PSL Quarterly Review

vol. 78 n. 313 (June 2025)

Article

Surplus approach, Historical Materialism, and precapitalist economies: Some open questions

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Abstract:
In the classical economists' surplus approach retrieved by Sraffa (1951; 1960) and Garegnani ([1960] 2024), institutions regulate the material basis of society and, in particular, the extraction and distribution of the social surplus. In this regard, classical theory provides a material anchor, alternative to neoclassical New Institutional Economics, to anthropological, archaeological and historical studies of precapitalist economies. Expunged of any teleological meaning, Marx's Historical Materialism (HM) is a natural source of inspiration for this interdisciplinary perspective. The nature and dynamics of Marx's notion of modes of production (MOP) are not, however, firmly defined and have been the object of over-complicated doctrinal disputes among Marxists. Since I am unable to provide a comprehensive overview of these debates, I will limit myself to a few aspects that seem to me to be most central or that best convey the issue. The question of MOP dynamics is the most relevant and complex. All in all, the most mature Marx leaves us a very flexible reading of HM as a method of connecting economic, social, and institutional history that can be broadly shared by non-Marxists.

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How to cite this article:
Cesaratto S. (2025), "Surplus approach, Historical Materialism, and precapitalist economies: Some open questions", *PSL Quarterly Review*, 78 (313), pp. 205-224.

DOI: https://doi.org/10.13133/2037-3643/18998

JEL codes:
A12, B51, B52, Z13

Keywords:
surplus approach, Historical Materialism, mode of production, anthropology, archaeology, agency

Journal homepage:
https://rosa.uniroma1.it/rosa04/psl_quarterly_review

Previous papers by Cesaratto and Di Bucchianico (2021a, 2021b) and Cesaratto (2024a, 2024b) examined some controversies on precapitalist economic formations in economic anthropology, archaeology and history in light of the classical surplus approach recovered by Sraffa (1951; 1960) and Garegnani ([1960] 2024, 1984). We suggested the inseparability of the analysis of socio-political institutions, on the one hand, and production, distribution and conflict over the social surplus, on the other hand. Although the classical surplus approach should not be identified with Marxism – many of its supporters are not Marxists and other lineages might be envisaged (cf. Roncaglia, 1991, and Bellino, 2015) – Historical Materialism (HM) looks like a natural completion of surplus theory when applied to economic and institutional history. The central concept of HM is that of the mode of production (MOP). This subsumes an economic aspect, related to the material extraction and distribution of the social surplus; it has an institutional side concerning

* I thank Sebastiano Taccola, Franklin Serrano, Alessandro Le Donne, Paolo Trabucchi and two anonymous referees for valuable comments on earlier versions of this paper. I also thank Giancarlo Bergamini for help in editing the text.

the political and normative regulation of economic relations and an ideological aspect aimed at creating social consensus. There is little doubt that the relationship between economic interests and political-ideological forms has become common sense and recognizing this relationship does not brand one a Marxist.

Both Karl Marx and Karl Polanyi, as we shall see, acknowledged that in capitalism the economic-social relations are mostly regulated by market exchanges and competition and are therefore amenable to mathematical-formal investigation, whereas in earlier economic formations production and distribution of the social surplus (if any) were more mediated by political or personal relations. Despite their different institutional regulations, one advantage of the surplus approach is that the same theory is appliable, *mutatis mutandis*, to market economies and to nonmarket formations.[1] As the mature Marx ([1867] 1974, p. 226) stated:

> Capital has not invented surplus labour [work provided beyond what is necessary for the reproduction of the livelihood of the working class]. Wherever a part of society possesses the monopoly of the means of production, the labourer, free or not free, must add to the working time necessary for his own maintenance an extra working time in order to produce the means of subsistence for the owners of the means of production, whether this proprietor be the Athenian [aristocrat], Etruscan theocrat, civis Romanus, Norman baron, American slave-owner, Wallachian boyard, modern landlord or capitalist.

By wrongly identifying economic analysis with marginalism and by rejecting surplus theory, Polanyi (1957) and his disciple, the great historian Moses Finley (1973), side-lined the application of economic theory to nonmarket formations (Cesaratto, 2024a). Marginalist economists are, of course, at pains to apply their theory to ancient economies unless they could show some prevalence of market exchanges (e.g., Temin, 2013). Later, New Institutional Economics (NIE) has turned the tables, explaining nonmarket economic institutions in ancient economies as the result of market failures (sort of). The difficulties that the major exponent of NIE in the field of economic history, Douglass North, has progressively met in explaining institutions are discussed elsewhere (Ogilvie, 2007; Krul, 2018; Cesaratto, 2024b). Not surprisingly, signs of dissatisfaction emerge in ancient studies about NIE (Murray and Bernard, 2024; Cesaratto, 2025).

North's contribution can be thus seen as a (failed) mainstream challenge to HM, recognised as a compact and consistent reading of economic, institutional, and cultural history. In reality, HM is not such a compact and complete theory. While this is a sign of openness and vitality – contrary to the popular opinion of Marxism as a closed doctrine – there is a Pandora's box of questions over the definition and laws of change of MOPs. The temptation is, however, to close the box immediately, since, lamentably, the Marxist debate is not only vast but often verbose and self-referential.

In a static sense, there are several definitional issues left behind by Marx concerning a long list of terms, including mode of production, social formation, structure, super-structure, forces of production, relations of production, forms of exploitation, let alone his very rough list of historical MOPs. Beyond semantic questions, common sense (or consensual) Marxism regards institutions as complementary to surplus extraction, namely *functional* to the regulation of social conflict and the preservation of the élite's power. This role of institutions has been challenged by mainstream NIE economists and by self-defined "Analytical Marxists", both of whom point to the lack of a "micro-foundation" of this functionalism.

[1] The concept of social surplus is widely employed in archaeology and anthropology, although not necessarily from a Marxist perspective (see, for instance, Groot and Lentjes, 2013). The earliest shining application in archaeology was Vere Gordon Childe (1892-1957), (see, e.g., Childe, 1942). For a modern application, see Frangipane (2018). A review of Marxism in archaeology is Trigger (1993).

In a dynamic sense, further and more challenging problems lie in the definition of the laws of change of the MOPs. Is it due to the evolution of the forces of production (aka production techniques) or to the breaking of some social equilibrium in the relations of production (aka class struggle); or, instead, to the occurrence of some exogenous event as the development of trade? At the bottom of the different positions, one can trace a division, typical of the social sciences, between those who look at social processes primarily through the more materialist (but also determinist) lenses of deeper structural changes, and those who instead look at change through the eyes of human agency, privileging therefore historical (e.g., political) events. As in Raphael's School of Athens, Marxists of the former sort (aka structuralists) point their fingers upwards, claiming the role of theory as a guide to historical analysis; the latter look downwards, accentuating the autonomous role of historical events and of human and political initiative. Among the latter, we may also distinguish between those who look at human agency through the lenses of historical analysis (aka historicists) and those who adopt methodological individualism (e.g., Analytical Marxists).[2]

By necessity and competence, I limit myself to single out some terms of the debate as a contribution to the application of the classical surplus approach, as an alternative to mainstream NIE, to the fields of economic anthropology, archaeology, and economic history.

