

Imperialism or the beast of the apocalypse

Alain Lipietz

Translated by M-P Allum (N°136)

Capital et Class n°22 - Printemps 1984.

world-wide plan. Depending on our own inclinations and styles, we see this watchmaker's activity as the result of the activities of various readily identifiable subjects, either the Multinationals, the Trilateral Commission or some restless machiavellian ectoplasm such as World Capitalism or the World Economy. Again according to our style or the weight of our experience this approach can only lead to either a dull pessimism of the intellect ('We cannot do anything about it, the system works against us') or to a new kind of opium of the masses ('it will soon collapse under the weight of its own contradictions'). Thus the true spirit of Marxism is denied (i.e. the concrete analysis of a concrete situation) and with it, the possibility of optimism of the spirit.

Nevertheless, in the second part of my paper, I shall try to do what is expected of a researcher: I will present a brief summary of the work I am doing on the main characteristics of the transformations affecting the International Division of Labour today, under the stress of the present crisis'. Obviously, I will then throw all caution to the wind, I will use words like 'the old and the new division of labour', 'the centre and the periphery', 'fordism', 'bloody Taylorisation', 'peripheral fordism' and other intrepid conceptualizations. I hope to show however that these constructions can be of some use in our understanding of reality, while at the same time being, in many respects, just fit for the fire.

On methodology

My initial point is to warn my readers against two biases. The first involves deducing concrete reality from immanent laws which are themselves deduced from a universal concept (such as Imperialism or Dependency). The other side of the same bias concerns analyzing each concrete development merely within the strict terms of such a concept, for example analyzing the internal evolution of each national socio-economic formation like the performance of a musical score under the baton of a world famous conductor whilst conceding that the conductor is not, so to speak, a bad subject.

The beast of the Apocalypse

An Italian writer, Umberto Eco, disillusioned with many things, but not everything, has just published a remarkable detective story. In this book, William of Baskerville, a Franciscan Sherlock Holmes, solves a mysterious series of crimes in a medieval abbey. These crimes seem to follow each other like the curses of the Apocalypse. Using this pattern, William discovers the murderer and the motive, but he also finds that each crime has its own logic, its own causes, which of course have nothing to do with the Antichrist. The ultimate twist of the novel is that the culprit has in fact convinced himself that he is acting out the scenario of the

apocalypse; at least one of the crimes has been set accordingly and, ultimately, the murderer has actually played the part of the Antichrist (in a very specific way). William (who is, of course, largely the spokesperson of the great philosopher, William of Ockham) then deduces from that the fruitlessness of general laws and the richness of particular events.

What a beautiful and meaningful story! Have not we, ourselves, with all our conceptualizations, generalizations and dogmatism, invented beasts of the Apocalypse from whose characteristics we have tried to deduce the future development of concrete history? Thus, in the sixties, we predicted that the immutable laws of imperialism would inevitably increase the gap between nations and polarize wealth on one side and poverty on the other. Thereby, we deduced the inevitable succession of stages of development and underdevelopment. Did we not also predict the impossibility of industrial development in dominated countries? But, when in the seventies, Britain declined faster and faster and the United States was undergoing a similar process while the newly industrializing countries (NICs) were rising from the bottom rungs of imperialism, what could we say? Immediately, new theorizations sprung up and new verses of the Apocalypse were quoted predicting another kind of future just as unavoidable as the previous one. Warren (1980) fished out the old text of Marx on the Railways in India which were going to develop capitalist relations as certainly as productive forces were going to revolutionize relations of production – one of the most memorable blunders of the Great Prophet! Reconceptualizations of history emerged predicting the shift of the centre of the world economy towards a vague and watery point situated somewhere between Tokyo and Los Angeles, with a brand new International Division of Labour born fully clad out of an obscure contraction of World Capital. So, when in 1980 the NICs began to be hit by the crisis as well, those who had remained faithful to the old division of labour like some rusty old grandfather clock could say with a knowing smile: 'We told you so!' Obviously I too, fell into these traps, even all three at once.

The last word on this, though, is as Lenin said 'History has got much more imagination than we have'. By that, I mean the imagination of the human kind and of the 'objective subject' (Kosik [1970]) who makes his/her history not like a single-minded subject but like a huge body of millions of subjects engaged in struggles, with their victories and their defeats.

The 'habits of history'

Is this tantamount to saying that, in the face of the free development of history, no rational knowledge is possible: no universal law, no necessity, therefore no science, no generality, no

concept; or to asking like William that if all law limits God's freedom, is it possible to conceive of a necessity interwoven with possible variants?

The real William of Ockham said 'Yes'. Because on the one hand, God's freedom is subject to a principle of non-contradiction so that not everything may happen; because on the other hand, God's omnipotence is materialized in its reified form as a crystallized power, or the habits of created nature.

Do not be alarmed, what follows is not a lecture on theology. But it is interesting to remember that Spinoza said 'God, or if you like Nature', thereby distinguishing between *natura naturans* and *natura naturata* while Marx, who knew of 'only one science, that is history', underlined that 'men make their own history *but* on the basis of given conditions, inherited from the past'.

Therefore, if we firmly retain this dialectical materialism, there is a possible scientific project for social scientists – the study of *regularities* which establish themselves in human relations as produced by past struggles; the study of *crises* in these regularities due to the contradictions which were only temporarily resolved; the study of *changes* in these regularities due to the ongoing struggles of the people fighting for or against their freedom.

This amounts to saying that our concepts do not drop ready made out of the sky – they are in fact the product of partial systemizations of the real, which is itself only partially a system. They can be used afterwards for different concrete situations to identify some general characteristics which they had already clarified. But from then on, they either appear pertinent and can help in the liberation of people oppressed by the habits of history, or they appear inefficient and must be modified if not completely discarded. It also follows that several partial systemizations, several concepts can be applied to the same object – no sectarian approach, no fetishism over concepts or even worse over books can be acceptable in the framework of this concrete analysis.

It is probably with the study of the system of world-economy that one must be most cautious as this system is only, as Michalet (1976) has quite rightly shown, a process of partial outcomes. As economists, we can only study a few of its aspects, which we flatter ourselves by asserting (not without good reasons) to be determinant in the last instance.

I should point out that this cautious way of proceeding was not unknown to our forebears. I have already quoted from Marx and Lenin so now let me quote from the founders of Dependency theory, Cardoso and Faletto (1967):

The concept of dependency claims to give meaning to a series of events and situations which appear conjointly at a given time In using it, one is trying to establish relation-

ships which will explain empirical situations, according to the type of connexion there exists between their internal and external structural components. In this perspective, however, these components can also be seen as a particular type of relationship between groups and social classes and in the context of underdeveloped countries.

However, we are unfortunately forced to recognize that the concepts of dependency, modes of production and imperialism soon acquire a logic of their own and rebound on us in the form of systems which now become oppressors, obscuring reality with its specificities, its differences and its transformations. This is why we must not be prevented by some unacknowledged fundamentalism from enriching our concepts by other concepts, particularly those which may explain precisely how reality has become a sufficiently stable object as to be subject to conceptualization. We can then account for its evolutions and specificities.

Let us take the case of the capitalist mode of production, a concept that is already quite rich in describing the stabilization of a system of relations between people in given countries at given times. We know its tendencies and countertendencies, some through observation and some through logical deduction.

