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3 THE STRUCTURATION OF SPACE, THE PROBLEM OF LAND, AND SPATIAL POLICY

Alain Lipietz

Background to the Problem

The 'space' under discussion is the object of study of human geography, economic geography and theories of spatial economics alike and is also the object upon which spatial policy and regional action are practised. This 'space' is the material form of existence of the socio-economic relations which structure social formations, and, in particular, French society.

Any social formation is a complex structure of social relationships, linked at the level of the economic, legal-political and ideological instances. It appears as an articulation of combinations — types of relationships linked at the level of these three instances and determined by the relationships of production, combinations called *modes of production* (capitalism, petty commodity production, domestic production, feudalism . . .). But this articulation is not a linear combination: on the one hand, the form of existence of each of the modes is considerably modified by the place allotted to it by the reproduction of the dominant mode in the social formation (capitalism); on the other hand, the dominant mode of production itself includes among its concrete conditions of existence, in the formation under consideration, the presence of other modes of production (which provide it with reserves of labour, market outlets, etc.). If each of the modes of production possesses *a priori* its own *dynamic* of development, its own logic, generally in contradiction to that of other modes, whose presence is revealed by analysis, it appears that after synthesis, in the concrete articulation of the modes, the dominance of the capitalist mode of production imposes its *unity* on the whole, its mode of functioning which appears *'ex post'* coherent. Analysis will thus reveal, for example, the antagonism of an 'industrial logic' corresponding to the advanced forms of capitalism, opposed to a 'property logic' characteristic of archaic modes, but concrete examination will reveal on the ground the functioning of a unique and coherent system possessing distinctive characteristics. To explain these is precisely the aim of analysis. In fact the actual conditions of the articulation must be understood as a *process* in which the dominant mode dominates, breaks down and integrates the

dominated mode in successive phases in which the working rules of the social totality are modified.

From this conception of social structure a conception of spatial structure also emerges. We believe in fact that concrete socio-economic space can itself be analysed in terms of the articulation of 'spatialities'¹ appropriate to clearly defined relationships in the different instances of different modes of production present in the social formation. What is the nature of this 'spatiality'? It is a form of correspondence between 'presence/absence' (in geographical space) and 'participation/exclusion' in the structure considered. The forms of 'presence/absence' are themselves specified by the structure in question. One can thus speak, for example, of the *economic* space of the capitalist mode of production, relative to the state of the spatial division of labour and to that of transport and telecommunications; or of *legal* space which is superimposed upon it and which takes the form of a cadastral register, fixing for private individuals the limits of the right of use and abuse. We shall see that legal space of this sort, an inheritance of the past social formation, stands in the way of the redeployment of capitalism.

It should be understood that concrete socio-economic space appears both as the articulation of analysed spaces, as a product, a *reflection* of the articulation of social relationships, and at the same time, as far as already existing concrete space is concerned, as an objective constraint imposed upon the redeployment of those social relationships. We shall say that society recreates its space on the basis of a concrete space, always already provided, established in the past. This is how we will tackle the question of territorial development.

Our approach will reflect this problematic. We will first examine the constitution of concrete regional spaces as the product of the articulation of modes of production and then, on the basis of the national space so constituted, we will examine the rules of operation of the system and the problems posed for the development of advanced forms of capitalism, which will enable us to distinguish the objectives of the State.

From the Articulation of Modes of Production to Regional Uneven Development

The Dominant Mode

The capitalist mode of production is characterised by the separation of producers from their means of production and by the private autonomous character of the development of the different parts of social

capital. The law of value, which is imposed by means of market exchange between these parts, assures the self-regulation of the development of the different branches of production.

Spatially, the redeployment of capitalism will be characterised by the location of the unit of production (fixed capital) as a function of a calculation of private profitability, bearing in mind the capacity for appropriation of the objects of labour and of labour power in the form of commodities, and for disposal of the products in a market. It is necessary to enquire whether there is any law of spatial self-regulation equivalent to the law of value for the distribution of capital and social labour among the branches and we shall see that this is only very partially the case. But, from the very fact that the management of capitalist development presents a private character for each autonomous part of capital, we shall only be able to examine this problem after analysing the concrete spatial framework (which constitutes what Perroux would call 'plan contents' of the agents dominating the processes of capitalist development).² However, it should be remembered that, considered globally, the capitalist mode of production assigns a double function to other modes of production in its development:

a reservoir of labour freed by their disintegration;
an outlet for its products and a field of investment for its development.

