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Academic conventions divide up the seamless web of the real social world into separate spheres, each with its own theorising; this is a necessary and practical way of gaining understanding. Contemplation of undivided totality may lead to profound abstractions or mystical revelations, but practical knowledge (that which can be put to work through action) is always partial or fragmentary in origin. Whether the parts remain as limited, separated objects of knowledge, or become the basis for constructing a structured and dynamic view of larger wholes is a major question of method and purpose. Either way, the starting point is some initial subdivision of reality, usually dictated by convention.

It is wise to bear in mind that such a conventional cutting up of reality is at best just a convenience of the mind. The segments which result, however, derive indirectly from reality insofar as they are the result of practices, that is to say, the responses of consciousness to the pressures of reality. Subdivisions of social knowledge thus may roughly correspond to the ways in which human affairs are organised in particular times and places. They may, accordingly, appear to be increasingly arbitrary when practices change.

International relations is a case in point. It is an area of study concerned with the interrelationships among states in an epoch in which states, and most commonly nation-states, are the principal aggregations of political power. It is concerned with the outcomes of war and peace and thus has obvious practical importance. Changing practice has, however, generated confusion as to the nature of the actors involved (different kinds of state, and non-state entities), extended the range of stakes (low as well as high politics), introduced a greater diversity of goals pursued, and produced a greater complexity in the modes of interaction and the institutions within which action takes place.

One old intellectual convention which contributed to the definition of international relations is the distinction between state and civil society. This distinction made practical sense in the Eighteenth and early Nineteenth centuries when it corresponded to two more or less distinct spheres of human activity or practice: to an emergent society of individuals based on contract and market relations which replaced a status-based society, on the one hand, and a state with functions limited to maintaining internal peace, external defence and the requisite
conditions for markets, on the other. Traditional international relations theory maintains the distinctness of the two spheres, with foreign policy appearing as the pure expression of state interests. Today, however, state and civil society are so interpenetrated that the concepts have become almost purely analytical (referring to difficult-to-define aspects of a complex reality) and are only very vaguely and imprecisely indicative of distinct spheres of activity.

One recent trend in theory has undermined the conceptual unity of the state by perceiving it as the arena of competing bureaucratic entities, while another has reduced the relative importance of the state by introducing a range of private transnational activity and transgovernmental networks of relationships among fragments of state bureaucracies. The state, which remained as the focus of international relations thinking, was still a singular concept: a state was a state. There has been little attempt within the bounds of international relations theory to consider the state/society complex as the basic entity of international relations. As a consequence, the prospect that there exist a plurality of forms of state, expressing different configurations of state/society complexes, remains very largely unexplored, at least in connection with the study of international relations.

The Marxist revival of interest in the state might have been expected to help fill this gap by broadening and diversifying the notion of state and, in particular, by amplifying its social dimensions. Some of the foremost products of this revival, however, either have been of an entirely abstract character, defining the state as a “region” of a singularly-conceived capitalist mode of production (Althusser, Poulantzas), or else have shifted attention away from the state and class conflict towards a motivational crisis in culture and ideology (Habermas). Neither goes very far towards exploring the actual or historical differences among forms of state, or considering the implications of the differences for international behaviour.

Some historians, both Marxist and non-Marxist, quite independently of theorising about either international relations or the state, have contributed in a practical way towards filling the gap. E.H. Carr and Eric Hobsbawm have both been sensitive to the continuities between social forces, the changing nature of the state and global relationships. In France, Fernand Braudel has portrayed these interrelationships in the Sixteenth and Seventeenth centuries on a vast canvas of the whole world. Inspired by Braudel’s work a group led by Immanuel Wallerstein has proposed a theory of world systems defined essentially in terms of social relations. The exploitative exchange relations between a developed core and an underdeveloped periphery, to which correspond different forms of labour control (e.g. free labour in the core areas, coerced labour in the peripheries, with intermediate forms in what are called semi-peripheries). Though it offers the most radical alternative to conventional international relations theory, the world systems approach has been criticised on two main grounds: first, for its tendency to undervalue the state by considering the state as merely derivative from its position in the world system (strong states in the core, weak states in the periphery); second, for its alleged, though unintended, system-maintenance bias. Like structural-functional sociology, the approach is better at accounting for forces that maintain or restore a system’s equilibrium, than identifying contradictions which can lead to a system’s transformation.
The above comments are not, however, the central focus of this essay but warnings prior to the following attempt to sketch a method for understanding global power relations: look at the problem of world order in the whole, but beware of reifying a world system.¹ Beware of underrating state power, but in addition give proper attention to social forces and processes and see how they relate to the development of states and world orders. Above all, do not base theory on theory but rather on changing practice and empirical-historical study, which are a proving ground for concepts and hypotheses.