One of the major contradictions of this system is due to its commodity-producing character. I mean that while inside their factories capitalists know how to organise productions down to the most minute detail and manage, given habit and calculation, to establish the 'iron-law of proportionality' (Marx, chap. IXV), they behave in the outside world just as private gamblers – their goods may or may not find a buyer at a price which will produce a profit. This is the famous *realization* problem. And yet it works except when there is a crisis. In studying how it works one has to produce new concepts. Together with a group of French colleagues², we have proposed those of '*regime of accumulation*' and '*mode of regulation*'. The regime of accumulation describes the stabilization in the allocation of the product between consumption and accumulation over a longish period. This in turn presupposes some correspondence between the transformation of the conditions of production and that of the reproduction of wage-labour and various forms of articulation between capitalism and other modes of production between a particular economic and social formation and the outside world.

In mathematical terms, a regime of accumulation is described by a particular schema of reproduction. To exist the reproduction schema must be consistent so that all regimes of accumulation are not possible. Obviously there is no obligation for private capitals to be aligned obediently into a coherent schema of repro-

duction. What is required is an embodiment of the system of accumulation in the form of norms, habits, laws, regulating networks, which ensure – by establishing a routine in the behaviour of agents struggling against each other (in the economic struggles between capital and wage-labour and in the competition between capitals) – the cohesion of the process and an approximate conformity with the reproduction schema. This set of internalized rules and social procedures which incorporate social elements into individual behaviour (one could here invoke Bourdieu's concept of *habitus*) is what we have called mode of regulation. So the dominant regime of accumulation in the OECD countries of the postwar years – a regime of intensive accumulation based on mass-consumption – is accompanied by a mode of regulation very different from that of 19th Century Capitalism since it includes contractualisation of wages, a rise in indirect wages, credit-money as legal tender and Keynesian state policies. We have called this monopoly regulation and as a tribute to Gramsci, we have named this type of accumulation combined with this mode of regulation, *fordism* (Coriat, 1979).

We should note that not every mode of regulation can regulate any system of accumulation and that one can find the one and same mode of regulation combining partial elements of different modes.

Above all – and this is the most important point – the emergence of a new type of accumulation is not preordained in the course of capitalism. Even if it does correspond to certain noticeable tendencies, the stabilization of a mode of regulation is not the necessary outcome of a system of accumulation emerging from Plato's cave to dictate the laws to us, shadows. Accumulation and regulation are discoveries in the history of men's struggles and they have worked for so long as they have guaranteed some regularity and permanence in the social reproduction. But as Nature is full of oddities like the ornithorhynchus or toucans, which have survived on very low stocks in between the dotted equilibria which scan the evolution of species, so in the same way is the history of capitalism full of short-lived experiments, of reabsorbed revolutions, of undeveloped prototypes and total freaks. Thus there is no point in trying to lay a social formation on the Procrustean bed of a regime of accumulation adapted to a typical situation (*fordism* for instance) when not only may it not necessarily fit that regime of accumulation but it may not fit any stabilized regime at all; it may be merely in a state of crisis².

Pessimistic functionalism

We have just referred to the precariousness of the successful instances of capitalism, the scale of the contradictions which have

to be resolved before it can reproduce itself, the necessity of finding a system of accumulation and of assembling an appropriate mode of regulation. In short, what we have said about the much more improbable than likely existence of capitalism and its concrete instances must not lead us to think on the contrary that 'when it works, it must have been designed for that purpose', or that this mode of regulation *was meant* to encourage this regime of accumulation, for example like saying that Social Security was invented for the purpose of keeping mass-production going smoothly. One merely ought to say that a regime of accumulation and certain modes of regulation have become stable together because they have allowed social relations to reproduce themselves without crisis for a while. At best, one can apply some kind of *a posteriori* functionalism at a metaphorical level so to speak, such 'it all happens as if' ... as if, for instance, the underdevelopment of the periphery had helped metropolitan capitalism to prosper.

This brings me to my second warning. In the theory of international relations probably, more than in any other field, tendencies towards functionalism and even towards intentionalism as the outcome of a kind of holism, are both obvious and damaging. Take Ricardo and the supporters of the HOS theorem¹⁶, for whom the International Division of Labour (IDL) seems to be the outcome of some world summit-conference during which, after proper assessment of relative productivities, collective preferences and initial natural endowments, an optimal allocation of production would have been computed. Each participant goes home afterwards not only convinced of the virtues of free-trade but also delighted with the share which has fallen to his/her country, in accordance with the law of comparative costs and therefore quite happy to apply the agreed specialisation to his/her own country. The great merit of the theorists of Imperialism and Dependency is to have swept away the apologetic nature of this myth, to have underlined that the differences between economic areas, which were undeniable in empirical terms, consisted of differences in wealth and power, and that those who had an interest in the survival and domination of this state of affairs had much more faith in the invisible hand of corruption or in the rather more visible boot to the military than in the invisible hand of the market.

Taking up Adam Smith's tradition against that of Ricardo, Marxists and theorists of Dependency¹⁷ have aptly shown that the existence of the unequal development of capitalism among nations together with the stabilization of a particular structure of exchange have encouraged a very fast rate of accumulation in a few advanced countries, thus resolving the contradictions of the mode of production in favour of capitalism in these countries. The result then is some kind of world-wide regime of accumulation, in relation to

which the polarization between centre and periphery plays a regulating role. But then, this is only one step away from saying that this regime had been imposed upon dominated countries because it was necessary that certain zones should perform *the function* of resolving the problems of capitalism, or worse still, that one had imposed these relations of domination specifically with *the intention* of resolving them. To talk of a conscious subject imposing the demands of the centre, or of an immanent world-reality separating the centre from the periphery for the sake of its own functioning just like God separated the sky from the seas, is again merely a matter of style. Needless to say, the step in the direction of functionalism and intentionalism was taken quite boldly in the early days of this type of analysis. Let us stay with the Dependency School and observe the subtle way in which Cardoso (1970) puts his case:

There is no metaphysical difference between external and internal conditions. In other words – the internal dynamic of dependent countries would be a particular case of the global dynamic of the capitalist world at large. Yet this global dynamic is not an abstract phenomenon producing concrete effects; it exists both on the level of singular modes of expression in the “periphery of the system” and in the mode of articulation of international capitalisms⁵.

But intentionalism and pessimistic functionalism were exploded immediately by Baran as quoted by Palma (1978):

The decisive factor is that the economic development of the underdeveloped countries is totally antagonistic to the interests of the dominant classes in the advanced capitalist countries.

It is not my aim to exonerate the great American and British demons, nor the little French demon for any of the great abstract demons of Capitalism or World-Economy. I am merely saying that we must not confuse the effects with causes and a set of partial regularities comprising a system with an unfolding system. It is even more misleading to see the formation of the IDL as a system deliberately or intentionally organized, when, to the freedom of History, class-struggles and competition between capitals, which we have referred to above, we must add the compartmentalization introduced by national factors and the sovereignty of states in the reproduction of social relations. The state is in fact the archetypal form of regulation – it is the level at which the class-struggle is regulated, it is the institutional form in which the compromise is condensed. Without this the different groups of the national community would destroy themselves in an endless struggle.

To assume that world-capitalism was created fully fledged with a single regime of accumulation with its own modes of global

regulation is to assume that flows of regular exchanges, social norms, procedures codified and guaranteed by a single sovereignty and subsequently delegated to local states, have been established all at once on a world-wide scale. It would also be to assume that each compromise and each shift in the relationship of power anywhere in the world, necessarily corresponds to the adjustment of a perfectly homeostatic cybernetic system.