Anticipating some conclusion, it is unfortunate that one Marxist side (the historicists) accuses the other (the structuralists) of ossifying HM in predefined shelves or of indulging in economicism, while the latter accuses the former of reducing HM to mere historical narrative. The interest in HM lies precisely in the compresence of theory and history, both finding their sustenance in the material modes in which humans reproduce their subsistence and distribute the eventual surplus, and in the evolution of these modes. While defending the centrality of theory and materialism, I will argue that it is precisely in the historical study of human action, supported by a theoretical and materialist background, that there resides the best answer to the methodological individualism revived by marginalist NIE economists and Analytical Marxists.

After this introduction, section 1 gathers, directly from Marx, some insights on how to approach precapitalist economies. Section 2 evokes the controversies raised by the French philosopher Louis Althusser's "structuralist" attempt to systematize HM. In this respect, I found it illuminating to revisit the discussion that took place on this subject between the Marxist historians Edward Thompson (a historicist) and Perry Anderson (who has an intermediate position). Other critiques of structuralism are considered, ranging from those of the Indian Marxist historian Jairus Banaji (2010) to the more recent ones of Knafo and Teschke (2020). Regarding the dynamics of MOPs, in section 3 we go back to the classic Dobb-Sweezy controversy on the transition from feudalism to capitalism, which found a new episode in the Brenner controversy of the late 1970s. Ever since Popper, criticism of Marxism for functionalism and lack of agency has also been levelled by marginalist economists, who were joined in the 1980s and 1990s by Analytical Marxists. We deal with this in section 4, while section 5 considers the question of free-riding and social classes. Conclusions are presented in section 6.

1. Marx on the precapitalist economies

Simplifying severely, HM is the result of German idealism, with its focus on history and the evolution of human self-awareness, combined with the Classical economists' materialism, which

[2] Taccola (2020) provides a complete account of the lively debates among Italian Marxists on historicism over the last century.

is centred on the notion of social surplus – although the relative role of these two components in the formation of Marx's thinking is also a matter of controversy. A study of the co-evolution of the materialist interpretation of history and distribution theory in Marx still seems to be lacking (and it will not be attempted here). Interestingly, Göran Therborn (1976, p. 371) notes that the "concept of surplus-value […] first appears only in the *Grundrisse*" (in the late 1850s) arguing that this concept is "directly related to the development of the general concept of relations of production".[3]

As is well known, Marx left us with a well-articulated synthesis of HM written in his most mature phase, the famous *Preface* (Marx, [1859] 1977). This work proposed a *bottom-up* scheme in which the material basis of society – the "forces of production" and the related "relations of production" (or "property relations") into which individuals enter the "social production of their existence" – acts as the basis for "the economic structure of society, the real foundation, on which arises a legal and political superstructure and to which correspond definite forms of social consciousness". The "material productive forces of society" may, however, "come into conflict with the existing relations of production", and this leads "sooner or later to the transformation of the whole immense superstructure".

Strong is the temptation to accept a deterministic causation from the material/technical base of a society (the forces of production) to institutions, as Marx famously suggested 12 years earlier in *The Poverty of Philosophy* (Marx, [1847] 1955, p. 49): "In acquiring new productive forces men change their mode of production; and in changing their mode of production, in changing the way of earning their living, they change all their social relations. The hand-mill gives you society with the feudal lord; the steam-mill society with the industrial capitalist".

Yet, in another famous paragraph from vol. III of *Capital*, a more mature Marx advanced a more nuanced view in which *forms of exploitation* are the "innermost secret" of any society, nonetheless this "does not prevent the same economic basis […] from showing infinite variations and gradations in appearance, which can be ascertained only by analysis of the empirically given circumstances" (Marx, [1894] 1974, pp. 791-792). Similar production techniques in different contexts, Marx seems to suggest, may combine with "infinite variations" of organizations of labour, forms of exploitation, and related political institutions. This would imply, consistent with Marx's method of the "determined abstrations", an historical analysis of single societies. (On Marx's generic and determined, or specific, abstractions see Maffeo, 2000; Ginzburg, 2016; and Cesaratto and Di Bucchianico, 2021b, p. 12).

While the most mature Marx was mainly captured by problems of economic analysis, it is the later Engels who entered into the unsolved problems of HM by seeking a synthesis of a long intellectual parabola, Marx's and his own (see also section 5). In *Anti-Dühring*, for instance, Engels singled out the double nature, analytical and historical, of political economy, and the insights that come from comparing different historical-economic formations (Engels, [1878] 1947, pp. 90 and 92):

[3] Also, Ernest Mandel ([1967] 1971) maintains that only in the late 1850s did Marx distinguish between labour and labour-force, arriving at a complete theory of exploitation: by buying the labour force at its *reproduction* value, the capitalist purchases its *use* value, that is, the right to extract a surplus value. Mandel sees in the labour theory of value (LTV), as do many Marxists), an element of continuity between an early humanist/anthropological Marx who focused on labour alienation and a late Marx political economist: "In the *Manuscripts* of 1944, the secret of this dehumanised society is revealed. Society is inhuman because labour is alienated. […] Now, studying the classical economists, Marx discovered that they make labour the ultimate source of value. The synthesis took place fulminantly, the two notions were combined […]" (Mandel, [1967] 1971, p. 29). This fortunate astral coincidence is however misleading since Marx's theory of alienation and commodity fetishism can well resist the abandonment of the LTV (cf. Garegnani, 2018; Petri, 2024).

> Political economy is […] essentially a *historical* science. It deals with material which is historical, that is, constantly changing; it must first investigate the special laws of each individual stage in the evolution of production and exchange, and only when it has completed this investigation will it be able to establish the few quite general laws which hold good for production and exchange in general. […] In order to complete this critique of bourgeois economics, an acquaintance with the capitalist form of production, exchange and distribution did not suffice. The forms which had preceded it or those which still exist alongside it in less developed countries, had also, at least in their main features, to be examined and compared.

Going back to Marx, three indications are, in my opinion, particularly relevant for the historical analysis of precapitalist economies. The first is Marx's distinction between capitalism, where exploitation takes the form of *market relations* between the exploiter and the exploited, and the precapitalist modes of production, where it takes the form of *personal dependence*. The second indication concerns the relation between the analysis of capitalism, where the economic relations have a high degree of definiteness, and that of the precapitalist economies. The third indication refers to precapitalist *ground-rent* as a general form of precapitalist exploitation. Let me briefly consider them.