On Perspectives and Purposes

Theory is always for someone and for some purpose. All theories have a perspective. Perspectives derive from a position in time and space, specifically social and political time and space. The world is seen from a standpoint defineable in terms of nation or social class, of dominance or subordination, of rising or declining power, of a sense of immobility or of present crisis, of past experience, and of hopes and expectations for the future. Of course, sophisticated theory is never just the expression of a perspective. The more sophisticated a theory is, the more it reflects upon and transcends its own perspective; but the initial perspective is always contained within a theory and is relevant to its explication. There is, accordingly, no such thing as theory in itself, divorced from a standpoint in time and space. When any theory so represents itself, it is the more important to examine it as ideology, and to lay bare its concealed perspective.

To each such perspective the enveloping world raises a number of issues; the pressures of social reality present themselves to consciousness as problems. A primary task of theory is to become clearly aware of these problems, to enable the mind to come to grips with the reality it confronts. Thus, as reality changes, old concepts have to be adjusted or rejected and new concepts forged in an initial dialogue between the theorist and the particular world he tries to comprehend. This initial dialogue concerns the problematic proper with a particular perspective. Social and political theory is history-bound at its origin, since it is always traceable to an historically-conditioned awareness of certain problems and issues, a problematic, while at the same time it attempts to transcend the particularity of its historical origins in order to place them within the framework of some general propositions or laws.

Beginning with its problematic, theory can serve two distinct purposes. One is a simple, direct response: to be a guide to help solve the problems posed within the terms of the particular perspective which was the point of departure. The other is more reflective upon the process of theorising itself: to become clearly aware of the perspective which gives rise to theorising, and its relation to other perspectives (to achieve a perspective on perspectives); and to open up the possibility of choosing a different valid perspective from which the problematic becomes one of creating an alternative world. Each of these purposes gives rise to a different kind of theory.

The first purpose gives rise to problem-solving theory. It takes the world as it finds it, with the prevailing social and power relationships and the institutions into which they are organised, as the given framework for action. The general
aim of problem-solving is to make these relationships and institutions work smoothly by dealing effectively with particular sources of trouble. Since the general pattern of institutions and relationships is not called into question, particular problems can be considered in relation to the specialised areas of activity in which they arise. Problem-solving theories are thus fragmented among a multiplicity of spheres or aspects of action, each of which assumes a certain stability in the other spheres (which enables them in practice to be ignored) when confronting a problem arising within its own. The strength of the problem-solving approach lies in its ability to fix limits or parameters to a problem area and to reduce the statement of a particular problem to a limited number of variables which are amenable to relatively close and precise examination. The ceteris paribus assumption, upon which such theorising is based, makes it possible to arrive at statements of laws or regularities which appear to have general validity but which imply, of course, the institutional and relational parameters assumed in the problem-solving approach.

The second purpose leads to critical theory. It is critical in the sense that it stands apart from the prevailing order of the world and asks how that order came about. Critical theory, unlike problem-solving theory, does not take institutions and social and power relations for granted but calls them into question by concerning itself with their origins and how and whether they might be in the process of changing. It is directed towards an appraisal of the very framework for action, or problematic, which problem-solving theory accepts as its parameters. Critical theory is directed to the social and political complex as a whole rather than to the separate parts. As a matter of practice, critical theory, like problem-solving theory, takes as its starting point some aspect or particular sphere of human activity. But whereas the problem-solving approach leads to further analytical sub-division and limitation of the issue to be dealt with, the critical approach leads towards the construction of a larger picture of the whole of which the initially contemplated part is just one component, and seeks to understand the processes of change in which both parts and whole are involved.