In its historical development the capitalist mode of production has gone through several successive stages in different branches, which can be superimposed on each other geographically or exclude each other — in particular through the mode of occupation of the land, the structure acquired by the labour market, etc. The periodisation of the succession of stages is relative to the labour process (stages of manufacture, large-scale industry, automation) and to the process of valorisation of capital (competitive and monopolistic stages). These different stages also have their own spatiality. In particular, advanced forms of capitalism are characterised by a geographical separation of the labour process and the process of valorisation of capital. The increasing independence of finance capital and of research and development activities in fact allows the monopolistic sectors to regulate the spatial division of labour between centres of innovation and research, manufacturing centres and assembly centres, as a function of a distribution of supply centres and of a transport system, of labour resources and of markets which can, moreover, be either pre-existing or rearranged. It is no longer, therefore,

as in neo-classical economics, a question of supporting or rejecting hypotheses about 'mobility of factors' but of proceeding with an analysis of regional structures which specifies the conditions of deployment of modern capitalist activity.

The Dominated Modes and their Process of Articulation with the Capitalist Mode of Production (CMP)

Here we will treat the remains of the feudal mode of production, such as great landed estates cultivated by tenant farmers, as negligible. Let us merely point out that this type of property offers fewest problems to capitalist expansion, in that its type of transfer of surplus labour can easily take on monetary forms corresponding to the dominant economic rationality and the elimination of superfluous agricultural population is very rapid in such cases.

Nor will we become preoccupied with an economic form which is not a true mode of production since it would be incapable of autonomous existence: domestic production. Let us note, however, that this 'domestic quasi-mode of production', functioning as an auxiliary to the capitalist mode of production or to petty commodity production, represents one of the principal reserves for capitalism, both as a reserve army of wage labour and as a potential outlet for new capitalist products (ready-made clothing, convenience foods, electrical household goods, etc.). The first aspect has undoubted importance in territorial development, especially in view of the 'liberation' of family labour from small agricultural production for work in decentralised factories.

We are going to concentrate (from the point of view of its regional influence) on agricultural petty commodity production. In this mode, the worker himself is proprietor and possessor of his means of production (he chooses how they are to be allocated and sets them to work himself); the aim (the logic) of production is the simple reproduction of the unit of operation. One of the means of production is the land. The form of spatial existence of this mode is the overlaying of an economic space and a legal space, both divided into small lots, and consisting of the juxtaposition of family-operated units organised round market towns.

The articulation of this mode with the CMP passes through a succession of phases. First, the (non-economic) necessity for each generation to repurchase the land forces small-scale production to enter a commercial, monetary relationship with the rest of the economy. This begins the first phase of the articulation, through the intermediary of the market: agriculture provides the CMP with provisions sold at a price

which allows the simple reproduction of the agricultural operation, that is 'at cost price'. On the other hand, small-scale agricultural production buys industrial products from capitalism at a price of production which includes capitalist profit. So, an 'unequal exchange' operates, which on the one hand shows a transfer of value towards industry and on the other involves the stagnation of small agricultural production, expressing itself as a brake on industrialisation and in the relative impoverishment of the peasantry.

In general, petty commodity production is none the less a 'tenacious' mode which does not disintegrate easily, since peasants hang on to land which they continue to own. The competition of other modes of agricultural production can induce petty commodity production to increase its degree of mechanisation, and therefore the average area of individual holdings, which causes rural depopulation, but this phenomenon is much more gradual than in areas of large-scale farming. In addition, the phenomenon can be completely prevented by protectionist measures, as was the case under the Third Republic.

However, in a second phase, capitalism penetrates agriculture by means of loans for mechanisation and contracts linking it with the agricultural processing industries. The small producer remains formally independent but in fact it is *Crédit Agricole* and the agricultural processing industry which dictate the direction of his work. The peasant's turnover increases sharply, but once he has accounted for repayments, loan interest and expenses, he is left with an income which allows him to survive only if combined with subsistence farming. The small operator becomes economically an employee of the processing industry, indeed an underpaid employee considering the conditions of reproduction of his labour power: hence there exists an unequal exchange in a restricted sense between industry and agriculture. This second phase of the articulation is revealed by a speeding up of rural depopulation; at this stage land ownership becomes as great a fetter to the peasant as to capitalism.