This picture is both hopeless and unrealistic. The development of capitalism in each country is above all the result of internal class-struggle, leading to regimes of accumulation reinforced by some forms of regulation backed by the local state. It may well be that in these social formations previous links established with the outside world by some agents (such as trading enterprises or military expeditions) became useful and sufficiently important to play a decisive role in the regime of accumulation. This means that such a socio-economic formation cannot function without this type of link, since it resolves one or more contradictions in its mode of production. Thereafter, such a link shaped the customs of that society and appeared ‘natural’. Yet all that had happened is that some compatible relations had come together; other combinations could have taken place and history would have been different. What we must do then is study each social formation determining the successive stages of its regime of accumulation and mode of regulation and carry out a concrete analysis of its development and crisis, in which external factors may or may not have played an important role. This is done all the time for countries in the centre but not for those of the periphery which is still treated as a single homogeneous reality, even though it displays such a wide variety of situations. The characteristics of the periphery are still usually treated as mere *consequences* of the demands of the centre⁶.

Do I mean then that there is no evil intervention leading to the underdevelopment of some peripheral countries and that national systems of accumulation are merely juxtaposed without forming a system? I find myself once more like William faced with the evils of the mysterious Antichrist. If he manages in the end to unravel the threads of the plot, it is only due to his looking for a series of causes, of connexions between the signs: and each situation is different. It is true, of course, that each crime is caught up in the contradictions of the old Benedictine institution, insofar as it tended to create the Antichrist. As for the *direct* intervention of the Devil . . . it is different for every crime.

I shall say no more in case the novel is spoilt. It is clear however that this twofold answer applies equally well to the case of Imperialism. There are general contradictions in capitalism (which are not manifested equally and with the same degree of intensity in differing regimes and modes of regulation). As capitalism functions

when imperialism provides a solution however provisional to its contradictions and if a particular series of concrete causes have produced embryonic imperialist relations, it is then legitimate to say that imperialism has developed and resolved the general contradictions in the interest of some national capitalisms. Imperialism has not been created in order to resolve them but it has remained in existence and even developed because it has served to resolve them. It may disappear, become modified or persist through habit, if and when other solutions to the contradictions are found, or if and when other contradictions arise. Only to that extent is it right to say that, things being as they are, and History having got into these habits, it has the function of resolving these contradictions.

Like the manufacturer of machine-tools who tries to do good business and not belong to Department I, although he also does that, some class-alliances in certain countries have thought it profitable to enter – or have been bullied into entering – into international alliances which have placed their countries in the periphery. It is therefore possible to say that, from the time when centre periphery relations have become stable, there is a world-wide system of accumulation (or IDL) with very specific forms of regulation (military expeditions, wars, international financial system). But how is it possible in this case to reconcile 'national regimes of accumulation' with a world-wide regime of accumulation? Like in the twin-case of the wave and the particle, these are two aspects of the same thing, depending on the way we approach it. Thus, the 'triangular trade system' was at the same time bound up in the Spanish regime of accumulation and with the world-economy of the Mercantile Era; and what I have called 'peripheral fordism' applies both to some NICs and to some aspects of the world-economy in the seventies. But in reality struggles and institutionalised compromises take place mainly at the national level, so priority must be given in methodical terms to the analysis of each social formation *per se* (in its relation to the outside world), or to use the terms of the old debate, to the primacy of internal causes.

Can one go as far as saying that some agents, states or companies, knowing that it would resolve problems, have deliberately created or maintained imperialist relations? Yes, but not necessarily. There have been and will be, wars and *coups d'état* carried out to preserve markets, to get hold of raw materials and to retain control over poorly-paid labour. Yet to stop at the obvious cases of machiavellian intervention by dominant groups of metropolitan countries to explain the destiny of dominated countries is really to mistake a particular case for a general one, and above all, to consider a particular state of affairs characterized by particular economic relations as the result of intentional action directed by a limited sector towards that specific result. In reality these actions

were often aimed at achieving non-economic ends and the results were achieved above all by internal conflicts, through a more or less coercively imposed consensus, around a choice favouring a certain type of accumulation. In each particular case, this choice would lead the given social formation towards a specific place which is not predetermined in the hierarchy of nations, and which, however stable it may look and however coherently it may function is only the product of historical accident.

An approach in terms of demands of metropolitan capitalism tells us nothing about the success of North America, Japan, or Prussia nor about the failures in Latin America and nothing on the respective destinies of Australia, Canada and Argentina and it probably misleads us totally on the case of Canada and Argentina.

This argument does not apply of course to colonies – these territories without an independent state apparatus and subjected to the policies of the metropole and functionally linked to the demands of a dominant metropolitan group – but it does apply to all formally independent states in which the class-struggle was relatively autonomous. Such is the case of the former colonies in Latin America, as early as the beginning of the 19th century, and in some British Dominions – Canada and Australia in particular – towards the end of the 19th century. Significantly enough, when my honourable colleague A.G. Frank raised this question, he first used an apocalyptic turn of phrase ('As early as in the 1820s, Bolivar and Canning formulated the historical process which Latin America was going to go through, if not because of Providence, at least because of the development of world capitalism') moving later to the more precise language of concrete analysis, showing in great detail, the key role played in the defeat of the national bourgeoisie that was primarily interested in the development of productive industry by the liberal bourgeoisie that was import-export oriented. What would have happened if the former had not been defeated? There might have been a Prussia, or a Japan in Latin America. But then, what has the development of world capitalism got to do with all this? Nothing but it is a striking concept, summing up for us the result of concrete processes but in no respect is it a cause determining the destiny of anybody in particular.

The IDL and labels

Nonetheless, even if no immanent destiny condemns such and such a nation to such and such a place in the IDL, the immanent contradictions of capitalism often discover (let me underline the accidental quality of this process) a temporary solution at certain times, by inventing some deviations and differences between various national social formations in the regime of accumulation. During these periods, even if places have not been allocated in advance, the

field of available places is there, with a range of compatible national regimes of accumulation. The dominant classes in different countries have their various strategies; some (dominant) dream of banishing the others (dominated or still autonomous) to the peripheral status already devised in other circumstances, while the latter develop strategies which can – depending on the state of the internal class-struggle – achieve dependency or autonomy. But the point is that they cannot all be dominant at the same time.

We are not now trying to let in through the back door the ghost of world capitalism which we had chased out through the front door. I reiterate that what happens to form a system, and which we can intellectually identify as such because of its provisional stability, must not be seen as a finalized structure, an order established *in order* to be coherent. Of course it is coherent. If not, international confrontation would erupt and that would be the end of all talk of system. This consistency is merely an effect of the interaction between relatively autonomous processes, of complementarity and antagonism temporarily stabilized among various national regimes of accumulation. Therefore, the centre/periphery relation, to use a common concept, is not a direct relationship between states or territories within a single process. It is rather a relationship between various processes, between more or less introverted or extroverted regimes of accumulation. This relationship between processes is regulated by the constraints of compatibility to those which regulate the processes of capital valorization in a schema of reproduction: the world-production of equipment goods must be equal to the world-demand for such goods and so on. As we know, the schemas of reproduction which are most useful in resolving the contradictions of capitalist economy are not those where each country produces and exchanges the same things.