Critical theory is theory of history in the sense of being concerned not just with the past but with a continuing process of historical change. Problem-solving theory is non-historical or a-historical, since it, in effect, posits a continuing present (the permanence of the institutions and power relations which constitute its parameters). The strength of the one is the weakness of the other. Because it deals with a changing reality, critical theory must continually adjust its concepts to the changing object it seeks to understand and explain. These concepts and the accompanying methods of enquiry seem to lack the precision that can be achieved by problem-solving theory, which posits a fixed order as its point of reference. This relative strength of problem-solving theory, however, rests upon a false premise, since the social and political order is not fixed but (at least in a long-range perspective) is changing. Moreover, the assumption of fixity is not merely a convenience of method, but also an ideological bias. Problem-solving theories can be represented, in the broader perspective of critical theory, as serving particular national, sectional, or class interests, which are comfortable within the given order. Indeed, the purpose served by problem-solving theory is conservative, since it aims to solve the problems arising in various parts of a complex whole in order to smooth the functioning of the whole. This aim rather
belies the frequent claim of problem-solving theory to be value-free. It is methodologically value-free insofar as it treats the variables it considers as objects (as the chemist treats molecules or the physicist forces and motion); but it is value-bound by virtue of the fact that it implicitly accepts the prevailing order as its own framework. Critical theory contains problem-solving theories within itself, but contains them in the form of identifiable ideologies, thereby pointing to their conservative consequences, not to their usefulness as guides to action. Problem-solving theory tends to ignore this kind of critique as being irrelevant to its purposes and in any case, as not detracting from its practical applicability. Problem-solving theory stakes its claims on its greater precision and, to the extent that it recognises critical theory at all, challenges the possibility of achieving any scientific knowledge of historical processes.

Critical theory is, of course, not unconcerned with the problems of the real world. Its aims are just as practical as those of problem-solving theory, but it approaches practice from a perspective which transcends that of the existing order, which problem-solving theory takes as its starting point. Critical theory allows for a normative choice in favour of a social and political order different from the prevailing order, but it limits the range of choice to alternative orders which are feasible transformations of the existing world. A principal objective of critical theory, therefore, is to clarify this range of possible alternatives. Critical theory thus contains an element of utopianism in the sense that it can represent a coherent picture of an alternative order, but its utopianism is constrained by its comprehension of historical processes. It must reject improbable alternatives just as it rejects the permanency of the existing order. In this way critical theory can be a guide to strategic action for bringing about an alternative order, whereas problem-solving theory is a guide to tactical actions which, intended or unintended, sustain the existing order.

The perspectives of different historical periods favour one or the other kind of theory. Periods of apparent stability or fixity in power relations favour the problem-solving approach. The Cold War was one such period. In international relations, it fostered a concentration upon the problems of how to manage an apparently enduring relationship between two superpowers. However, a condition of uncertainty in power relations beckons to critical theory as people seek to understand the opportunities and risks of change. Thus the events of the 1970s generated a sense of greater fluidity in power relationships, of a many-faceted crisis, crossing the threshold of uncertainty and opening the opportunity for a new development of critical theory directed to the problems of world order. To reason about possible future world orders now, however, requires a broadening of our enquiry beyond conventional international relations, so as to encompass basic processes at work in the development of social forces and forms of state, and in the structure of global political economy. Such, at least, is the central argument of this essay.

**Realism, Marxism and an Approach to a Critical Theory of World Order**

Currents of theory which include works of sophistication usually share some of the features of both problem-solving and critical theory but tend to emphasise one approach over the other. Two currents which have had something important
to say about inter-state relations and world orders — realism and Marxism — are considered here as a preliminary to an attempted development of the critical approach.

The realist theory of international relations had its origin in an historical mode of thought. Friedrich Meinecke, in his study on raison d’état, traced it to the political theory of Machiavelli and the diplomacy of Renaissance Italian city-states, which marked the emergence of a sense of the specific interests of particular states quite distinct from the general norms propagated by the ideologically dominant institution of medieval society, the Christian church. In perceiving the doctrines and principles underlying the conduct of states as a reaction to specific historical circumstances, Meinecke's interpretation of raison d’état is a contribution to critical theory. Other scholars associated with the realist tradition, such as E.H. Carr and Ludwig Dehio, have continued this historical mode of thought, delineating the particular configurations of forces which fixed the framework for international behaviour in different periods and trying to understand institutions, theories and events within their historical contexts.

