to enter into a long epistemological discussion. We agree with Nun insofar as the term 'industrial' in Marx's *Capital* is closely related to capital, but Cardoso is also right in pointing out that such a distinction is not at all clear in Marx's work. We employ the term 'relative surplus-population' because it is the one used by Marx in that section of the first volume of *Capital* that is devoted to this issue.

5. In this sense, labour becomes 'free'. But this 'freedom' has to be understood in a twofold way as J.P. de Gaudemar (*Mobilité de travail et accumulation de capital*, Paris: Maspéro, 1976, 124) points out. It has a 'positive' sense, as total separation, but also a 'negative' one because the necessity of reproduction leaves only one possibility, i.e. to sell labour (power) to capital.

6. K. Marx: *Capital*, 167.

7. *Ibidem*, 510.

8. A.D. Magaline: *Lutte de classes et dévalorisation de capital* (Paris: Maspéro, 1975), 72.

9. Magaline (*ibidem* 76 ff) points out that Marx analyzed three other ways of labour power devalorization. The first was the disappearance or diminution of the cost of apprenticeship. The second consisted in the use of women, children and population from the colonies as labour power. And the last was the partial diminution of use value of labour

power. (As we shall see, this last form of labour power devalorization has a crucial significance for our analytical purpose.) As can be seen, the three imply processes situated outside the productive one, and therefore, the control by capital is not direct, as is the case with the development of productive forces.

10. To redefine the whole question of development of productive forces in terms of capital valorization - labour power devalorization means to place it in its correct terrain: *the class struggle*. That is in our opinion the importance of Magaline's analysis, ending mechanistic interpretations which are based upon a formalistic separation between relations of production and productive forces. Such an understanding is of great importance, as we shall see immediately, in relation to the question of relative surplus-population.

11. *Capital*, 621-622.

12. *Ibidem*, 622.

13. *Ibidem*, 612.

14. With the growth in the proportion of constant to variable capital, grows also the productivity of labour, the productive forces brought into being, with which social labour operates. As a result of this increasing productivity of labour, however, a part of the existing constant capital is continuously depreciated in value, for its value depends not on the labour time that it costs originally but on the labour time with which it can be reproduced and this is continuously diminishing as the productivity of labour grows. Although, therefore, the value of constant capital does not increase in proportion to its amount, it increases nevertheless because its amount increases even more rapidly than its value falls.

(K. Marx: *Theories of Surplus Value*, Part 2, London: Lawrence & Wishart, 1968, 415-16).

15. *Capital*, 630.

16. But if a surplus labouring population is a necessary product of accumulation or of the development of wealth on a capitalistic basis, this surplus-population becomes conversely the lever of capitalistic accumulation, nay a *condition of existence* of the capitalistic mode of production. It forms a disposable industrial reserve army, that belongs to capital as absolutely as if the latter had bred it at its own cost. Independently of the limits of the actual increase of population, it creates for the changing needs of the self-expansion of capital, a mass of humans always ready for exploitation. (our emphasis)

(*Ibidem*, 632).

17. As, for example, the links of the labourer or producer with the land, or his insertion into a labour corporation. See F.H. Cardoso, 'Comentario sobre los conceptos', 66.

18. *Capital*, 639.

19. Magaline: *Lutte de classes*, 79.

20. On this point we disagree with J. Nun ('Superpoblación relativa', 198) when he considers this function as 'indirect' and therefore of minor importance. If Nun is right in criticizing O. Lange and P.M. Sweezy (*Ibidem* 191 ff) in their interpretation of the function of the relative surplus-population, pointing out the origin of their common

error (their mechanistic understanding of development of productive forces), it is not correct to conclude that this second function is not a main one. A proper interpretation of the question of the development of productive forces, such as Magaline has done, allows us to understand how this function is equally important for the accumulation process. Moreover, Marx did not give priority to one of the functions. The same remark holds for R. Luxemburg (*Introduction*, 238). For both authors the two functions are equivalent in importance.

21. These functions can be labelled, for the sake of simplicity, as A. Quijano ('Redefinición de la dependencia y marginalización en América Latina', *Cuadernos de la Sociedad Venezolana de Planificación*, no. 94-85 [November-December 1971], 12) has suggested: 'reserve' function for the first one, and 'wage' function for the second one.