There is therefore an unequal allocation of social labour and of its products between different countries. That is what is called the IDL, but we can see now how deceptive and deliberately confusing a term it is whether it be apologetic or derisory, like that of real socialism.

When we talk of the IDL, we suggest that labour is distributed internationally according to the iron laws of proportionality like that principle of organizational optimality which prevails inside capitalist production units. The IDL is in fact much more akin to the division which exists *between* capitalist units, with some kind of order (the famous schemas of production) but also with its unruly arbitrary competitions, its generalized warfare, its dirty tricks and power-games. In the same way, the real division of labour results from attempts by some nations to control others or to set themselves free from them and from the relentless efforts of internal classes to form alliances or to abandon the strategy of an

independent domestic industry. This is in no respect a necessity of World-Capitalism (apart from the fact that capitalism does require some regular distribution of labour) but instead only a kind of discovery or better still *confluence* of resistance to or adoption of these discoveries.

Admittedly as we will see some monopoly economic-financial groups do try to deploy themselves in the sphere of unequally developed nations (or regions), by fragmenting the work process across pools of labour with different wage-relations (conditions of sale and use of the labour force). They organize a geographical division of labour quite consciously among themselves, and the general adoption of this practice strengthens the new IDL. One must not conclude however that the organisational efforts of the multinationals are the only factor in the new IDL. In reality, this arena can only be structured because the multinationals' plans coincide with the ambitions of the dominant classes in some national states to play the export-substitution strategy, which corresponds, as we shall see in a moment, to several types of internal accumulation (bloody taylorisation, peripheral fordism). The collected essays of Michalet (1976) show that the formation of a new IDL was not in fact the motive for the dislocation of some sectors of the productive process by multinationals. More often than not, it was quite simply because the capitalists of the centre were trying to *bypass* customs barriers which had been set up by some peripheral country to sell off in that country their manufactured goods in accordance with the logic of the old IDL. A final point needs to be made on the objective character of places in the field of the unequal development of national social formations. It is relatively easy to define it in stylistic terms following the conceptualization which has helped to describe the field – 'centre of the Economic World', 'developed country', 'underdeveloped country', 'exporters of raw materials', 'introverted' or 'extroverted' countries, 'under-imperialisms' NICs and so forth. But it is much more difficult – and very often dangerous – to stick such a label on any given country or worse still, to describe that country on the basis of the label that has been given it by others or that it has given itself.

For one thing, the 'field' itself varies as it follows the modifications in the systems of accumulation of the various countries (and therefore the dominant international system). This not only means that two systems can change places, or to use Wallerstein's (1974) and Braudel's (1979) phrase, 'the centre of the world economy' moves from country to country. The very texture of the field varies – the centre once used to be a town (Venice, Amsterdam) and later a country (England, the United States of America). But why not several 'countries' why not a

network, rather than a single centre? Why must we necessarily find a predecessor to England or a successor to the United States?

But more fundamentally, reality shows that the field is almost a continuum of situations, of local systems and of modes of insertion into the world economy. Some countries seem to be typical of a type of internal accumulation and of a mode of insertion, and it is by comparison with these typical cases that one tends to classify the other nations. Once this classification has been made (although there is never any agreement about the exact allocation of countries between categories), one tends to think that these abstract categories determine each country's specific characteristics. So, Argentina is put in the same category as a banana-producing Republic of the West Indies², because they both export raw materials, and then Canada's case becomes awkward. In fact, as for social classes in Boltanski (1982), it is not possible to draw demarcation lines between nations on the basis of some characteristics determining their position in international relations. Indeed there are typical cases, there are centres and peripheries *par excellence*, and similarities brought out either by a theoretical analysis or by a joint decision – as in the case of the OPEC countries, the Group of 77 or the NICs. When such a classification is in common use, it acquires an objective reality, if only because those classified together tend to look for alliances among fellow-countries of the same category in order to preserve their common interests, although these reactions may well be challenged by other characteristics which determine other alliances. It is of course important to take into account this phenomenon of political solidarity, experienced by those who appear to share a roughly similar lot. But it would be disastrous to abandon the results of concrete analysis for a label, and to embark on metaphysical debates as to which category this or that country belongs, simply because one thinks that it is rather extroverted, it exports so much raw materials or so few industrial goods. It would be even more disastrous to deduce from the category in which it has been placed, the main characteristics of a country, to model policies on that category, to wear blinkers to the point of excluding from the reality of the country all the elements which don't fit the box in which it is meant to be. Beware of labels, beware of the IDL – and let us pay more attention to the actual workings of each country, what it produces, for whom, which forms of wage-relation it has, which successive systems of accumulation it has had and why. Let us also be very cautious when we cast a net over the world to try and capture the relationships existing between the systems of accumulation of various national social formations.

Equipped with all these warnings, I shall now endeavour to make some sense of this tale full of sound and fury and drenched in blood and mud. I shall only deal briefly with the invention and diffusion of capitalism, the expropriation of land, the hard-labour of bloody legislation, the re-invention of slavery and serfdom, strikes, wars and so on

Birth of capitalism from commodity-relations.

The history of capitalism must be understood not as the development of a structure but as the bold expansion of its social relations from its own fertile soil of commodity-relations developed on the margins of pre-existing relations of production. Little by little, floating like lumps in a sauce on the so-called natural economy and bound to it by commodity-relations capitalist relations congealed and formed real centres of capitalist production.

In their historical surveys of the birth of capitalism Braudel (1980) and Frank (1977) have illustrated vividly for the period between 1500 and 1800 the relativity of the *territorial* notions of centre. At the outset of the Middle Ages material production all over the world was essentially carried on in a non-commodity fashion. Trade which was conducted almost exclusively at long distance, only mobilised a very small portion of this production and was directed towards the dominant classes. Some centres of these trade networks embarked on the transformation of the metals, spices and textiles involved in these exchanges thereby developing a waged labour-force which represented only a small proportion of their customers. Therefore, these towns as centres of the world economy floated on the margins of tributary empires or feudal kingdoms.

During the 17th and 18th centuries, the economic miracle consisted in the transition from 'city centres' to national economies and the crucial switch from Amsterdam to London. Around trading centres and metropolises the market economy and the waged labour-force grew sufficiently to create a territorial economic space principally geared towards consumption and accumulation. Thus, from world trade capitalism developed its own wage-labour and then a home-market for its own manufactured goods. Towards the end of this mercantile period, reasonably well-structured exchanges appeared between firms and between firms and wage-labour making it possible to begin talking seriously of regimes of accumulation.

Thermostatic function of the periphery or the old IDL

These centres on the whole tended to remain dependent on the non-capitalist outside world whether this happened to be inside or without the capitalist nation-states. *A priori*, there was no guarantee that the circuit of exchange between capitalists and

Towards a
contribution to
the history of the
'Beast'

wage-labour should complete itself, especially when firms took piecemeal decisions about increasing their output. The completion of the circuit of capitalist reproduction remained uncertain and improbable. Accumulation was then mainly extensive (increase in production without changes in the labour-process) interrupted by some intensive waves of development (radical changes in products and labour-process brought about by industrial revolutions). Regulation was of the competitive type: wage-labourers having practically no access to capitalist products sold their labour power on a day to day basis, firms which could not really control the market adjusted to demand through competitive prices and money was based on the commodity – gold. There was very little state intervention.

Under these conditions the major problem was the search for new markets in the countryside and among artisans inside the country, in less developed centres (hence the technological gradient radiating from England) and finally in the outside world during the mercantile period.