To begin with, referring to feudalism, Marx ([1867] 1974), pp. 81-82) writes that here

> […] we find everyone dependent, serfs and lords, vassals and suzerains, laymen and clergy. Personal dependence here characterises the social relations of production just as much as it does the other spheres of life organised on the basis of that production. […] No matter, then, what we may think of the parts played by the different classes of people themselves in this society, the social relations between individuals in the performance of their labour, appear at all events as their own mutual personal relations, and are not disguised under the shape of social relations between the products of labour.[4]

This insight is picked up by the modern surplus approach. Garegnani (2018, pp. 640-641) argues, for instance, that "labour exploitation" in precapitalist economies is legitimized by the given "social order", implying that both the specific forms of exploitation (say surplus labour or surplus product) and the social order must be studied in the specific historical circumstances.[5]

In this regard, the second indication we get from Marx concerns the relation between the economic analyses of capitalism and that of precapitalist formations. As Marx ([1857-58] 1973, p. 105) pointed out in another famous paragraph:

> Bourgeois society is the most developed and the most complex historic organization of production. The categories which express its relations, the comprehension of its structure, thereby also allows insights into the structure and the relations of production of all the vanished social formations out of whose ruins and elements it built itself up […]. Human anatomy contains a key to the anatomy of the ape. […] The bourgeois economy thus supplies the key to the ancient, etc. But not at all in the manner of those economists who smudge over all historical differences and see bourgeois relations in all forms of society. One can understand tribute, tithe, etc., if one is acquainted with ground rent. But one must not identify them. […] Although it is true, therefore, that the categories of bourgeois economics possess a truth for all other forms of society, this is to be taken only with a grain of salt.

[4] Marx's distinction predates Polanyi's own between embedded (personal) and disembedded (market) social relations. Unfortunately, Polanyi does not regard embedded relations fully amenable to economic analysis, while considering disembedded relations adequately analysed by marginalism.

[5] Also in capitalism, Garegnani argues, profits are extracted within a given social order. However, exploitation is hidden by the apparent fairness of free market exchanges. The duty of critical political economy then is to dispel such appearances lest "a foundation other than the mere fact of the existing social order could be shown to exist if modern marginalist theories were correct and the rate of profit were ultimately the price of a 'scarce' factor of production" (Garegnani, 2018, p. 641; cf. Cesaratto and Di Bucchianico (2021 a, 2021b).

> They can contain them in a developed, or stunted, or caricatured form etc., but always with an essential difference.

If I may put Marx's argument this way, exploitation is hidden differently in capitalism and in pre-capitalism. In the former, it is mediated by free market relations and prices, and one should appreciate the enormous effort Marx made, relying on classical economics, to reveal its existence behind the veil of free exchange. Once unveiled, however, exploitation can be expressed in definite forms (say an inverse relation between the wage and the profit rates, given technology and social output). Before capitalism, exploitation was mediated by the more elusive personal relations. In this regard, Marx contends, the critical work done on capitalism can facilitate the understanding of the economic relations in former societies, provided one does not mechanically apply interpretations valid only in one case to the other (see also Engels, [1886] 1946). While the latter error, Marx says, is most committed by bourgeois economists – nowadays by NIE economists who see Walras latent in any formation (Cesaratto, 2024b) – we note that Polanyi and Finley made the symmetrical error of demoting the economic foundations of ancient societies (Cesaratto, 2024a).

Finally, Marx's third insight, provided in vol. III of *Capital* (chapter XLVII), concerns the precapitalist ground-rent as the general *economic* modality of labour exploitation in pre-market economies, an intermediate form of exploitation between slavery (where labour is entirely subjugated) and wage-labour (where labour is formally albeit deceptively free). In serfdom, exploitation takes the shape of in-kind or money rent on the landlord's land leased to the peasants, or – in the case where the peasants own some land – of corvées on the demesne, the landlord's own land ("labour rent [is] the simplest and most primitive form of rent", Marx, [1894] 1974, p. 792). Rent may also take the form of taxation on household production, where it is the State that politically subjugates producers.[6]

Precapitalist ground-rent, being based on the arbitrariness of personal and political relations, must, of course, be distinguished from capitalist ground-rent determined under competitive conditions. Only in a fully-fledged capitalism is a normal (average for Marx) rate of profit established: "For this reason [in pre-capitalism] there can be no talk of rent in the modern sense, a rent consisting of a surplus over the average profit", as in capitalism (Marx, [1894] 1974, p. 783). (This is an application of the method of the "anatomy of the ape", recalled above).

Well-known Marxist historians have followed Marx's third indication. John Haldon trails Marx, defining "precapitalist rent as the general form in precapitalist class society through which surplus labour was 'pumped out of the producers'" (Haldon, 1993, p. 80). Tax and land-rent are forms of precapitalist rent; they "are, in fact, expressions of the political-juridical forms that surplus appropriation takes, not distinctions between different modes", given that they share the same basic form of "surplus appropriation based upon the existence of a peasant producing class" (ibid., p. 77), made up of owners or tenants of the land. Haldon subsumes under the label "tributary state" practically all the precapitalist economies, including feudalism. Wickham (1984, pp. 9-10; 1985, p. 171; 2008, p. 5; 2021), closely follows Haldon, albeit opting for "feudalism" as the general label of the mode of production prevailing in precapitalism. Interestingly, he regards rent as historically more accepted than taxation (Wickham, 2021, footnote 10), possibly because rent was based on property rights seen as more "natural" and less arbitrary than the "political rights of command and dominance, in return […] for protection and justice", on which state

[6] E.g. Marx ([1894] 1974, pp. 790-791): "Should the direct producers not be confronted by a private landowner, but rather, as in Asia, under direct subordination to a state which stands over them as their landlord and simultaneously as sovereign, then rent and taxes coincide, or rather, there exists no tax which differs from this form of ground-rent. Under such circumstances, there need exist no stronger political or economic pressure than that common to all subjection to that state. The state is then the supreme lord".

taxation was justified (ibid., p. 12). On similar lines, Eric Wolf distinguished between (i) a kin-ordered mode of production based on *personal*, kinship ties, one in which classes do not exist and conflicts are limited to individuals (Rosenswig, 2012, p. 10); (ii) a tributary mode based on *political* relations broadly including Marx's centralised "Asiatic mode of production" and decentralised "feudal mode" (Wolf, [1982] 2010, p. 81); and (iii) capitalism. Anderson, Haldon, Wickham, and Wolf consistently emphasize the institutional distinction between different precapitalist formations, in which the social order is based on personal, political, or military and not market relations. Different institutional set-ups rest, however, on a similar prevalent material basis: the extraction of a surplus from the peasant community in the form of ground-rent and taxation. Rosenswig (2012, p. 9; 2017, pp. 148-150) calls the Wolf-Trigger Hypothesis (after Bruce Trigger, a well-known Marxist archaeologist) the idea that, particularly in the tributary mode, the relations of production are ideologically projected in a cosmic realm so as to induce a consensual, moral obedience to social rules presented as a part of a larger sacred order.

For completeness, we must note that modern research delivers a more composite view of the Tributary and Palatial economies, no longer identified with a static, over-comprehensive form of "Oriental Despotism" (e.g., Liverani, 2011; Nakassis et al., 2011).