22. K. Marx: *Capital*, 614.

23. P. Zarembka: 'The Capitalist Mode of Production: Economic Structure', in P. Zarembka (ed): *Research in Political Economy*, Vol. I (Greenwich: JAI Press, forthcoming), 15 ff.

24. The following analysis is restricted to the structural dimension. Therefore, we do not consider their interplay in the context of the cyclical nature of the accumulation process.

25. We understand competition as Marx (*Capital*, 592) did:

... 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.

This definition implies that competition is only the means of imposing on individual capitals the tendencies (laws) governing accumulation, but not the origin and source of accumulation.

26. Magaline: *Lutte de classes*, 74.

27. E. Mandel: *Late Capitalism* (London: New Left Books, 1975), 186.

28. A possible way of overcoming this limit is to penetrate non-capitalist markets. Pre-capitalist markets are today negligible but the so-called 'socialist' countries can provide a possible solution.

29. We cannot enter into debate concerning the characterization of productive and unproductive labour. However, we are forced to make explicit our criteria of distinction. We define productive labour power as labour exchanged against variable capital (i.e. having a wage form), producing commodities for the reproduction of capital and labour power (i.e. commodities produced in Departments I and II) and incorporating surplus value for the direct valorization of capital (i.e. located in the productive process).

30. This displacement is necessary because, as Zarembka points out: Once the initial stage of capital accumulation is more or less completed, capital must squarely face the contradiction between its drive to accumulate capital and the narrow base of that accumulation, the contradiction between using surplus value for more means of production and the ultimate need to realise sale of the commodities produced with the help of those means of production.

('The Capitalist Mode of Production', 30).

One of the main ways of mitigating this contradiction is the use of surplus value in non-productive processes.

31. Actually this kind of unproductive labour was considered by Marx as 'indirectly productive' (A. Berthoud: *Travail productif et productivité du travail chez Marx* [Paris: Maspéro, 1974], 75 ff); that is to say, entering indirectly in the valorization of capital and therefore having an impact on the rate of profit. See P. Salama: 'Développement d'un type de travail improductif et baisse tendancielle du taux de profit', *Critiques de l'Economie Politique*, No. 10 (January-March 1973), 141 ff.

32. We understand services as labour which is not exchanged against capital but against income; its product or activity is immediately consumed.

33. Mandel: *Late Capitalism*, 406.

34. *Ibidem*, 277.

35. This does not mean that the introduction of mechanization into some unproductive processes does not lead to repulsion. See H. Braverman: *Labour and Monopoly Capital* (New York: Monthly Review Press, 1974), 326 ff.

36. B. Rowthorn: 'Mandel's "Late Capitalism"', *New Left Review*, No. 98 (July-August 1976), 81-82.

37. The terms 'pre-imperialist' and 'imperialist' are used in relation to the periodization on the world scale.

38. C. Palloix: *L'internationalisation de capital* (Paris: Maspéro, 1975), 94.

39. As Mandel (*Late Capitalism*, 187-188) has shown, the shift of the accumulation emphasis from Department II (from which the penetration and dissolution of pre-capitalist forms and modes of production were accomplished) to Department I meant difficulty in valorizing the higher created mass of surplus value by that jump in the level of development of productive forces. To export it to peripheral social formations was one of the main solutions.

40. These two departments constitute Marx's schemes of reproduction which express the conditions of continuity of capitalist production as a whole, abstracting from the concrete conditions of the development of the CMP. See E. Mandel: *Marxist Economic Theory* (London: Merlin Press, 1971), 328.

41. S. Amin: 'Accumulation and Development: a theoretical model', *Review of African Political Economy*, No. 1 (August-November 1974), 12 ff.

42. S. Amin: *L'accumulation à l'échelle mondiale* (Paris: Anthropos, 1972), 226.

43. C. Bettelheim: 'Remarques théorétiques' in A. Emmanuel: *L'échange inégal* (Paris: Maspéro, 1972), 322.

44. This form of production was previously, in the pre-imperialist stage, subjected to dissolution, as a result of the necessity of central accumulation to expand its markets. Such a process of destruction was not accompanied by subsequent labour power absorption because it was externally induced through imports. See S. Amin: *L'accumulation à l'échelle mondiale*, 177-78.