Since the Second World War, some American scholars, notably Hans Morgenthau and Kenneth Waltz, have transformed realism into a form of problem-solving theory. Though individuals of considerable historical learning, they have tended to adopt the fixed ahistorical view of the framework for action characteristic of problem-solving theory, rather than standing back from this framework, in the manner of E.H. Carr, and treating it as historically conditioned and thus susceptible to change. It is no accident that this tendency in theory coincided with the Cold War, which imposed the category of bipolarity upon international relations, and an overriding concern for the defence of American power as a bulwark of the maintenance of order.

The generalised form of the framework for action postulated by this new American realism (which we shall henceforth call neo-realism, which is the ideological form abstracted from the real historical framework imposed by the Cold War) is characterised by three levels, each of which can be understood in terms of what classical philosophers would call substances or essences, i.e. fundamental and unchanging substrata of changing and accidental manifestations or phenomena. These basic realities were conceived as: (1) the nature of man, understood in terms of Augustinian original sin or the Hobbesian “perpetual and restless desire for power after power that ceaseth only in death”; (2) the nature of states, which differ in their domestic constitutions and in their capabilities for mobilising strength, but are similar in their fixation with a particular concept of national interest (a Leibnizian monad) as a guide to their actions; and (3) the nature of the state system, which places rational constraints upon the unbridled pursuit of rival national interests through the mechanism of the balance of power.

Having arrived at this view of underlying substances, history becomes for neo-realists a quarry providing materials with which to illustrate variations on always recurrent themes. The mode of thought ceases to be historical even though the materials used are derived from history. Moreover, this mode of reasoning dictates that, with respect to essentials, the future will always be like the past.

In addition, this core of neo-realist theory has extended itself into such areas as game theory, in which the notion of substance at the level of human nature is
presented as a rationality assumed to be common to the competing actors who appraise the stakes at issue, the alternative strategies, and the respective payoffs in a similar manner. This idea of a common rationality reinforces the non-historical mode of thinking. Other modes of thought are to be castigated as inapt, and incomprehensible in their own terms (which makes it difficult to account for the irruption into international affairs of a phenomenon like Islamic integralism, for instance).

The "common rationality" of neo-realism arises from its polemic with liberal internationalism. For neo-realism, this rationality is the one appropriate response to a postulated anarchic state system. Morality is effective only to the extent that it is enforced by physical power. This has given neo-realism the appearance of being a non-normative theory. It is 'value-free' in its exclusion of moral goals (wherein it sees the weakness of liberal internationalism) and in its reduction of problems to their physical power relations. This non-normative quality is, however, only superficial. There is a latent normative element which derives from the assumptions of neo-realist theory: security within the postulated inter-state system depends upon each of the major actors understanding this system in the same way, that is to say, upon each of them adopting neo-realist rationality as a guide to action. Neo-realist theory derives from its foundations the prediction that the actors, from their experiences within the system, will tend to think in this way; but the theory also performs a proselytising function as the advocate of this form of rationality. To the neo-realist theorist, this proselytising function (wherein lies the normative rôle of neo-realism) is particularly urgent in states which have attained power in excess of that required to balance rivals, since such states may be tempted to discard the rationality of neo-realism and try to impose their own moral sense of order, particularly if, as in the case of the United States, cultural tradition has encouraged more optimistic and moralistic alternative views of the nature of man, the state and world order.¹⁰

The debate between neo-realists and liberal internationalists reproduces, with up-to-date materials, the Seventeenth century challenge presented by the civil philosophy of Hobbes to the natural law theory of Grotius. Each of the arguments is grounded in different views of the essences of man, the state and the inter-state system. An alternative which offered the possibility of getting beyond this opposition of mutually exclusive concepts was pointed out by the Eighteenth century Neapolitan Giambattista Vico, for whom the nature of man and of human institutions (amongst which must be included the state and the inter-state system) should not be thought of in terms of unchanging substances but rather as a continuing creation of new forms. In the duality of continuity and change, where neo-realism stresses continuity, the Vichian perspective stresses change; as Vico wrote, "... this world of nations has certainly been made by men, and its guise must therefore be found within the modifications of our own human mind."¹¹