2. History versus structure in HM

A still-discussed attempt to systematise the concept of mode of production was made by Althusser (1969) and Althusser and Balibar (1970). In simple terms, Althusser struggled with the question of the relationship between the economic structure and the political and cultural superstructures that had long troubled Marxist doctrine. He argued that ideology was crucial in assuring the "reproduction of the relations of production" necessary for the stability of the capitalist system. More precisely, ideology permeates the subjectivity of individuals, making it functional to the working of the system. Interestingly, for Althusser, ideology has not just a spiritual existence but is elaborated and transmitted through numerous cultural institutions, including the Church, the educational system, and mass media. This materiality of the cultural sphere reinforced the *raison d'être* in the economic sphere. So, while on the one hand, Althusser talked of "social formation", an encompassing term including the material, cultural, and political components of a given society, the ideological components had little autonomy from the material base, opening the way to the accusation of economic determinism.[7]

According to Anderson, Althusser "invented" the "distinction between mode of production and social formation", which "had little or no currency within Marxism prior to Althusser" (Anderson, 1980, p. 67). For the British scholar, the concept of social formation permitted the overcoming of Marx's rigidities in the *Preface* by including more than one mode of production (with one dominant) under the umbrella of social formation, and by elaborating the relation between "base and superstructure". The Marxist historian Chris Wickham (1984, p. 8) found the Althusserian approach useful, pointing out, interestingly, that in a social formation "the dominant mode of production is that which has the closest links with the state; if another mode is coming to be dominant […] it will tend to undermine it, and the state form will tend eventually to change accordingly […] as a result of class struggle". Similarly, the late Oxford historian Geoffrey de Ste.

[7] According to Anderson (1980, p. 67), the term "social formation" (*Gessellschaftsformation*) derives from Marx's *Grundrisse* ([1857-58] 1973, p. 106) (translated in English as "forms of societies"). In the same well-known passage, Marx also talks of a dominant "kind of production": "In all forms of society there is one specific kind of production which predominates over the rest, whose relations thus assign rank and influence to the others". Burns (2022, p. 38) takes some freedom in translating "kind of production" to "mode of production", thus giving a stronger sense to the passage.

Croix argued that a dominant mode of production coincides with the main source of surplus for the élite.[8]

In 1978, the British historian Edward Thompson wrote a famous book that was very critical of Althusser's alleged economic determinism. Anderson's work (1980) is a book-long counter-critical review of the Thompson book.

Thompson (1978) accuses Althusser of neglecting the historical dimension of Marxism in favour of abstract theory, ignoring, in doing so, both history and the role of human *and* class agency and "experience" as it unfolds in history.[9] For Thompson, moreover, the error is already in Marx. In fact, as Anderson (1980, p. 60) sums up, Althusser's and Balibar's "structural Marxism" would be a further degeneration of Marx's economicism that (supposedly) he developed from the 1850s, thus absolutizing "the errors of Marx in the *Grundrisse* and *Capital*, seeking 'to thrust Historical Materialism back into the prison of Political Economy', by making Marxism into a theory of modes of production". For Thompson, the later Marx lost sight of the "programme of a materialist reconstruction of the full history of humanity, as a unitary social process", with "human experience" as its genetic transmission mechanism (Anderson, 1980, p. 61). Recalling the two mentioned horns of Marx's and Engels's thought (the Hegelian and the Ricardian, to simplify), Thompson emphasises the subordinate classes' historical search for identity and self-consciousness of the earlier Marx, in contrast to Althusser's open rejection of this perspective in favour of the more materialist, mature Marx. Justifiably, Anderson counters Thomson with the methodological necessity for Marx to focus upon "the domain that the theory of Historical Materialism had indicated as determinant in the final resort – namely economic production – and to devote all his passion and industry to exploring and reconstructing that, in the *one* historical epoch of capitalism" (ibid., p. 62, emphasis in original). Anderson (1980, p. 63) continues: It "was this progressive theoretical discovery which finally made possible the full-scale exploration of a new historical object in *Capital*: the capitalist mode of production. Marx's essential movement after 1848, in other words, was not 'away' from history, but deeper into it". Moreover, far from being a concession to bourgeois political economy, the concept of mode of production was a way to escape any ahistorical perspective, a way of embarking on a "new kind of history" (ibid., p. 64) as in Marx's sketch of precapitalist societies. However, Marx "never systematically articulated" the concept (ibid., p. 65), and this is what Althusser and Balibar (1970) set out to do. Geoffrey De Ste. Croix also firmly retorted to Thompson that the *existence* of class exploitation must be separated from class-consciousness and political action. Exploitation, he argues (de Ste. Croix, 1981, p. 36), is "the very kernel of what I refer as 'the class struggle'", although, he importantly remarks, "my 'class struggle' may have virtually no political aspect at all" (see Anderson, 1980, p. 40, for a similar criticism).

A similar conflict between more structural (deterministic) and more historicist (class agency) oriented accounts of HM has later been re-proposed by Jairus Banaji (see Campling, 2013). The Indian historian has questioned the standard identification of a mode of production with a *specific* mean of surplus extraction and the related institutional structure, despite its origin in Marx. Respectively in *Capital* and *Grundrisse*, Marx "ascribed two distinct meanings to *Produktionsweise* [mode of production]", namely: "According to one of these, it was indistinguishable from the

[8] For instance, in spite of the composite structure of the working population, for de Ste. Croix the main source of surplus in the Greco-Roman civilisation was slavery (de Ste Croix, 1981, p. 39): "*How then, if not by slave labour, was the agricultural work done for the propertied class? How, otherwise, did that class [...] derive its surplus?*" (ibid., p. 172, emphasis in original).

[9] In a notorious book, also Hindess and Hirst (1975) proposed an abstract systematization of Marx's theory of modes of production that is overtly divorced from historical analysis.

'labour-process [*Arbeitsprozess*]', or what Lenin would sometimes call the 'technical process of production'" (Banaji, 2010, p. 50). While in other passages "Marx made more general statements about the various stages of social development, [where] *Produktionsweise* figured in a broader and more specifically historical meaning" (Banaji, 2010, p. 51).

Banaji (2010, p. 5) firmly rejects any mechanical identification of a mode of production with specific *forms of exploitation*, slavery, serfdom or wage-labour. He argues that, in authors like Maurice Dobb or Anderson, the forms of exploitation would constitute the independent variable of HM, leading to a form of vulgar Marxism (Banaji, 2010, p. 53, my italics):

> […] to this formal abstractionism, modes of production were deducible, by a relation of 'virtual identity', from the given forms of exploitation of labour. *These forms of exploitation, the so-called 'relations of production', were the independent variables of the materialist conception of history*. This conception, quite unexceptionable as it appears became one of the most widespread and persistent illusions of vulgar Marxism.

On the opposite, Banaji (2010, p. 5, italics in original) would maintain "that relations of production include vastly more than the labour-process and the forms in which it is organised and controlled (the *immediate* process of production, as Marx called it)" so that the "historical forms of exploitation of labour (slavery, serfdom, wage-labour is the usual trinity in most discussions; Marx tended to add 'Asiatic production') cannot be assimilated to the actual deployment of labour […]". He concludes (ibid., italics in original) that "*the deployment of labour is correlated with modes of production in complex ways*".[10] However, the analytical alternative advanced by Banaji is not clear, boiling down to the "emphasis on Marx's historical – rather than formal – conception of the mode of production", as a follower has put it (Rioux, 2013, p. 95).[11] Although there are different perspectives, a common thread of Banaji and Thompson appears to be the assimilation of HM to "historiography tout court – the practice of writing history", as Anderson (1980, p. 84) pointed out in the case of Thompson.