45. That is one of the main causes explaining the hyper-development of the so-called 'tertiary activities' in peripheral social formations. *Ibidem* 224 ff, and P. Salama: *Le procès de sous-développement* (Paris: Maspéro, 1972), 175 ff.
46. An epistemological remark of great importance is necessary on this point. These types are not 'models' in a formalistic sense reflecting concrete social formations or a certain set of them. The task of concrete analysis is to see how they articulate and to point out the mutual modification which that implies.
47. In relation to the periodization of imperialism we follow N. Poulantzas ('L'internationalisation des rapports capitalistes et l'état-nation', *Les Temps Modernes* [February 1973], 1462 ff), who distinguishes a first phase of *transition*, starting at the end of the 19th century until the First World War, a second phase of *consolidation*, covering the inter-war period, and the *present* one, including the whole period from the Second World War to the present day.
48. We do not refer to all cases of 'export-oriented industrialization' but only when this process was initially set up as such. The cases emerging as response to the limits of 'import-substitution industrialization' are analyzed in this second type of peripheral accumulation.
49. E. le Bris, P.P. Rey, M. Samuel: *Capitalisme négrier* (Paris: Maspéro, 1976), 49 ff.
50. One of the main means is the existence of a higher income (wage) level, implying a higher level of reproduction than in the already subordinated pre-capitalist forms of production. This way of stabilizing labour power is for G. Arrighi ('International Corporations, Labour Aristocracy and Economic Development', in R.I. Rhodes [ed]: *Imperialism and Underdevelopment* [New York: Monthly Review Press, 1970] 237 ff) a factor contributing to the existence of what he labels 'labour aristocracy'.
51. A. Córdoba: 'Empleo, desempleo, marginalidad y distribución del ingreso en América Latina', *Cuadernos de la Sociedad Venezolana de Planificación*, No. 94-95 (November-December 1971), 70.
52. G. Kay (*Development and Underdevelopment: A Marxist Analysis*, London: The MacMillan Press, 1976, 126), adds a new one to these conditions: organization of primary production in which 'net revenue already took the form of capital, or could easily become capital'.
53. Thus this peripheral accumulation was used as receptacle of important masses of productive capital that was under pressure of devalorization in central accumulation and could again be valorized. See A.G. Frank: *Lumpenbourgeoisie: Lumpendevelopment* (New York: Monthly Review Press, 1972), 109.
54. Amin: 'Accumulation and Development', 14.
55. P. Salama: 'Vers un nouveau modèle d'accumulation', *Critiques de l'Economie Politique*, No. 16-17, April-September 1974, 66.
56. This process of internal differentiation of labour power is characteristic of a full development of the CMP. See C. Palloix: 'The Labour Process: from Fordism to neo-Fordism', CSE Pamphlet No.1: *The Labour Process and Class Strategies* (stage 1, 1976), 53.

57. Obviously in the case of 'skilled' workers such an integration is partial but its existence opposes those analyses which claim total separation of luxury commodities and popular commodities markets; R.M. Marini ('La dialectique de la dépendance', *Critiques de l'Economie Politique*, No. 13-14, October-December 1973, 30).
58. In this case the appearance of unproductive labour power is similar to central accumulation.
59. F.H. Cardoso: 'Las contradicciones del desarrollo asociado', *Cuadernos de la Sociedad Venezolana de Planificación*, No. 113-115 (June-August 1973), 19.
60. *Ibidem*, 13-14.
61. At present the international division of labour is characterized by a process of internationalization of branches by *segmentation* as opposed to the traditional form of international division of labour in complete branches. See C. Palloix: *Process de production et crise du capitalisme* (Grenoble: Maspéro-Presses Universitaires de Grenoble, 1977) 203.
62. Zarembka: 'Capitalist Mode of Production', 28.
63. R. Trajtenberg: 'Transnationals and Cheap Labour in the Periphery', in P. Zarembka (ed): *Research in Political Economy*, 16.
64. Mandel: *Late Capitalism*, 374.
65. In this way he advanced an explanation of phenomena that later would be described as 'disguised unemployment', 'underemployment', etc. See P. Singer: 'Elementos una teoria,' 8.
66. Marx: *Capital*, 643.
67. *Ibidem*, 643-44.
68. Outside of this context all Marx's references to pauperism relate to *relative* pauperism and not absolute. See E. Mandel: *La formation de la pensée de Karl Marx* (Paris: Maspéro, 1967), 142 ff.
69. Marx: *Capital*, 644.
70. S. Brunhoff: *Etat de Capital* (Grenoble: Maspéro-Presses Universitaires de Grenoble, 1976), 8.
71. As J.P. de Gaudemar points out:
 L'école, comme appareil de formation de la main-d'oeuvre, trouve ici sa place dans le mode de fabrication des surnuméraires. Elle participe pour une grand part - notamment par la formation professionnelle qu'elle dispense et les possibilités de recyclages individuels qu'elle ouvre - à des transformations d'une main-d'oeuvre quasi disponible en main-d'oeuvre disponible, c'est-à-dire d'une main-d'oeuvre libre, certes, mais non formée à ce qu'on attend d'elle en une main-d'oeuvre libre et apte à satisfaire des besoins précis du capital. Il n'y a en effet de disponibilité que relative. Ce qui l'est pour le travailleur ne l'est pas forcément pour l'employeur.
- and further:
 L'école (les formations en général) apparaît du même coup sous deux aspects: les qualifications qu'elle dispense ne sont pas toujours adéquates; elle produit trop ou trop peu. Trop en lançant sur le marché du travail trop de jeunes munis de diplômes dévalués ou ignorés par les employeurs. Trop peu dans