We think that this outline³ has great general applicability. We will call the outline of the first phase an *external articulation*, in which the dominated mode is articulated with capitalism by the intermediary of the circulation of commodities with a transfer of value from one to the other by virtue of the absolute non-payment for the surplus labour incorporated in the products of the first. The stagnation of incomes and re-investment resulting from this in the dominated mode forms the basis of the relationship which develops in the second phase, called the integration phase, in which money capital invests in the branch (or

region) dominated by the archaic mode and, without necessarily immediately modifying the legal form, acquires direct control of the allocation of labour and appropriates surplus labour at a relatively higher rate than that of the classic branches of its area of domination.

The Articulation of Regional Spaces

Regional spaces are not principally delimited by legal-political space (in particular by administrative divisions). They must be constructed on the basis of the concrete analysis of modes of production and their articulation. A region is a concrete articulation of spatialities appropriate to different social relationships. Just as there are several levels in the object of an analysis, so there are several levels in regional division. But it is not a question of taking into account empirically a greater or smaller spatial scale. The required scale is determined by socio-economic spatial forms.

Since an economic region is characterised by the dominance of an economic form, we will transpose the above analyses of the articulation of modes on to inter-regional relationships. Thus we can say that *a region is dominated* when it is specialised in branches organised by dominated modes or by archaic stages of the dominant mode. We can say that a region is externally dominated when small independent producers or small and medium-sized local capitalists carry on an unequal exchange with the dominant region by means of the price of commodities. This unequal exchange is a block to autonomous regional capitalist development and tends to lower the social cost of reproduction of labour power. The way is thus prepared for the stage of *integration-domination* when external capital takes control of local production while profiting from the low incomes inherited from the earlier period.

Now, regarding the transfer of the ability to labour from one mode to another, two courses are open to the 'reserve army of labour' made available by the dissolution of the dominated modes: emigration or integration into the wage-labour force in the same place. In the first case, the cost of reproduction of labour power becomes the same as that of the dominant regions (purely capitalist life-style); in the second case for a certain length of time it can remain very much lower, due to the fact that poverty is customary and especially because of the partially extra-capitalist nature of this reproduction (subsistence farming).

From Inter-regional Centre-Periphery Relationships to Industrial Spatial Policy

We have just examined how the process of articulation of the capitalist mode of production and pre- or palaeo-capitalist modes brings about an uneven development of regions, when the regions, for historical reasons, have experienced an uneven domination by the CMP. The result is the stabilisation and the enlarged reproduction of a 'centre-periphery' spatial structure, the capitalist mode of production tending to gain the ascendancy at the centre (embracing all aspects of socio-economic processes), without managing to develop on a local basis in the peripheral regions, on account of the unequal exchange which prevents capitalist accumulation at the periphery. We shall examine how capitalism functions at the centre and in the peripheral regions.

Self-centred Accumulation and Extraverted Accumulation

The law of capitalist development in the 'central' regions is *self-centred accumulation*,⁴ that is the development of investment and consumption constantly creates outlets on a local basis for Departments I (producer goods) and II (consumer goods) of production. This is the Marxist scheme of expanded reproduction; it is also the Keynesian equilibrium. The permanent revolution in technological processes and the changing relations of values resulting from it imply that, to maintain equilibrium in the distribution of labour and of social capital, certain relations must be respected, for example that the increasing purchasing power of producers keeps pace with their productivity. But more generally, it is the whole system of branches which must keep to the dynamic inter-relationships which are evident in inter-sectoral input-output matrices.

The dominated regions are characterised, on the other hand, by the model of *extraverted accumulation*: on a local base of ever more restricted simple reproduction (subsistence farming, craft production and small Department II local enterprises), their principal economic activity is the *export sector* (for French regions, essentially agriculture). This sector offers low returns to producers and better ones to the dominant local classes or the local representatives of the dominant central classes. The consumer goods corresponding to the standard of living implied by the incomes of these classes are not generally available locally and must be imported. At the scale of a national structure like France, a single market exists for these products and a regional policy of import substitution is hardly conceivable.

This model presents, therefore, a great *disarticulation* of the local productive system, evident in the regional inter-sectoral input-output

matrix. If, furthermore, one is in a phase of integration-domination, that is to say, if the capital invested in the region which extracts the surplus value produced is foreign, then there is no longer even any correspondence between regional product and regional income. Hence it can be seen that the classical mechanisms of self-centred accumulation, grasped by regional theories of Keynesian inspiration in terms of multiplier effects (export base) or accelerator effects (Aftalion effect), are no longer at all pertinent since these effects operate not at the level of the peripheral region but at that of the system as a whole. These regional theories invoke the inequality of marginal propensities for saving or importing: but this is precisely what must be explained.