We find a more balanced view in Marx, who argued in the important passage quoted above that nothing would prevent "the same economic basis […] from showing infinite variations and gradations in appearance, which can be ascertained only by analysis of the empirically given circumstances" (Marx, [1894] 1974, p. 792). Following Marx, Haldon, Wickham, and Wolf refer to forms of ground-rent and taxation extracted from peasants (who can be serfs or relatively free) as general forms of surplus extraction consistent with a variety of specific forms of exploitation and institutional set-ups to be studied historically. Anderson has a similar view. In this sense, we find Banaji's and his followers' accusation of mechanicism to many Marxist authors (and partly to Marx himself) as largely overstated.

Following Marx, a balanced view is possible between theoretical schematisation and immersion in the complexity of history. In other words, a complementarity can be found between the more objective core of HM envisaged by the most structuralism-oriented scholars, and Thompson's sensitivity to the historical reconstruction of the formation of class experiences and

[10] Banaji's polemic against the idea of prevalent forms of exploitation as the ultimate fingerprint to historical formations extends to the identification of capitalism with "free labour" and of previous economic forms with "unfree labour". This criticism is also directed at Marx himself, who "tends to argue as if the use of free labour is a logical presupposition of capital, when it is clear that individual capitalists exploit labour in a multiplicity of forms, and this not just when capital exists as manufacture and domestic industry" (Banaji, 2010, p. 128). Standard examples are slave exploitation in capitalism, or symmetrical forms of capitalism in the ancient economies. In fact, Marx acknowledged these compresences, regarding, however, wage labour as the specific character of capitalism. For Marx, of course, wage labour is only *formally* free in capitalism.

[11] An eminent English historian testifies: "For this reader, it is always a struggle to read Banaji [2010], and to assess what one reads" (Bernstein, 2013, p. 327). Tom Brass (2012) is also critical of Banaji (2010).

agency. This is an expression of Marx's method of the determined abstractions that merges theoretical and historical analysis (Maffeo, 2000). Below I shall regard this approach as a possible reply to the Popperian accusation to HM of organicism, functionalism, and neglect of human agency (section 4).

3. Marx in transition

The evolution of MOPs concerns the change of the material basis through which the extraction of surplus (production relations) takes place, accompanied by a broader political-institutional change. The historical determinants of this evolution, whether expressed by some general law or shared explanations of single historical episodes, are in my view not established.

Two important debates took place on the transition between modes of production, in particular that between feudalism and capitalism: in the 1950s, the Dobb-Sweezy controversy (Sweezy et al., 1963), followed in the 1970s by the Brenner controversy (Brenner, 1977, 1978).[12] The object of both controversies was whether the transition was triggered by endogenous or exogenous factors, the Dobb' and the Sweezy' sides, respectively. Endogenous factors refer to tensions in the prevailing relations of production, say between peasants and landlords, ending up, according to the different theories, in the constituency of a free labour force necessary to fully-fledged capitalism, or in the transformation of some peasants or landlords into agrarian capitalists. External triggers to capitalist development would consist of international trade development. After the importance Adam Smith attached to the extent of markets for economic development, Brenner (1977) extends the label of neo-Smithian from Sweezy to Immanuel Wallerstein and André Gunder Frank, which would posit *general* market mechanism of transition instead of social mechanisms. Siding with Sweezy, Banaji focuses on "the concept of commercial capitalism as a key category for investigating the formation of the modern global economy", where this notion "is used to describe a profit-driven economic system whereby merchants employ their *Capital* not only to circulate commodities but also to gain direct control over production and thus subordinate it to their interests" (Tedesco, 2023). As a result, "Banaji's emphasis on merchant control over production is a frontal attack on the traditional Marxist dichotomy between the world of commerce (the 'sphere of circulation') and that of production – a dichotomy that led Marxist economists and historians such as Maurice Dobb to discount the very idea of commercial capitalism as a contradiction in terms" (ibid.).

While assessing the respective historical validity of these theses does not fall within the scope of this paper, it may be pointed out that Marx himself leaned towards the first side while not denying the importance of the second. More specifically, he was critical of the Smithian view of a primitive capital accumulation, merit of an early "frugal elite" (Marx, [1867] 1974, p. 667), as the premise to capitalist development. For Marx, the dissolution of the feudal mode of production and, in particular, the creation of a "free" proletariat, no longer tied to the land, would be the precondition for capitalism, i.e., for the transformation of pre-existing wealth into capital (Marx [1867] 1974, e.g. pp. 668-670). Moreover, Marx denied a full capitalist nature to merchant capital (cf. Cesaratto, 2023b, for a longer discussion).

Wickham underlines, however, Marx's irresoluteness between the primacy the *Preface* gave to the forces of production (production techniques) as the agent of change, and the emphasis in volume I of *Capital* on the relation of production (the class struggle), "in which transformations in

[12] The so-called "other transition", that between the ancient economies and feudalism, has been studied by Anderson (1974) and Wickham (1984, 2005).

the property rights and in the exploitation of peasants and artisans in fourteenth- to eighteenth-century England, their separation from the means of production, clearly predate changes in the labour process and in technical advance characteristic of the capitalist mode, and so were not caused by these changes" (Wickham, 2008, p. 6; see also Stedman Jones, 2007, p. 145). This is perhaps one main puzzle Marx left us: from where does the change in modes of production originate, from tensions in production relations or from a change in the forces of production? In the first volume of *Capital*, the gathering in manufacturing of large numbers of workers (made available by the "enclosures" of the early modern age) using technologies similar to that of handicrafts (only more expanded) and later adopting a more pronounced division of labour is placed by Marx at the beginning of capitalist development, while the invention of machinery took place only later (Marx [1867] 1974, e.g. pp. 339-347). Somewhat consistently, in the *Grundrisse*, Marx ([1857-1858] 1973, p. 96) adumbrates an inverse relation between institutional change and forces of production:

> […] conquering people divides the land among the conquerors, thus imposes a certain distribution and form of property in land, and thus determines production. Or it enslaves the conquered and so makes slave labour the foundation of production. Or a people rise in revolution and smashes the great landed estates into small parcels, and hence, by this new distribution, gives production a new character. Or a system of laws assigns property in land to certain families in perpetuity, or distributes labour [as] a hereditary privilege and thus confines it within certain castes. In all these cases, and they are all historical, it seems that distribution is not structured and determined by production, but rather the opposite, production by distribution.[13]

A reorganization of production permitted by a new institutional set-up is, anyway, a kind of technical change, possibly premised on the invention of new machinery (a sequence present also in Adam Smith in which division of labour and simplification of tasks pave the way to the later invention of new means of production). This view is consistent with Marx's "infinite" combinations of institutional and exploitation forms and with the method of the "determined abstractions" that we noted in the former sections.