la mesure où elle est incapable de prévoir le brusque accroissement de demande d'un type particulier de travail à cause d'une quelconque mutation industrielle ou de l'apparition sur la scène productive de nouveaux métiers à la suite des transformations qualitatives des procès de production. Cette insuffisance de la structure des qualifications produites est donc le premier aspect du rôle de l'école. Le deuxième aspect découle du premier. La mise en place de nouvelles institutions de recyclage, de formation permanente, vise à réduire *par l'école* les insuffisances de l'école, dans une soumission directe, le plus souvent non médiatisée, aux impératifs du capital.

(Author's emphasis).

Mobilité de travail, 187.

72. Actually, qualification of labour power is one of the main aspects of the state's economic function in advanced capitalist countries. See I. Gough: 'State Expenditure in Advanced Capitalism', *New Left Review*, No. 92 (July-August 1975), 67.

73. Marx: *Capital*, 641.

74. It is in this sense that de Gaudemar (*Mobilité de travail* 9-10) has defined the mobility of labour (power) which is not reduced to its spatial dimension.

75. *Capital*, 643.

76. *Ibidem*, 643.

77. As soon as capitalist production takes possession of agriculture, and in proportion to the extent in which it does so, the demand for an agricultural labouring population falls absolutely, while the accumulation of the capital employed in agriculture advances, without this repulsion being, as in non-agricultural industries, compensated by a greater attraction.

(*Ibidem*, 642).

78. K. Vergopoulos: 'Capitalisme difforme (le cas de l'agriculture dans le capitalisme)' in S. Amin and K. Vergopoulos: *La question paysanne et le capitalisme* (Paris: Anthropos, 1974), 217. This is the main cause why once the agrarian branch is totally integrated into the CMP (disappearance of absolute and monopolistic rents), the distorted development generated by such a limit allows the *recreation* of the parcellary form of production with distinct degrees of capitalization. Obviously, this form is totally subordinated to the CMP, a subordination which is already inscribed in the nature of relations of production defining this form of production, as M. Gutelman (*Structures et réformes agraires* [Paris: Maspéro, 1974], 35-36) shows:

Le rapport de production parcellaire peut dès lors se définir de la manière suivante: c'est le rapport qui se noue entre le paysan travailleur, propriétaire en titre de la terre qu'il exploite et les 'propriétaires-vendeurs' de la terre. L'objet du rapport de production est le surtravail évacué sous la forme du rachat de la terre. L'axe du rapport de production est l'accès spatialement limité à la terre et l'instrument de l'orientation des flux est l'institution même du droit de propriété privée sur la terre.

79. *Capital*, 642.

80. Luxemburg: *Introduction*, 250.

81. See especially Nun ('Superpoblación relativa') and Quijano ('Redefinición de la dependencia') and 'The Marginal Pole of the Economy and the Marginal Labour Force', *Economy and Society*, vol. 3, no. 4 (November 1974).

82. Nun: 'Superpoblación relativa', 199, falls in the trap of the bourgeois notion of skill, arguing that in the monopolistic stage there has been an authentic qualification of the labour power, reducing labour power mobility. On the contrary, as Braverman (*Labour and Monopoly Capital*, 386-387) says, 'the simplification of job operations and the spread of the number and variety of jobs for which the "qualifications" have become reduced to the minimums of simple labour' create conditions for a more mobile labour power. The growth of the floating stratum expresses such a phenomenon.