Establishment of the Branch Circuit

The development of multi-regional (indeed multinational) monopoly capital in the integration-domination phase will proceed, with State aid, on the basis of this spatial polarisation.

We should note initially that the multi-regional character of this development presupposes the autonomy of finance capital and of research activities (which allow the 'delocalisation' of new establishments). Capital which remains in family hands without developing its own research facilities tends to stay isolated in its region of origin.

The utilisation of polarised space by modern capitalist firms tends to set up what we will call a *branch circuit*, by obvious reference to Vernon's⁵ 'product cycle'. Vernon takes as his starting-point the demand for a product and observes the temporal variation in policies for location of production with the displacement of the centre of gravity of that demand. We start from the production, not of a single product, but of a group of linked products constituting the branch. The polarisation of space and the increasing autonomy of finance capital and research, together with the development of the transport system, today make it possible to establish an inter-regional division of labour within a single branch, while the network of the different production processes can take the most diverse forms (market transaction, circulation within the firm, patents, subcontracting, etc.). The branch circuit depends on three types of economic region:

- (1) those with a highly technological environment, with close links between business centres, innovation centres and centres of research and technological and scientific teaching. 'Externalities' (in relation to the branches) are intense. The value of labour power is important here; so too is the skilled part of the labour force.

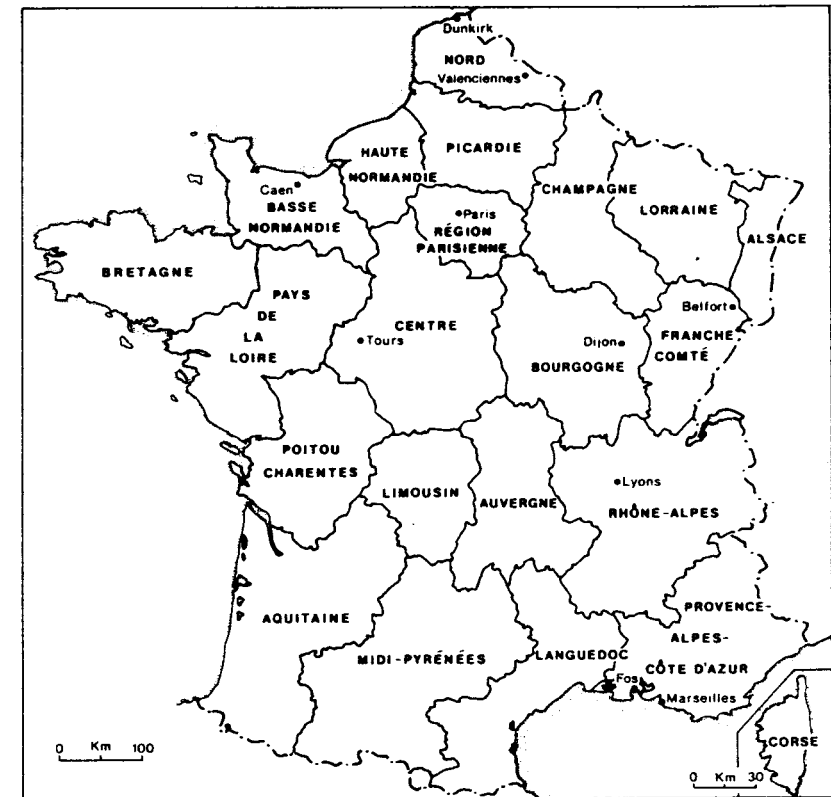
- (2) those with a high proportion of skilled personnel (technicians, professional workers), which presupposes an industrial tradition corresponding at least to the stage of large-scale industry, and an average value of labour power.
- (3) those with reserves of labour which can be regarded as unskilled and as having a very low value of reproduction, since they are produced by the disintegration of other modes or by the decline of obsolete industries corresponding to an earlier stage of the division of labour.