The theories of imperialism have been formulated on that historical basis of extensive accumulation with competitive regulation in the first countries to be industrialised. In fact, we find the earliest expression of these theories in Adam Smith's work. At its most basic the emergence of relatively complex forms of manufacturing cooperation allowed by capitalist wage-labour immediately guaranteed an absolute advantage in terms of productivity over all other modes of production. But an increased social demand did not follow this extensive capital accumulation in the countries which were undergoing this type of growth. So this lack of demand *had to be* compensated from the outside, which was done *easily* because of the absolute advantage just mentioned. During this period, the outside world first acted as a *market* for finished goods that could not be sold on the home market. And as soon as commodity-production and wage-labour were sufficiently developed it became a direct market for capital investment. The outside world was also a *reserve* from which capitalism could draw what it could not produce but could transform (raw materials) or help to reproduce (labour force).

In this type of regime of relations between centre and periphery the periphery effectively played the part of (and was conceived as) a *thermostat*. The capitalist machine of extended reproduction could not be completed within the centre. The outside world supplied it with a source of both labour and raw materials and of markets.

Once more, I must stress that this centre/periphery relation was first a *process* before it became a *structure* of unequal relations. Or, more exactly, there was a structural link between two types of

processes: in the centre, an increasing interconnection of processes of production was taking place in a more and more clearly defined schema of reproduction while units of capitalist production in the periphery were developing according to a pattern determined outside the periphery called 'extroversion'. Obviously at some stage in the process, the extroversion of a nation-state becomes almost irreversible and deeply ingrained in its social relations.

We have already said how important it is to analyse class struggle in the periphery in order to account for this irreversible move towards peripheralisation. However in the sky of the Apocalypse, the Beast has now appeared: the *initial IDL* between the centre which manufactures goods and the periphery which exports raw material.

But this was not really a division of labour. If it had been able to do so the centre would have produced everything without any imports. In fact, capitalism developed only where essential raw materials as coal and iron existed. Furthermore, during its early period European mercantile capitalism used to pay for the products of Eastern handicrafts with raw materials, first its own and later with Latin American gold. The fact that during the 19th century the periphery specialised in raw materials was only the result of an *exclusion* of the capitalist manufacturing sector. It was another discovery to realise that what remained (raw materials) was profitable for metropolitan capital to exploit in alliance with a fraction of the local bourgeoisie in search of monopoly rent and the over-exploitation of local labour under the mere semblance of a wage-relation². Other discoveries proved promising: the transfer of capitalism, its factories, its wage-labour and its modern farms, to settlement colonies where capitalist accumulation could amass its first funds by exporting raw materials. It was possible to do anything with raw materials but it would have been dangerous merely to export them. The question was then to decide whether it was better to spend lavishly the profits in buying goods from the centre, in buying machinery or in enlarging the basis of the wage-relation and therefore starting a self-centred process of accumulation even if it meant protecting the emergence of this productive power (List) against the invasion of free-trade. And the answer depended once more on the state of the internal class-struggle in which naturally the traces of the colonial past in the social structure (the famous habits of history) were of great importance.

In these early days it was already difficult to categorise Chile, Argentina and Uruguay and some dominions. Elsewhere, numerous countries which had never been colonised were left out of the IDL . . . and Japan had already decided internally during the Meiji period to challenge the centre. The transition within the centre to a new system of accumulation was to impose a brutal choice.

The transition to fordism

Between 1918 and 1945, developed capitalist countries invented a new system of accumulation with a new mode of regulations: fordism.

As a mode of capital accumulation it is based upon the constant upheaval of the labour process such that the workers' know-how is incorporated into the automatic features of machinery. This system of intensive accumulation combining a rise in apparent labour productivity with an increase in the per capita volume of fixed capital presupposes that the body-movements of the old craft-worker have been systematized through the methods of scientific management called taylorism.

But this fantastic increase in productivity (6-7 per cent a year against 2 per cent during the previous century) only aggravated the question of markets which reached a climax with the Great Depression of the thirties. The 'discovery' of the post-war years was to adjust mass demand to the rate of growth in productivity by linking wages and productivity.

This adjustment provoked a dramatic change in the life-style of wage-earners, by normalizing it and even integrating it into capitalist accumulation itself (Granou, Baron, Billaudot, 1979). It took the form of a network of institutions which stabilised the increase in nominal wages (collective bargaining, the Welfare State and so on) but also gave the major firms of leading sectors a monopoly over the productive structure by allowing them to control their prices more or less independently of the fluctuation in demand. But all this required a change in the role of the State and the development of credit-money.

This revolution did not take place overnight. Under the leading role of the United States¹⁰ new norms of production, consumption and wage-regulation were invented or adopted with more or less success. The uneven spread of intensive accumulation (Mistral, 1982) worked wonders in Northern Europe, Japan, Australia, Canada and New Zealand. But because of the strong resistance of its working-class and the weight of financial capital that was too heavily internationalized to be interested in this kind of internal revolution, Britain missed the Fordist train and therefore began to be excluded from the centre. Argentina, one of the richest and most developed countries in 1945, missed it too because of the resistance of its workers and of the decision by its ruling-class to continue to rely on export-oriented agriculture.

It is even more interesting¹¹ to see how a sub-fordist strategy of import-substitution failed in some dominated countries. It has been shown (Lipietz, 1982A) that this failure was not due to the American warden's refusal to industrialise the periphery but mainly to the insufficient transformation of the internal social

relations: the import of technical norms from the centre had not been followed by a corresponding wage-relation and the local élites were too fragmented a market. The virtuous circle of intensive accumulation could not get going and the differences in productivity between the centre and periphery increased.

Be that as it may, the centre/periphery relationship could not but be radically changed by the invention of fordism.

As the system of intensive accumulation and monopoly regulation was being established in the economic spaces of the centre, the thermostat was progressively losing its importance in providing outlets, while gaining importance in terms of resources (oil, labour-force . . .). Indeed with a system of accumulation based on mass-consumption, capitalism had temporarily resolved the question of markets on an internal basis. One could even say that the exports of manufactured goods to the periphery were only just covering the cost of raw materials.

The share of exports in GNP of *each* centre country fell progressively from the beginning of the century until the sixties. Then it began to increase again but mainly between blocs within the centre (USA-Canada, EEC): the scale of mass-production required larger homogeneous economic spaces and needed to transcend national frontiers. In the same way, international investment flowed back from the periphery to the centre: capitalist concentration and centralization followed the unification of the markets for manufactured goods and the endogenous growth of the markets of the centre.

Appearance of peripheral fordism and the new IDL

In the mid-sixties, at the climax of central fordism, the importance of the periphery in world trade for manufactured goods was almost nil. Export of these items to the periphery had fallen to 2 per cent of domestic production in the EEC and to 0.8 per cent in the USA! If the opening of new markets had been the *cause* of imperialism and of the imposed stagnation in the periphery then the centre did not need the periphery any longer Over the same period the imports by industrialised countries of manufactured goods from underdeveloped countries was negligible (less than 0.2 per cent). Yet it was from that angle that the periphery was to regain its importance.