83. Actually, the term 'marginality' is not a very good one, as M. Castells (*La question urbaine* [Paris: Maspéro, 1976], 69) has pointed out, because the phenomenon which it tries to designate is a product of the articulation structures in peripheral social formations, and therefore its frame of reference has to be, in the last instance, the dominant CMP. This remark holds not only for the genesis of such a process but equally for its reproduction.

84. The fact that the potential relative surplus-population reproduces itself means that the possibility of the state's intervention tends to be minimized. Such a fact mainly has consequences for adjusting labour power supply to the labour power heterogeneity introduced by monopoly accumulation. Here we find a big paradox of peripheral accumulation; in spite of very large relative surplus-population, potential or not, there are big difficulties in absorbing 'qualified' labour power.

85. Actually this case relates to the famous debate over 'unequal exchange'. Without entering into such a discussion, whatever is the cause leading to a lower wage level in the periphery, the *general condition* for labour power devalorization (i.e. a relative surplus-population) should exist.

86. From this perspective, it can be understood why there is resistance to the disappearance of the rent element. In this sense R. Batra (*Estructura agraria y clases sociales en México* [Mexico: Era, 1974], 15 ff) points out that to the 'English' road to development of capitalism in agriculture analyzed by Marx, and to the 'Prussian' or 'junker' and the 'American' or 'farmer' roads discussed by Lenin, a fourth should be added, the 'Agrarian Reform' or 'Mexican'. Its more radical content, in terms of the necessary extra-economic coercion required, corresponds to the greater resistance of the previous pre-capitalist relationships.

87. The Theory of Employment in the Periphery; Part II: Accumulation of Capital in the Periphery: Creation of Wage-Labour and Development of Productive Forces in Agriculture, Comprehensive Employment Strategies, *Working Paper No. 7*, WEP (ILO Geneva, 1976), 24 ff.

88. According to Amin ('Le capitalisme et la rente foncière' in S. Amin and K. Vergopoulos: *La question paysanne et le capitalisme* 52-53) those functions are the following:

(1) fournir de la main-d'oeuvre à bon marché à l'industrie minière et aux plantations, (2) fournir accessoirement les produits vivriers à bon marché permettant de réduire la valeur de la force de travail dans les secteurs capitalistes francs, (3) rehausser la valeur réelle de la consommation 'de luxe' des couches privilégiées (bourgeoisie compradore et bureaucratique etc ...), notamment en leur fournissant des services à bon marché (domestiques, etc.).

89. *Ibidem*, 57.

90. Le Bris et al: *Capitalisme négrier*, 66-67. Here we find one of the processes leading to the appearance of international migratory flows of labour power from the peripheral social formations to central ones. In this way this labour power substitutes for the exhausted local stratum due to full development of capitalism in agriculture in these central social formations. It acts before its absorption as latent stratum of the supernumerary population. See Braverman: *Labour and Monopoly Capital*, 387; S. Castles and G. Kosack: 'The Function of Labour Immigration in Western European Capitalism', *New Left Review*, No. 73 (May-June 1973), 5 ff.

91. A similar process can be pointed out when the pre-capitalist relations of production which originated in the pre-imperialist stage still subsist, and important changes in the international market lead to the crisis of pre-capitalist agriculture.

92. But it does not exclude direct incorporation in the accumulation process as J. Breman ('A Dualistic Labour System? A Critique of the "Informal Sector" Concept. II: A Fragmented Labour Market', *Economic and Political Weekly*, Vol. XI, No. 49 [December 4, 1976], 1907) shows:

In practice, however, access to employment occurs at different levels, dependent on the socio-economic background, education, availability or lack of protection, etc. Under otherwise equal conditions, determinants of a high ranking in the rural system are converted into advantages over other categories of migrants who, conversely, see their former backward position within the village continued in the urban environment.

93. O. Le Brun and C. Gerry: 'Petty Producers and Capitalism', *Review of African Political Economy*, No. 3 (May-October 1975), 29-30.

94. A. Quijano: 'The Marginal Pole of the Economy', 425.

95. Braverman: *Labour and Monopoly Capital*, 387.

96. Trajtenberg: 'Transnationals and Cheap Labour', 18.