The control centre of the overall system is, in general, region 1, the region of self-centred accumulation, the real centre of the process of valorisation of finance capital and the technological centre of the labour process: this must be a national or international metropolis (Paris region). However, above a certain level of centralisation there is a danger that efficiency will be reduced. It can then be advantageous to reserve the technological direction of the circuit, together with relative financial autonomy, for super-regional metropolises: this is doubtless the future promised for the Lyons metropolis.⁶

The regions of type 3 are the most typically peripheral: they include, for example, regions undergoing the accelerated dissolution of small agricultural production. This industrialisation allowed by the setting up of the branch circuit in no way breaks the rules of extraverted accumulation: on the contrary it conforms to them. 'Self-sufficient' establishments are required, which need few links with others nearby. Not that these are isolated; rather they have their place in the national or world space of the branch. But their connection to the regional space only results from a demand for unskilled labour (in the case of Western France) or from ecological or land ownership situations considered free of constraint (petrochemicals and the Mediterranean iron and steel industry). These establishments seek to avoid local external effects and indeed do not bring about any: they remain 'cathedrals in the desert'.

The regions of type 2 are intermediate. They often involve former centres corresponding to an old inter-regional division of labour, which lacking a diversified and interwoven structure around them, and for reasons to do with the rigidity of ownership of capital, or with the displacement of the profits arising from unequal exchange, could not or would not change: among them the textile and mining areas of the old Europe.

Figure 3.1: French Regions



France: Elements of the Future:

France comprises:

- a national or European centre of type 1: the Paris region;
- different industrial centres corresponding to the stage of large-scale industry and to external articulation with pre-capitalist modes: the metropolitan centres of Lyons and Lille, the old industrial areas (Nord, Est, Saint-Etienne). These ex-centres may become: either sub-centres, managing the labour process and the process of super-regional valorisation of finance capital allocated from Paris or any other world centre; or industrial regions of type 2, that is regions of skilled manufacturing;
- a mainly agricultural periphery scattered with small towns, small industries and large importing/exporting ports (Marseilles, Bordeaux).

What is the future of the agricultural periphery? It depends on the type of articulation which has been attained.

In highly developed regions, the rural exodus follows the classical model of the feudal/capitalist articulation seen in England. It is in this kind of region (in the Paris Basin for example) that the loss of workers from the land has been greatest and continues most rapidly. But such regions can be regarded as having practically exhausted their reserve armies.

In the central and highland regions, the population has greatly decreased through the external articulation, 'petty commodity production/capitalism'. The last survivors of an ageing peasantry are unable to prevent the take-over of land ownership by North European capital in pursuit of its own ends (tourism, etc). Young people leave both countryside and town for centres of types 1 and 2, for these regions have no reserve army of sufficient density to serve as assembly areas in the branch circuit.

In regions like the Bocage of the West, petty commodity production is integrated by capitalism and every year frees large contingents of cultivators and, especially, family labour. The big question is knowing where capital is going to employ this reserve army.

In the period of the external articulation, which corresponded to the stage of large-scale industry, at the competitive stage, 'spontaneous' emigration was the rule (towards the old centres, via the medium-sized local towns). Today integration-domination allows an alternative policy: establishments for unskilled workers in the heart of the branch circuit, located directly in the pool of labour.

It is important not to exaggerate this possibility of local industrialisation either quantitatively or, particularly, qualitatively. Since it depends on the relative cheapness of an unqualified labour force, it can neither be expected to increase incomes greatly, nor to have any training effect. However, it is conceivable that a complete branch circuit might be set up in a super-region focused on a former centre which has remained dynamic (like electronics in the West, centred on Nantes).

The advantage of this new policy is that it leaves both the social and private cost of reproduction of labour power at a low level: it is unnecessary to build new dwellings in congested urban areas, unnecessary to pay in wages what the peasant-worker produces himself, etc.

Let us emphasise, however, that it is neither necessary nor sufficient for a reserve army to be available in a region for monopoly capital to invest the corresponding fixed capital. The former centre of

Lorraine could only be converted with difficulty into a type 2 region, due as much to the traditions of local hegemony of large Lorraine family businesses as to the competition of German wages. Conversely, since the region of Fos contained no pool of labour, immigrants from the Maghreb and Lorraine have provided, and will continue to provide, the labour needed by an industrial/port area, the location of which depends on other considerations (world capacity of iron and steel production, etc.).

Creation and Private Appropriation of Socio-economic Space

We have been examining the constitution of regional spaces through the structure of social relationships and the use made of them by capital as far as the movement of accumulation, split up into branches by the division of labour, is concerned. Now we must examine the problem at the level of the capitalist firm run by a private agent who perceives socio-economic space as given, along with the inter-regional division of labour, the pre-existing materialised fixed capital, the location of markets, the state of the transport and telecommunications system and the structure of legal space (ownership of land).