Finally, an argument in favour of the neo-Smithians has been put forward in an unpublished paper by Pinkusfeld, Crespo, and Mazat (2022). On the one hand, these authors endorse the Dobb-Brenner' stance that "the analysis of elements that are related directly to the process of production" are those "that determine the very nature of capitalism" (ibid.). However, they argue that "the extensive emphasis on the relations of production as if these could explain the whole movement of the economy, seems to us an unnecessary limited understanding of the concept of mode of production", too focused on the supply side, so to speak. The modern surplus approach would, indeed, be completed by the incorporation of the principle of "effective demand principle that along with the changes in productive processes and class relations/struggle explain the concrete historical trajectories of different countries". A broader view of MOP would therefore encroach on something reminiscent of the French "regulationist" school. In this context, the consideration of money could be appropriately introduced.[14]

In synthesis at present HM leaves us with a series of mutually consistent hypotheses about the causes of change of MOP such as technical and institutional change or trade growth, all affecting class relations and the control of the means of production. We may take this as a sign of openness

[13] The "conquest view" also anticipates that of the distinguished anthropologist Robert Carneiro (1988).

[14] Money in relation to trade is a relevant topic in this context. Considerations on circulation and money in ancient economies are not unknown in the literature, although sporadic; see, e.g., Hopkins (1980), Crawford ([1970] 1982), and Hudson (2018) on ancient economies.

and flexibility of HM, contrary to the NIE obsession with property rights. Yet, HM is accused of leaving too little space to individual agency in triggering change. To this accusation we now turn.

4. Agency and Historical Materialism

Since Karl Popper's ([1957] 1986) reproach of historicism intended as a holistic (or organic) theory, Marxism has been criticised for not basing its assertions on individual choices and human agency – "methodological individualism is really about agency" (Ylikoski, 2017, p. 16). The debate is wide, and it found new fuel after Douglass North's (1981) intellectual confrontation with Marx (Cesaratto, 2024b), and John Elster's (1985) inspiring text for "Analytical Marxism". This was a group of presumed Marxists aimed at reformulating (while upsetting) Marx's thought along "modern analytical lines". Analytical Marxists – aka "Micro-founded Marxists – opposed what they offensively named "bull-shit Marxism".[15] As previously seen, the Marxist debate between structuralists and historicists also deeply involved the role of human agency versus structure in history (Cesaratto, 2024c).

Heijdra et al. (1988) did not find, for instance, major substantial differences between North's NIE and Marx's HM but they did find many on the methodological side. More specifically, while NIE would micro-found social behaviours in individual choices, those of Marx' and Marxism would suffer from functionalism for explaining macro-behaviours, including institutions or ideologies, as functional to the working of the whole. In this sense, functionalism is associated with holistic or organicist theories (see also Lowenberg, 1990). Since, after all, macro-outcomes are the result of granular micro-decisions and choices, what it is said to be missing here is a micro-foundation of macro-outcomes explaining the latter as the result of individual behaviour and choices: "since there are no intentional actors whose actions are instrumental in bringing about observed institutions, it is not clear how those institutions are actually created" (Lowenberg, 1990, p. 631). In other words, "the choice processes that actually serve to transform individual value-maximization into collective goods must be explained or modelled explicitly because these processes are by no means self-evident" (ibid., p. 632). The Popperian criticism of Marx has been renewed by the particularly bitter criticism propounded in the 1980s by Analytical Marxists, according to whom a "particularly virulent form of functionalism is 'objective teleology', in which a purpose is postulated without a purposive actor. Elster draws a grammatical analogy to a 'predicate without a subject'" (Heijdra et al., 1988, p. 308; Lowenberg, 1990, p. 631). Note that this criticism is not levelled at the static functionality of an existing institution (e.g., that institution A serves the interests of social groups B against those of group C), but at the lack of "'invisible hand' explanations", that is, of "casual-genetic stories about how individual actions unintentionally lead […] to the emergence of some institutional structure", while "fuctionalist explanations […] focus not on the *process* through which the structure emerges but on the processes that *maintain* the structure once established" (Heijdra et al., 1988, p. 312, italics in original).

On the one hand, these objections may be accepted as legitimate complaints that explanations of social institutions (or of collective action to change them) must be, at least in principle, validated by and consistent with the granular decisions of the agents involved (Ylikoski, 2017, pp. 12-13). The risk is, otherwise, to support apodictic theses, based on the functionality of each societal

[15] The founding text of Analytical Marxism is considered to be that of Gerald Cohen ([1978] 2000). This text presented a traditional view of HM inspired by Marx's *Preface*. Cohen and Analytical Marxists ignore Sraffa and Garegnani and endorse marginalism and methodological individualism (see Tarrit, 2006, and Veneziani, 2012). Deprived of surplus theory, however, HM is emasculated. Consistently, Cohen eventually abandoned HM in favour of liberalism (Tarrit, 2015).

aspect relative to another in an organic vision that, however, relates "macrostates directly to macrostates without supplying a mechanism to show how the one brings about the other" (Lowenberg, 1990, p. 631; Heijdra and Lowenberg, 1991, p. 378).[16] Such holistic "grand theories" would possibly be little amenable to empirical scrutiny, again a well-known Popperian criticism of Marxism (see, e.g., Dorman, 1991, p. 365).

On the other hand, the standard counter-objection is that, as it is often allowed, micro-decisions are not taken in a vacuum but conditioned by the historical (material, ideological, and cultural) circumstances, so a context should be taken into account at the same time. To envisage a situation in which individuals deliberately choose what kind of society they would like to live, John Rawls (1971) used, in fact, a well-known thought experiment called the "original position" (in which, actually, the individual history, culture and, above all, personal interests are deleted). In this regard Lowenberg (1990, p. 621) concedes that the "method of neoclassical economics is, in fact, a variant of what Karl Popper calls 'situation analysis' – individuals' actions are dictated by the logic of a situation in which they find themselves, assuming that they will use only those actions that are most appropriate to their situation" (see also Heijdra et al., 1988, pp. 297-298).[17] Of course, "situation analysis" is an admission that, in many cases, individuals have a limited or false consciousness of themselves (as the often-demonized Hegel would have said), so that many free (or rational) choices are just nominally so, and that, anyway, it is the context that mainly explains the individual behaviour.

As to the origin of institutions, Heijdra et al. (1988, pp. 298-299) specify, interestingly, that they "arise as a result of human action but not from human design", a proposition they derive from the "British moral Philosophers of the eighteenth century (Hume, Tucker, Ferguson and Adam Smith)". The proposition refers to the unintended consequences of the Smithian invisible hand, in which the micro greedy production choices of individuals lead to some social benefits.[18]

Heijdra et al. (1988) and Lowenberg (1990) thus promote Smith's invisible hand, originally a label for the interplay of natural and market prices in guiding producers' decisions, from a simple organizing device of division of labour into a mechanism that generates institutions in which there is "a catallaxy of self-interested individuals, out of whose rational but selfish actions emerge rules or institutions that provide the foundations for a social spontaneous order" (Heijdra et al., 1988, p. 312; Lowenberg, 1990, pp. 623, 635).