The regime of fordist accumulation had just stumbled across the other major contradiction in capitalism, the falling rate of profit. The formidable mechanization introduced by fordism was no longer producing sufficient rises in productivity. The organic composition of capital was rising and increasing pressure on the rate of exploitation in the centre would have reopened the problem of markets which the monopoly wage-regulation had

resolved. New sources of surplus-value therefore had to be found in order to increase profitability. They were to be found in the NICs (Newly Industrializing Countries). The historical process of spread and integration of capitalist relations was relaunched during the sixties by a combination of two factors:

The first factor was linked to the internal logic of fordism and to its hitherto latent crisis. Fordism had involved a segmentation of the productive process into three levels (Lipietz 1977):

- i) conception, organisation of methods and engineering having become virtually autonomous;
- ii) skilled production requiring skilled labour;
- iii) unskilled operations and assembly in principle requiring no qualifications.

It was then possible to split these three levels into three geographical regions and to spread the productive circuit of fordism branches to three pools of unevenly skilled and unevenly paid workers. This relocation of skilled work had already been tried out inside the centre and it spread during the sixties to the countries of the periphery most adjacent to the centre where hourly wage-rates were considerably lower and working-class organisations weaker (Spain, Korea, Mexico and to some extent, Eastern Europe). So a new *vertical* division of labour with different levels of skills within each industrial branch was being developed over and above the old horizontal division of labour with its primary (agriculture/mining) and secondary (manufacturing) sectors. This redistribution of industrial work was a kind of extension of fordism, a re-organisation of the system of accumulation itself and not the form of a new relationship between the system and the outside world.

But a second factor was needed in that these countries had to have authoritarian regimes and ruling-classes ready to play the export-substitution card. This choice implied a clear autonomy of the State not only from the overexploited classes but also from the ruling-classes linked to traditional exports or to the home market (Salama, Tissier, 1982).

Without going into the detail of specific national examples we can identify two typical schemas:

a) *bloody taylorization* This involves the relocation of well defined and limited segments of branch circuits to States which had a very high rate of exploitation (wages, duration and pace of work) and the reexport of goods mainly to the centre. The free zones and, in the early days, the Asian workshop-states, (Hong-Kong, Singapore), provide the best examples of this kind of strategy which mainly affected the textile and electronic industries. The jobs were on the whole *taylorized* but not highly mechanised. The cost of imported plant was therefore very low and this industrialization which mobilised women workers principally could

incorporate the know-how and sense of discipline that women had acquired through patriarchal domestic exploitation. It was bloody in the same sense as Marx uses to describe the legislation of the early metropolitan capitalism. It added the modern techniques of anti-labour repression to the centuries-old exploitation of women.

From the point of view of the theory of accumulation and regulation, these industrial processes must be considered as productive segments relocated from the metropolitan regime of accumulation with practically no effect on the growth of world social demand.

Such a model was extremely fragile. Social tensions very rapidly developed and the local dominant classes having had to concede wage-demands, had to resort quickly to more sophisticated forms of socioeconomic regulation and adopted a richer system of accumulation called peripheral fordism.

Moreover, the insertion of these very low-waged segments into the central system of accumulation created competition for outlets with the equivalent segments in the centre, thus provoking sectoral and regional crises in the old industrial countries: these countries responded with protectionist measures.

Thus the Multi-Fibre Agreements which had originally been meant to organise access of central markets to exports from the countries controlled by the multinationals, the third time round became a barrier to these exports (Marty, 1982)! One can measure here the superficiality of the functionalist analysis and the very relative strength of the supposedly satanic multinationals.

b) *peripheral fordism* Whether it was the legacy of the old-style import-substitution policies, the outcome of an export-substitution programme based on bloody taylorisation or any other specific reason, in the seventies in some countries a conjuncture of autonomous domestic capital, relatively numerous urban middle-classes and an embryonic skilled working-class occurred. This conjuncture made it possible for a number of states to embark on a new strategy which we have called peripheral fordism. I must underline once more the political nature of this choice as it was bound up with the internal class-struggle which had conferred on the state a real autonomy from the traditional dominant classes as the cases of Korea, Mexico, Brazil, of the *Opus Dei* Spain and of Gierek's Poland, show in their different ways.

Why have we called it peripheral fordism? We think that it is an authentic fordism based on intensive accumulation combined with market-expansion but it remains peripheral to the extent that, in the world-circuits of productive branches, jobs and production corresponding to skilled work-processes and above all engineering remained outside these countries on the whole. Secondly it is so to the extent that the markets correspond to the combination of a local

urban middle-class market with partial access by workers of the fordist sector to domestic appliances and exports towards the centre of these goods manufactured at low cost. So, the growth of *world* social demand for durable goods and particularly for household goods, was anticipated *but not institutionally regulated* on a national basis which would have been calculated on the productivity increases of the *local* fordist branches.

We must not forget that, under this term of peripheral fordism, a wide variety of regimes of accumulation¹² is possible. The ratio of exports of manufactured goods to demand in the home-market varied from 4.1 per cent in Mexico to 25.4 per cent in Korea (in 1978): in each particular regime of accumulation the proportion of final internal demand on the home-market to import-substitution and to re-export of industrial goods varied enormously. This in turn indicates the big differences which existed in the mode of regulation and above all in the wage-relation, the forms of hegemony of the dominant classes and so on

Nevertheless, one must restrict the use of peripheral fordism to the countries where the expansion of the local market (for manufactured goods) played a real part in the national system of accumulation. This stresses the fact that South Korea, which is still described sometimes as a workshop-state (which it was between 1962 and 1972) with bloody taylorisation in relocated segments of labour-intensive industries, has long since left that stage.

Reduplication of the IDL

The emergence of these countries with a peripheral fordist system and the financial accumulation of liquid assets in some OPEC countries have burst the periphery apart and have produced the reshuffling of the hierarchy which is taking place at present. The periphery has never been a homogeneous whole but the new factor is the increase in the flow of goods as in the old division of labour between the NICs and the countries which have remained exporters of raw materials or those without any resources. In all everyday fordist goods industries or typical branches of intermediate products (such as steel) and even for engineering products, the NICs have become extremely competitive and are competing against central industries for trade with these countries. Consequently we find triangular exchanges of raw materials, emigration and manufactured goods developing entirely within the South.

It is significant to note that NIC's exports to the South are altogether more regional, more sophisticated and capitalist than their exports to the centre. So, as the years go by, the *old IDL* is being recreated, but this time *within the ex-periphery*. The NICs are beginning to exert technological domination over these markets

since, although in climbing the ladder they have not yet reached the highest rung of world-technology, they now export not only professional equipment at low prices but also engineering products. However in global terms their share of Department I and even of Department II of the fordist IDL is still very small. While Korea exports 4 per cent of its machine tools it still has to import 65 per cent to satisfy its home-market.

We can even witness a *reduplication of the new IDL*. As higher wages in the first wave of NICs make them less competitive in the re-export strategy based solely on bloody taylorisation and as import quotas are being applied against these goods in the centre, these countries are organizing with multinationals a second stage of bloody taylorization directed towards what a recent report of the *OECD Observer* (November 1982) has called the second wave of developing countries exporting manufactured goods: Malaysia, the Philippines, Thailand and even the People's Republic of China.