Absence of a 'Law of Value in Space'

As outlined above, there is always a solution to the problem of the marginal firm seeking an optimal location. Hence the idea of constituting a 'microeconomics in space', which would integrate, in addition to costs and quantities, distances, areas and incomes. However, this attempt soon runs into serious difficulties: there is no Walrasian spatial equilibrium, bearing in mind the importance of externalities.⁷

It should be emphasised from the outset that as soon as space intervenes, 'externalities' (of 'location', within the branch, or of 'urbanisation', external to the branch) become the general rule, since the costs of transport can always be counted as such. This is where the contradiction between the social character of production and the private (autonomous) character of appropriation and economic ownership is expressed at its sharpest in its *material* form. In space, the 'general equivalent' constituted by money in the allocation and reallocation of social labour does not exist. As soon as fixed capital is installed (on private initiative) the field of distances and socio-economic space is irrevocably transformed: by materialising, private capital becomes collective fixed capital. One cannot therefore think of reaching an optimum equilibrium 'through the market'. Economic space, together with the social forces and conditions of transformation of that space,

always exists according to a *genealogy* which sometimes dates back to before the age of capitalism. (It should be noted that this criticism of the micro-economic theory of location is also quite valid for the Jena school's theory of 'central places'.)

We must therefore distinguish two cases:

(1) *The 'competitive' case* where a marginal capitalist sets up in a social space without modifying it to any significant degree. He competes indirectly with the other candidates by means of the price of land and accepts that he has to pay for this land at a price which assures him an average profit. This is the mechanism of the process we have analysed under the name of 'exogenous differential tribute', that of the simple reproduction of the socio-economic division of space.⁸

(2) *The 'monopoly' case* where a capitalist (or a group), generally in conjunction with the State apparatus, decides to modify the socio-economic division of space by means of his own investment. From then on only concerted action (at the political level of spatial planning) or if need be, economic hegemony, permits this 'extended reproduction-restructuring' of a social space which monopoly capital is assured of controlling through the mechanism of 'endogenous differential tribute'.

It will be seen that only the first case is analogous with the mechanism of the law of value operating in competitive commercial exchange, except that the structure of space is a presupposition of the working of this mechanism since the reallocation of social capital between the different branches was the *result* of the functioning of the law of value.

In the second case only concerted action or public initiative can make up for the absence of a purely economic regulator of the restructuring of space. The ACRES study of the tertiary centre of Part-Dieu, with the part played there by the first offices to be set up and particularly the commercial centre which was fitted into the pre-existing Lyons framework, shows how difficult the problem is. Similarly, comparison between the mechanism of organic development of the port of Marseilles and the creation from scratch of the port of Fos shows the difference in forms of spatial development between competitive capital and monopoly capital.

We must insist on a second fundamental difference between the regulatory mechanisms of the appropriation of land and the law of

value. In capitalist commercial exchange the autonomous sections of capital exchange values (commodities or money) between themselves. In the competition for occupation of land, capitalists pay *the owners of land a tribute* for the right of use of the land. Capitalist logic finds in this a foreign element: legal ownership which relates to an earlier use, which may well be pre-capitalist (small agricultural production), archaео-capitalist (small and medium-sized enterprises) or extra-capitalist (housing). This situation can seriously upset capitalist spatial development by allowing a non-capitalist to benefit from the externalities resulting from public or private investment.

The Role of the State

The reflections above make it possible to specify two lines of State intervention:

(1) to make up for the lack of a 'law of value in space'. Essentially, this is the part it plays in spatial planning and initiatives in the restructuring of socio-economic space. It should be noted that, from the point of view of strict 'aspatial' economics, this role is further reinforced by the great cost of investments in spatial development (various lines and networks, port installations, etc.). If these investments were to function as capital, seeking an average rate of profit, the result would be such pressure on the mechanisms of equalisation of the rate of profit that they would never be undertaken.