We are in a vicious circle, however, in which "unintended" individual choices explain institutions that, in turn, affect individual choices. As in Popper's "situational analysis", we have

[16] A very apt example of functionalism, raised by Elster (1982), concerns Michal Kalecki's idea of unemployment as a tool used by capitalists and governments to keep workers' strength at bay (the criticism goes indirectly back to Marx's theory of the industrial reserve army). I find it legitimate to demand that the mechanisms through which these decisions are taken are specified, without relying on some vague "logic of capital" (Cesaratto, 2024c).

[17] Less controversial is the question of choices on the production side. Part of the capital theory controversy concerned, for instance, the choice of techniques based on firms' cost-minimization behaviour, an assumption both sides of the Cambridge Controversy fully acknowledged. Nor did Marx object to the role of the invisible hand in guiding production choices, to the point of defining natural prices the "guiding star" of capitalists (Marx [1867] 1974, p. 163 (1)) – although he would object to the welfare outcomes of unleashed capitalism. It is also false that Marx did not recognise the progressive nature of capitalism: Schumpeter's elegy of entrepreneurial capitalism clearly evokes Marx's and Engels's elegy of capitalism in *The Manifesto*. Several other accusations of Marxism put forth by Analytical Marxists and reported by Heijdra et al. (1988, p. 310) are also groundless, to be mild. The label of bull-shit Marxism could be redirected at them.

[18] Adam Smith (and later Marx) interposed many caveats on these social benefits. Smith is, for instance, crystal clear on the disadvantaged position workers (identified as a social group) have in the labour market vis-à-vis "masters" (the owners of capital, another social group). On the notion of labour alienation in Smith, prescient of that of Marx, see the classic paper by Nathan Rosenberg (1965). The often non-welfare-maximising outcomes of the individual maximizing behaviour are recognised by public choice theories (Lowenberg, 1990, pp. 623-627; Heijdra et al., 1988, p. 306).

thus explained nothing of the specific societal forms under examination. Despite the relevance that NIE wants to assign to human agency, here history is a roulette-led process whose red thread we cannot catch. (The same accusation of "indeterminacy" is moved elsewhere to Douglass North's theory of institutions and history, e.g., by Ogilvie, 2007; Krul, 2018; Cesaratto, 2024b).

Notably, the "British moral Philosophers" quoted approvingly by Heijdra et al. (1988) regarded institutions as historically associated with the material stages humans went through in producing their subsistence and eventual surplus (Meek, 1976). Referring again to this tradition, the above-quoted statement that "institutions arise as a result of human action but not from human design" (Heijdra et al., 1988, p. 298) evokes Marx's ([1852] 1937, chapter 1) famous sentence that "Men make their own history, but they do not make it as they please; they do not make it under self-selected circumstances, but under circumstances existing already, given and transmitted from the past". What makes the difference between the two statements is Marx's reference, consistent with the tradition of "British Philosophers", to the material history of the human relations built around the production and distribution of the social surplus in different economic stages. In this way, it does not leave the invisible hand of history in a vacuum but anchors it to a material basis amenable to scientific scrutiny.

Marx's clear position notwithstanding, criticism of the functionalism of HM has penetrated recent "Marxism". Knafo and Teschke (2020), for instance, advocate Marxism as the study of human agency.[19] They reject historical explanations based on the functionalist (or structuralist) "logic of capital" with all privileges accorded to the production sphere, in favour of an agency-based "historicist tradition […] more directly inspired by E.P. Thompson" (Knafo and Teschke, 2020, p. 31).[20] It should, however, be emphasised here that, in approaches such as that of Knafo and Teschke, all traces of the theory of surplus seem irretrievably lost. Saitta (1994, p. 204) properly notes in this regard that from a "Marxist perspective […] the most important problem with agency approaches in archaeology is their relative neglect of the surplus labour process in social life and the differential role of individuals and groups within it".

5. Class-mind and free-riding

Following in the footsteps of Marx, in very important passages of *Ludwig Feuerbach*, Friedrich Engels ([1886] 1946, part IV) entered the patchwork of problems that suspend human history between agency and structure. Marx's friend has no doubt on the prominence of deeper objective forces over individual wills. As in Greek mythology (in the *Iliad* or the *Oedipus* myth, for example), for Engels the human destiny is wholly determined by superior forces, albeit through individual and collective torment.[21] As Thompson (1978, p. 280) notes, Engels is thus far from solving the

[19] See the symposium on this paper in *Historical Materialism*, 29 (3), 2021.

[20] Relatedly, in archaeology, new tendencies called "neo-Processualism" have developed since the 1980s that criticise the presumed absence of agency in mainstream "Processualism" (or "new archaeology"). In the 1960s and 1970s, Processualism relied on material circumstances (say climatic or geographical) to explain social evolution (Binford, 1962; Costello, 2016a). In some respect, Processualism is close to classical Marxism archaeology *à la* Childe (Trigger, 1993, p. 186; Rosenswig 2012, p. 34; Saitta, 1995, p. 557). Neo-processualism would instead value more human (subjective) agency (Costello, 2016b). As Earle and Preucel (1987, p. 507) sum up, neo-Marxism "differs from other Marxist approaches in its emphasis on ideology and structure rather than economy", referring to ideological rather than to economic elements to explain social conflict (on similar lines, see the influential Ian Hodder, 1992, p. 76). Trigger (1993, p. 175) endorses the accusation of neo-Marxists of substituting "vulgar materialism" with a "vulgar idealism".

[21] Engels' "parallelogram letter" is often also quoted in this context which just confirms Engels' subordinate view of human agency (Engels [1890] 1972): for Engels history is not a linear combination (an outcome) of agency-vectors, but the agency-vectors (agency) are generated to produce the predestined history-vector. In this way, he fails to produce the dialectic between structure and agency that he might have wished.

puzzle, but the questions he poses are nonetheless provoking – as when he asks himself: "What driving forces in turn stand behind […] motives? What are the historical forces which transform themselves into these motives in the brains of the actors?" (see also Anderson, 1980, p. 50).

An interesting "emendation" to Engels, as Anderson (ibid.) calls it, has been advanced by Thompson (1978, p. 87): to subordinate "individual wills" to "class experience". Through the latter, the economic forces would assert themselves in history, confirming that, at the same time, "'we make our history' and 'history makes itself'" (ibid.). Showing a sensitivity close to that of Engels or Thompson, in his manuscripts Sraffa talks of "class mind". In studying prices and distribution, it "will be thought that the important part is the analytical and constructive", he says; in this way, however, the "significance of the historical side will be missed. And yet, this is the truly important, that which gives us a real insight into the mystery of human mind and understanding, into the deep unknown relations of individuals between themselves and between the individual and society (the social, or rather the class mind)" (quoted by Le Donne, 2022, p. 1120).[22] I believe that Sraffa would have nonetheless endorsed de Ste. Croix's warning about the irrelevance of self-consciousness to define social classes and exploitation. In this regard, Eric Wolf ([1982] 2010, p. xxi) pointed out that, in "Marx's case, especially, one should draw a line between the analyst and the prophet. Many of his analyses still speak to us, but his vision of how a new class 'in itself' might come to acquire a consciousness 'for itself' lacked sociological realism even in his own time". Marx the prophet may be connected to what Wolf calls "Promethean Marxism", which "embodied the hope for human liberation from economic and political exploitation and celebrated the revolutionary will as opening the way to that desired future".