This reduplication of the division of labour or this deployment of the world-circuit of productive branches in the NICs is superimposed upon the old relation between the manufacturing centre and the raw material exporting periphery but it is still a long way from forming a world economy ordered around a hegemonic centre¹³. Beside the fact that the War of Succession for the United States is still being fought between Europe and Japan and that state capitalism of Eastern European countries plays a special role in this system, the Third World is today like a constellation of special cases. They are characterised by vague regularities, fragments of an accumulation logic which fit more or less well together and flows which come and go after a few years without having established a stable mode of regulation at a global level

The regulation of this bric-à-brac was based in the seventies on a recycling of an increased amount of credit based on dollars held abroad and deriving mainly from the OPEC surpluses. The NICs financed their industrialization not so much through the investment of multinationals as from loans coming from private sources on the international financial market¹⁴. These loans were granted on the trust that peripheral fordist accumulation, seen this time as a world-wide regime of accumulation, would work. In fact, in the seventies the NICs rate of growth reached 10 per cent a year benefiting from the final residue of expansion which Keynesian policies were achieving in the centre while the centre itself was using the demands of NICs for industrial equipment as a boost to its own productive sector.

But the newly hegemonic role of monetarism in the centre and internal factors of crisis in the NICs' system of accumulation have provoked the total collapse that we know today and which I have analysed elsewhere (Lipietz 1982A and 1982B).

Scattering of the centre

What about the centre while this is happening in the periphery? The crisis of fordism also provokes a scattering of the centre although this is rather less important than in the case of the periphery.

By the late sixties, the industrial countries through the spread of intensive accumulation had adopted similar norms of production and consumption¹⁵. But this similarity itself became a factor of crisis when it destabilised the hegemony of the USA: in 1971 the devaluation of the dollar marked the beginning of a trade war. But if one could identify a cause of this trade war it was the fact that, by the mid-sixties, trade in manufactured goods between countries of the centre had started to rise again as the extension of the terrain of technological and commercial activities had stimulated mass-production and an increase in the ratio of exports and imports to GDP.

In turn this growing opening up of national economies served to destabilise country by country the monopoly regulation of fordism. The regulation of wages linked to productivity became not only the main variable which controlled the delicate balance between the theoretical rate of profit and the growth of the internal markets but also the determining factor in the competitiveness of a country. Therefore, the greater the openness of an economy the more problematic wage-regulation became. All increases in real wages not only put pressure on export-prices (price-effect) but also increased the need for imports (quantity-effect): this would not matter if both real wages and productivity had been increasing at the same rate in the various countries. But, when governments and employers began to put pressure on real wages, to make up for the drop in profitability resulting from increased fixed investment, each national capitalism started to look for markets outside the domestic ones that their own austerity measures had destroyed. Be that as it may, from 1973 the oil rent had to be paid for with increased exports. And in order to become more competitive yet more pressure was exerted on the wage-cost of each manufactured item. It is unclear whether increased external market outlets offset internal losses but it seems certain that the global number of outlets tended to decrease. So stagnation set in and it became more difficult to earn the market rate of return on fixed capital and indirect wages expenditure. The rate of profit fell once again and accumulation and productivity slowed down: the virtuous circle had become a vicious circle.

However, the contradictions created by the trade war and its austerity measures did not hit all countries uniformly for the degree of openness is not the only parameter to consider in relation to international trade in the centre. There is a wide range of imports

and exports in the countries of the centre and each local economy may be more or less specialised: it may be more or less specialised in the productive sector or equipment goods in the central regime of accumulation, or in production in Departments I, II or III in the actual division of labour of the classical branches of fordism, more or less in declining branches, or in expanding ones where new norms of production and consumption are being determined. In fact, a country which had become specialised in assembling everyday consumer goods could only adjust prices in international competition either by adopting a low exchange rate or low wages and would then have to compete dangerously with NICs. On the other hand a country which specialised in equipment goods and had modes of organisation which were determining new norms of productivity would not be as exposed to this constraint either because it could flood the world-market with new consumer goods due to large differences in productivity, or because it enjoyed a monopoly over a number of vital equipment goods.

Therefore we can see that during the present crisis the countries of the centre are diversifying in their evolutions not so much because of their degree of openness (in any case the openness of countries' markets is an obstacle to their regulation and bear in mind that the American and Japanese economies are the least open) as because of their varying achievements in terms of the production of important capital goods and of the mastery of highly skilled activities and of decisive technological developments. But these endowments do not drop out of the sky. Adaptation and specialisation are determined as ever by a host of factors including the internal social structure, the class-struggle and compromises, the habits acquired during the fordist phase of growth concerning wage-relations, labour-skills, the extent to which technological change is introduced through negotiation or conflict, the relations between big firms and subcontractors, research and industry, industry and banking, state-intervention and so on . . .

I hope that I have succeeded in showing that, apart from the extreme cases of countries whose extremely low level of capitalist and technical development has condemned them from the start to escape domination only by radically breaking away from the norms of so-called development, no external destiny or general law of capitalism can dictate to any particular country its place in some preordained division of labour. Unless, of course, we mean by external destiny the weight of the past ingrained in the social structure and the internalisation of the norms which seem so successful in the models of development of other countries; or unless we mean by iron laws the deliberate acceptance of the rules of free-trade and the free interplay of market-forces . . .

For it is precisely on the basis of given conditions, inherited from the past that peoples and nations make their own history.

This article is an elaborated version of a paper presented at the Ottawa Conference on *Canada and the New International Division of Labour*, 28-30 January 1983. I am grateful to the editors of *Capital and Class* for their editorial work.

Notes

1. See Lipietz (1977), (1981), (1982A); Cepremap (1980).
2. See Aglietta (1976), Cepremap (1977), Boyer and Mistral (1978), Lipietz (1979).
3. Flexibility of concepts: one can say that an economy is in serious crisis when its mode of regulation does not any longer guarantee stable accumulation. But since the world carries on during a crisis (as for instance it has since 1973) why not also talk of a regime of crisis, as some talk of dependent development? The main thing is to dispose of a concept as soon as it is worn out.
4. See their interrelationship in Palma (1978).
5. Note here how realism of universals becomes holism and therefore implicitly suggests functionalism as well as a *de facto* primacy of external causes.
6. Apart from Lenin in his fundamental book, *Development of Capitalism in Russia*, Ominami (1979), and Hausmann (1981) are the first to deal explicitly with dominated countries' own system of accumulation and successive modes of regulation.
7. Early on in my research on space (Lipietz, 1973), I noted how varied, variable and relatively independent the topologies and spatial characteristics of each socio-economic formation and their articulations can be when I adopted a schema (regional framework/national social formation/multinational bloc) rather similar to the World Economy carefully and subtly described by F. Braudel at the beginning of his *Temps du Monde* but not always adhered to by his followers. So the typical configuration of the World Economy centred on England during the 19th century seems to have become universally applicable to all concrete situations (except maybe wars of succession). Instead of trying to look for a centre between Japan and California, would it not be better to leave Wallerstein and prefer Braudel and his *Mediterranean World under Philip II* or even the twelfth century when early capitalism had no backbone other than the network of fairs in the Champagne area?
8. Or, more globally, can the whole of Latin America with Africa and Asia be placed in the bag of underdevelopment. If an Argentinian traveller believes that Mexico is underdeveloped what would an inhabitant of Mali say on arrival at Buenos Aires?
9. Depending on the situation, labour will be exploited in a capitalist way or in a sometimes unbelievably pseudo-precapitalistic way. Exporting capital can either be national or external (i.e. central): it does not change peripheral characteristics much. One normally reckons that a trade-surplus corresponds to the transfer of value from periphery to centre and thus increases the profit-rate in the centre. But this can only in fact aggravate the problem of realisation. It is true that the prospect of high profits is the *motif* for individuals investing their central capitals in the periphery, but it would be an exaggeration to suggest that the plundering of the Third World may have had a major quantitative influence on the rate of expansion of the centre and even more so to say that it was the *function* of the

periphery to do so. Qualitatively of course, it was vital to appropriate raw materials which unfortunately were in short supply in the centre but the fact that these raw materials should have been available in the periphery is purely coincidental. And in any case valuable raw materials do not exist everywhere in the periphery.