(2) To impose capitalist logic on the inadequate framework of legal space. This role is performed through various mechanisms, from expropriation (which purely and simply cancels the legal rights protecting the earlier use of the land) to procedures such as Zones d'Aménagement Différé (ZAD) (which prevent landowners from benefiting from the endogenous differential tribute engendered by infrastructural development activities). Thus the BERU study on Dunkirk shows how the power of public institutions is directly employed as a legal agent in the restructuring of a pre- or palaeo-capitalist space by monopoly private capital (Usinor).⁹

Conclusion

The analysis which concludes the previous section assigns a double role to the State, as far as the spatial forms of capitalist development are concerned. The first (making up for the lack of a 'law of value in space') refers to the inability of private capital alone to assure the regulation of its own extended spatial development. It involves essentially

the economic character of spatial policy. The second (to remove the legal obstacles placed by former landowners in the way of the logic of advanced forms of capitalist development) refers to the coexistence, with these advanced economic forms, of other stages and modes of production in the social formation: this is the politico-legal character of spatial policy.

Fundamentally, the question refers to nothing less than the proper role of the political instance in any social formation. According to Poulantzas¹⁰ the political instance is that in which the unity of the social formation is reflected and reproduced. In social formations which appear as an articulation of several modes of production, under the domination of one of them, the functions of the institutions and centres of political power will therefore be:

- (1) to bring about conditions (economic, political, ideological) for the reproduction (eventually extended . . . or brought to an end) of each of the modes, provided that the conditions of such reproduction are not totally included in the economic instance;
- (2) to intervene in order to speed up, slow down or reverse the processes of articulation of the modes of production coexisting in the formation.

We have just seen the implications of these general imperatives as far as spatial policy is concerned. The case is much the same at a more macro-sociological level, the level of regional action. Faced with the uneven development of socio-economic regions, the State must take care to avoid sparking off the political or social struggles which would arise from too abrupt a dissolution or integration of archaic modes of production. This is what it does in a general fashion when it inhibits the process of articulation (protectionism) or when it intervenes promptly to remove social consequences (permanent displacement allowances). But as soon as internal and international evolution make it necessary, capitalist development assigns to the State the role of controlling and encouraging the establishment of a new inter-regional division of labour. This 'projected space' comes into more or less violent conflict with 'inherited space'. State intervention must therefore take the form of organising the substitution of projected space for present space, which implies:

political interventions which are a compromise with the peripheral, local dominant social groups;

political and social interventions in regard to local dominated classes;
 modifications of legal space (ZAD, declaration of public utility, etc.);
 technical-economic interventions (infrastructure).

So we reach the most general case of the *production of territorial space*, now emphasising that it also involves the destruction of the earlier social space through adjustments which must be analysed case by case. There can be no doubt that this is how to understand the contrast between 'land logic' and 'industrial logic' drawn by the *Système d'Etude des Schémas d'Aménagement*.

Notes

1. Spatiality translates the French *spatialité* coined by Lipietz as the geographical equivalent of the historical temporalities of the different instances of modes of production — eds.
2. For elaboration of this point see F. Perroux, *L'Economie du XXème Siecle* (Presses Universitaires de France, Paris, 1964).
3. The outline was developed by P.P. Rey in his book *Les Alliances des Classes* (Maspero, Paris, 1973) with the aim of dealing with the classical articulation of the capitalist and feudal modes of production.
4. This concept is put forward in S. Amin's book *Unequal Development* (Harvester Press, Lewes, Sussex, 1976).
5. See R. Vernon, *Sovereignty at Bay* (Basic Books, New York, 1971).
6. For a fuller discussion concerning the Lyons metropolis see ACRES, *Creation d'un Centre Tertiaire dans une Métropole Regionale* (Atelier Co-opératif de Recherches Economiques et Sociales, Paris, 1974).
7. For an example of the attempt to constitute a 'micro-economics in space' see W. Alonso, 'A Reformulation of Classical Location Theory and its Relation to Rent Theory', *Papers of the Regional Science Association* (1967), pp. 23-44. For a consideration of some of the difficulties which arise in such an attempt see E. Von Böventer, *Théorie de L'Equilibre en Economie Spatiale* (Gauthier-Villars, Paris, 1962) and also T.C. Koopmans and M. Beckman, 'Assignment Problems and the Location of Economic Activity', *Econometrica*, vol. 25 (1957), pp. 63-76.
8. This is further explained in A. Lipietz, *Le Tribut Foncier Urbain* (Maspero, Paris, 1974).
9. See BERU, *Dunkerque: Changement Economique et Problème Foncier* (Bureau d'Etudes et de Recherches Urbaines, Paris, 1973).
10. See N. Poulantzas, *Political Power and Social Classes* (New Left Books, London, 1973).