What is capitalism? The failure to address this deceptively simple question, perhaps more than anything, has been responsible for generating a number of flawed interpretations of English poor relief. I suggest that most historians of social welfare have an inadequate conception of capitalism which leads them to ignore some of the crucial distinctions between this economic form and previous, peasant-based societies. Capitalism is generally absent in narratives of the transition from ‘past to present’, replaced by expressions such as ‘modernity’ or ‘industrialization’ (E. Wood, 1991, 1994). Capitalism, as a social system, tends to go unexplored, while exploitation, which permeates stratified communities, barely receives comment. A few writers, notably Karl Polanyi, have focused their attention on capitalism, yet there are problems with these approaches as well. Given my argument that one must come to terms with capitalism in order to comprehend the history of support to the English poor, it is necessary, then, to draw out the main features of this mode of production.

In most studies of poor relief, a lack of specificity in defining capitalism is often accompanied by little or no discussion of the role of the state, an organization that intervenes in and reproduces class relations. One would think that an interpretation of this unique type of government assistance could not advance far without at least a basic state theory being outlined. However, scholars have generally failed to draw out the characteristics of the English state and the link between this state and the development of capitalism. They have been especially inattentive to the state’s participation in surplus appropriation. The consequence of this neglect is that critical points are sometimes overlooked in favour of a narrative of ‘the facts’. This ‘atheoretical’ approach does not make explicit to the reader the reasons for asking
certain questions nor does it articulate the benefits of the particular method of inquiry that has been used. The main purpose of this chapter is to try to redress these two shortcomings in the literature, hence an extended analysis of the origins and nature of both capitalism and the state will be provided. The most important perspectives that have been used to explain the transition from ‘feudalism’ to capitalism will then be critiqued. Finally, the writings of Robert Brenner will be surveyed. His work addressed the question of the development of capitalism, not in urban industry in western Europe as a whole but rather in the competitive social relations between tenant-farmers in rural England. I would like to begin, though, with a brief elaboration of the version of historical materialism that is the overarching theoretical perspective of this book.

**Modes of exploitation**

The main objective of historical materialism (the Marxist interpretation of history) is to make sense of the underlying causes that govern large-scale movements from one mode of production to another, in particular the development of capitalism out of medieval society, as well as important alterations within modes, especially the recent emergence of globalization. The basic premise of historical materialism, and what separates it fundamentally from liberal views, is that one cannot understand such transformations without putting issues of property ownership and class conflict at the centre of any explanation.

Karl Marx and Frederick Engels (1955, p. 9) pointed out that, despite immense variety, class societies all have in common a fundamental conflict between ‘oppressor and oppressed’ who everywhere have ‘stood in constant opposition to one another [and] carried on an uninterrupted, now hidden, now open fight’. Marx (1981, p. 958) suggested elsewhere that the basis for this class struggle was the fact that the dominant group ‘pumps out a certain specific quantum of surplus labour’ from the direct producers, an amount that is appropriated without remuneration. He argued further that the key to differentiating societies was to analyse the way in which ‘surplus-labour is in each case extracted from the actual producer, the labourer’ (Marx, 1967, p. 209). In sum:

The specific economic form in which unpaid surplus labour is pumped out of the direct producers determines the relationship of