All in all, the idea is that agency (subjectivity) can be not the starting point of historical analysis but, rather, something that must be explained on the basis of objective forces. In this regard, I support the reconstruction of individual and collective subjectivities through historical analysis in an interdisciplinary perspective – which includes archaeology and anthropology as well as the deeper forces singled out by socio-biology.[23] This is, in my view, the response that the classical-Marxist approach must provide to the accusation of functionalism and neglect of agency.

While, for the surplus approach, individuals are part of social classes defined by their role in the production sphere,[24] a "class mind" approach is nonetheless often criticised because free riding would undermine class cohesion (Heijdra et al., 1988, p. 310; North, 1981, pp. 45-54 and passim).

This is a very weak criticism since: (i) social classes are defined by their objective position in the production sphere, independently of subjective awareness or choices, as argued by de Ste. Croix (1981); moreover, objective material circumstances limit social mobility (e.g., through slaves' manumission, or education opportunities); (ii) participation in class activities and self-defence (instead of free riding) may be perceived as rational (i.e, advantageous); in addition, admittedly, ideologies tie individuals around common purposes (North, 1981, p. 49; Lowenberg, 1990, p. 627); finally (iii) although free-riding may be occasionally rewarding (e.g., strikebreaking), it may be chastised by classmates (cf. Taylor, 1986, p. 7).

[22] These passages were written in 1927, while Sraffa was on the way to break with Marshall's heritage and proceed into the direction of the recovery of the classical surplus approach.

[23] The interest of Marx and Engels in Darwin is well known. According to Wilson and Wilson (2008) and Wilson and Gowdy (2015), selection between groups, as opposed to selection within groups, would operate in favour of "ultrasocial" groups composed of more cooperative individuals. By contrast, Dawkins's (1989) *Selfish gene* posited selection at the level of the most elementary living unit. Wisman (2023) suggests the deeper (genetic) role of sexual competition.

[24] This is to some extent also true in neoclassical theory. This theory is however largely uninterested in explaining the origin of the (unequal) distribution of initial endowments of "production factors".

Once the existence of an objective distributive conflict over the extraction and destination of the social surplus is acknowledged[25] and it is accepted that institutions (formal and informal) regulate this conflict by organizing political and legal power, we find it legitimate to complete the narrative by including individual or class decision-making, provided that choices are contextualised in the *stratification of former historical choices* crystallized in class relations, institutions, culture, ideologies, and even family stories. As Marx added to a famous sentence quoted above: "The tradition of all dead generations weighs like a nightmare on the brains of the living" (Marx [1852] 1937, chapter 1). Earlier choices have indeed conditioning, often irreversible consequences over next generations. These effects are crystallized in production modes, class relations, and correlated institutions, culture, and ideologies that constitute the background of subsequent choices (a "second nature"), vindicating Marx's sentence about the historical context of human agency. Biology suggests that, while DNA is the architecture of the human mind, practical human behaviour depends as well on culture (Viglietti, 2018, p. 221). Although we feel distant from "Culturalism" (another current of "Post-Processual archaeology"), which tries "to capture 'the native's point of view' as much as possible" (Viglietti, 2018, p. 226), we also appreciate "native conceptualization, experience, and cosmology" as an essential part of a materialist interpretation of human motivations and conscience (albeit not taken literally).

6. Conclusions

This paper has argued that the classical surplus theory is naturally associated with institutional and historical analysis by regarding institutions as regulating the extraction and distribution of the social surplus and the related social conflict (see Ogilvie, 2007, for a similar view).

Based on the teachings of Marx and the most clear-cut Marxist historians and archaeologists, the organisational forms of production and the eventual extraction of the surplus can be reduced to three: primitive, based on personal relations and with limited or no exploitation; ground-rent, based on semi-independent peasants' exploitation through political relations; and capitalistic, based on "free" labour exploitation. There is no discontinuity between one form and the other but co-presence, with one form dominating. Slavery is also always present, a form of production never strictly dominant even in ancient economies (compared for instance to household production), but from which élites may have mainly derived their surplus income in certain historical periods (Vlassopoulos 2015; Cesaratto 2023a). Given production techniques, forms of exploitation and associated institutions can have different manifestations (Marx's "infinite variations") on the basis of other material, geographical and historical circumstances. The historical sedimentation of social culture in institutions and ideologies constitutes the context of individual choices that are conditioned and limited both objectively and subjectively.

Teleological aspects should be expunged from HM (Runciman 2007, p.7). Once this is done, HM remains a reasonable, fact-based method in the study of history, centred on the study of the modes of extracting and distributing the social surplus and of the relative institutional regulation (Wickham 2007, p. 35; Haldon 1993, p. 98; Liverani 2011, p. 17; Rosenswig and Cunningham 2017, p. 12).

What is, however, surprisingly deficient in the Marxist debate is a full valorisation of surplus theory as the material core of HM. In a sense the latter conception is a consequence of surplus theory, and the study of historical social order (institutions) and surplus extraction are inseparable. In this regard, we suggest abandoning the two-levels distinction between structure

[25] On the role of the State in the surplus approach following these lines see, Cesaratto (2007).

and superstructure, since surplus extraction and the political institutions that rule this extraction are codetermined. The study of Marx's "innermost secret" is inseparable from the study of the institutions that regulate and justify it. In my external and possibly naive view, the historicist and structuralist souls of Marxism should be reconciled.

This does not concede anything to Polanyi's and Finley's view of economics as of minor importance in precapitalist economies. Quite the opposite, the concept of surplus is the economic core of institutional and historical analyses in any epoch. While Marx was the first to introduce the distinction between market-based and personal or politically-based relations of production, he also remarked the necessity of studying the related inner or dominant economic forms of exploitation, in view of a variety of possible accompanying institutional manifestations, depending on a number of other circumstances. The extraction of ground-rent is an example of a dominant inner exploitation nexus associated with a variety of institutional forms. Marx's method of the determined abstractions provides a firm basis for economic history research. In a similar vein, archaeologist Dean Saitta (1994, p. 201) finds the missing aspect of neo-Marxist tendencies in the lack of a proper consideration of the "economic process of appropriating and distributing social surplus labor" by referring generically to "power" in social relations. As Rosenswig and Cunningham (2017, p. 2) commented: how "this surplus labor is organized and 'spent' provides the engine for social developments". The consideration of deeper socio-biological determinants of behaviour is also part of a materialist research agenda on human agency.

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