10. The term American cultural imperialism was used in that respect. Between 1945 and 1960, imports of American machines, as part of the Marshall and MacArthur plan for Europe and to Japan, were accompanied by the import of fordist norms of consumption, work-organisation and of trade-union agreements. Boltanski (1982) has shown that the latter kind of imports were a pre-requisite to the Marshall Aid Plan and that at the time France, for instance, was considered by the States as intermediary between an advanced and an under-developed country. But as soon as fordism took off in these countries one could no longer speak of periphery in the case of France, or even less so in the case of Japan or Italy. Italy's case is even more remarkable than that of France (which was considered between the two World Wars as one of the main world powers) or that of Japan which had after all in the early thirties sided with Germany against the USA in the war of succession for England's place and had in fact already been, in the face of general opposition, very close to victory in the Asia-Pacific Ocean zone. In such an example one can measure the relativity of such notions as semi-periphery etc... They can only apply to regimes of accumulation which are in the process of diffusion and can therefore coexist with metropolitan characteristics from a diplomatic or military point of view, or from the point of view of an obsolete regime of accumulation as is probably the case with the USSR.

11. Because of this failure of the transition to fordism during the fifties and sixties people believed that the old IDL would last for ever. However, even if the pursuit of development failed in Latin America it succeeded more or less in Italy (apart from the Mezzogiorno of course). And what about Spain?

12. This expression, however questionable, is again a tribute to the eponymous company which initiated this type of practice - the Spanish 'Ford Law'. This codified how much output was to be re-exported and how much was to remain in the home market in the case of assembly-lines which received some of their components from other central European countries (thus violating the old protectionist barriers) and actually one of the first illustrations of this strategy. (Cepremap, 1980).

13. This dissolution shows how inappropriate the metaphor of the American Empire was. World wars have been needed to bring down the Austrian Empire and the Hungarian and Turkish Empires to destroy the British and the French Empires: these were based on the explicit sovereignty of one state. On the other hand the American Empire worked thanks to a combination of explicit and implicit forms of hegemony. Some were brought down by struggle and others by the autonomous dynamic of national regimes of accumulation (see Arrighi, 1982).

14. The share of these loans in the contribution of external capitals has risen to 82 per cent in the case of Korea. One must admit that such practices cast doubt, if not on the functionality, at least on the *intentionality* (on the part of the centre) of relations of dependency.

15. State capitalism in Eastern European countries is not discussed here except maybe obliquely in the reference to Poland as a NIC. The following remarks are based on the Cepremap report (1980).

16. A single-country, two-commodity and three-factor trade model named after Heckscher, Ohlin and Samuelson. (Editor's note).

References

- Aglietta M. (1976) *Régulation et crises du capitalisme*, Calmann-Lévy, Paris.
 Amin S. (1973) *Le développement inégal*, Editions de Minuit, Paris.
 Arrighi G. (1982) 'Une crise d'hégémonie', in Var. auct. *La crise, quelle crise?*, F. Maspéro, Paris.
 Boltanski L. (1982) *Les cadres*, Minuit, Paris.
 Bourdieu P. (1980) *Leçons de sociologie*, Minuit, Paris.
 Boyer R., Mistral M. (1978) *Accumulation, inflation et crise*, PUF, Paris.
 Braudel F. (1980) *Civilisation matérielle, économie et capitalisme*, A. Colin, Paris.
 Cardoso F.H. (1974) 'Théorie e la dépendance ou analyses concrètes de situations de dépendance?', *L'Homme et la Société* n°33-34, 2e semestre.
 Cardoso F.H., Faletto E. (1967) *Dependencia y desarrollo en America Latina*, Siglo XXI, Mexico, 1969. Mimeo ILPES, Santiago du Chili, 1967.
 C.E.P.R.E.M.A.P. (1977) *Approches de l'inflation: l'exemple français*, rapport au Cordes par Benassy J.P., Boyer R., Gelpi R.M., Lipietz A., Mistral J., Munoz J., Ominami C., Paris, mimeo.
 C.E.P.R.E.M.A.P. (1980) *Redéploiement industriel et espace économique*, rapport à la Datar de Lafont J., Leborgne D., Lipietz A., publié dans *Travaux et recherches de Prospective*, n°85, La Documentation Française.
 Coriat B. (1979) *L'atelier et le chronomètre*, Paris, Bourgeois.
 Eco U. (1982) *Le nom de la rose*, Paris, Grasset.
 Granou A., Baron Y., Billaudot B. (1979) *Croissance et crise*, Maspéro, Paris.
 Frank A.G. (1977) *L'accumulation mondiale 1500-1800*, Calmann-Lévy, Paris.
 Frank A.G. (1978) *L'accumulation dépendante*, Anthropos, Paris.
 Hausmann R. (1981A) *State Landed Property, Oil Rent and Accumulation in the Venezuelan Economy*, Ph D Thesis, Cornell University.
 Kosik K. (1970) *La dialectique du concret*, F. Maspéro, Paris.
 Lipietz A. (1973) 'Approche théorique des transformations de l'espace français', mimeo CEPREMAP. Publié dans *Espaces et Sociétés*, Novembre 1975, Anthropos.
 Lipietz A. (1977) *Le capital et son espace*, Paris, F. Maspéro, édition augmentée 1983.
 Lipietz A. (1979) *Crise et inflation: pourquoi?* Paris, Maspéro.
 Lipietz A. (1981) *Vers une mondialisation du fordisme?* intervention au Symposium International de Sfax (Avril 1981). English translation: *New Left Review*, Number 132, 1982.
 Lipietz A. (1982A) 'La crise du fordisme périphérique', intervention au Colloque *Problèmes de la reprise internationale et NOEL*. Mimeo CEPREMAP 8225. A paraître dans *Les Temps Modernes*.
 Lipietz A. (1982B) 'Derrière la crise: la tendance à la baisse du taux de profit', *Revue Economique* n°2, Mars.
 Marty C. (1982) 'Les arrangements concernant le commerce international des textiles', *Revue de la concurrence et de la consommation*, 3è trimestre.

- Marx K. (1867) *Le Capital*, livre I.
 Michalet C.A. (1976) *Le capitalisme mondial*, PUF, Paris.
 Mistral J. (1982) 'La diffusion internationale inégale de l'accumulation intensive et ses crises', J.L. Reiffers ed., *Economie et finance internationale*, Dunod, Paris.
 Ominami C. (1980) *Croissance et stagnation au Chili: éléments pour l'étude de la régulation dans une économie sous-développée*, Thèse Univ. Paris-X, mimeo.
 Palma G. (1978) 'Dependency: a formal theory of underdevelopment or a methodology for the analysis of concrete situations of underdevelopment?' *World Development* vol. 6, Number 7/8, July-August.
 Salama P., Tissier P. (1982) *L'industrialisation dans le sous-développement*, Maspéro, Paris.
 Warren B. (1980) *Imperialism, pioneer of capitalism*, New Left Books, London.