This should not be taken as a statement of radical idealism, (i.e. that the world is a creation of mind). For Vico, ever-changing forms of mind were shaped by the complex of social relations in the genesis of which class struggle played the principal rôle, as it later did for Marx. Mind is, however, the thread connecting the present with the past, a means of access to a knowledge of these changing modes of social reality. Human nature (the modifications of mind) and human
institutions are identical with human history; they are to be understood in genetic and not in essentialist terms (as in neo-realism) or in teleological terms (as in functionalism). One cannot, in this Vichian perspective, properly abstract man and the state from history so as to define their substances or essences as *prior to* history, history being but the record of interactions of manifestations of these substances. A proper study of human affairs should be able to reveal both the coherence of minds and institutions characteristic of different ages, and the process whereby one such coherent pattern — which we can call an historical structure — succeeds another. Vico’s project, which we would now call social science, was to arrive at a “mental dictionary”, or set of common concepts, with which one is able to comprehend the process of “ideal eternal history”, or what is most general and common in the sequence of changes undergone by human nature and institutions.¹² The error which Vico criticised as the “conceit of scholars”, who will have it that “what they know is as old as the world”, consists in taking a form of thought derived from a particular phase of history (and thus from a particular structure of social relations) and assuming it to be universally valid.¹³ This is an error of neo-realism and more generally, the flawed foundation of all problem-solving theory. It does not, of course, negate the practical utility of neo-realism and problem-solving theories within their ideological limits. The Vichian approach, by contrast, is that of critical theory.

How does Marxism relate to this method or approach to a theory of world order? In the first place, it is impossible, without grave risk of confusion, to consider Marxism as a single current of thought. For our purposes, it is necessary to distinguish two divergent Marxist currents, analogous to the bifurcation between the old realism and the new. There is a Marxism which reasons historically and seeks to explain, as well as to promote, changes in social relations; there is also a Marxism, designed as a framework for the analysis of the capitalist state and society, which turns its back on historical knowledge in favour of a more static and abstract conceptualisation of the mode of production. The first we may call by the name under which it recognises itself: historical materialism. It is evident in the historical works of Marx, in those of present-day Marxist historians such as Eric Hobsbawm, and in the thought of Gramsci. It has also influenced some who would not be considered (or consider themselves) Marxist in any strict sense, such as many of the French historians associated with the *Annales*. The second is represented by the so-called structural Marxism of Althusser and Poulantzas (“so-called” in order to distinguish their use of “structure” from the concept of historical structure in this essay) and most commonly takes the form of an exegesis of *Capital* and other sacred texts. Structural Marxism shares some of the features of the neo-realist problem-solving approach such as its ahistorical, essentialist epistemology, though not its precision in handling data nor, since it has remained very largely a study in abstractions, its practical applicability to concrete problems. To this extent it does not concern us here. Historical materialism is, however a foremost source of critical theory and it corrects neo-realism in four important respects.

The first concerns dialectic, a term which, like Marxism, has been appropriated to express a variety of not always compatible meanings, so its usage requires some definition. It is used here at two levels: the level of logic and the level of real history. At the level of logic, it means a dialogue seeking truth through the
exploration of contradictions. One aspect of this is the continual confrontation of concepts with the reality they are supposed to represent and their adjustment to this reality as it continually changes. Another aspect, which is part of the method of adjusting concepts, is the knowledge that each assertion concerning reality contains implicitly its opposite and that both assertion and opposite are not mutually exclusive but share some measure of the truth sought, a truth, moreover, that is always in motion, never to be encapsulated in some definitive form. At the level of real history, dialectic is the potential for alternative forms of development arising from the confrontation of opposed social forces in any concrete historical situation.

Both realism and historical materialism direct attention to conflict. Neorealism sees conflict as inherent in the human condition, a constant factor flowing directly from the power-seeking essence of human nature and taking the political form of a continual reshuffling of power among the players in a zero-sum game, which is always played according to its own innate rules. Historical materialism sees in conflict the process of a continual remaking of human nature and the creation of new patterns of social relations which change the rules of the game and out of which — if historical materialism remains true to its own logic and method — new forms of conflict may be expected ultimately to arise. In other words, neo-realism sees conflict as a recurrent consequence of a continuing structure, whereas historical materialism sees conflict as a possible cause of structural change.

Second, by its focus on imperialism, historical materialism adds a vertical dimension of power to the horizontal dimension of rivalry among the most powerful states, which draws the almost exclusive attention of neo-realism. This dimension is the dominance and subordination of metropole over hinterland, centre over periphery, in a world political economy.

Third, historical materialism enlarges the realist perspective through its concern with the relationship between the state and civil society. Marxists, like non-Marxists, are divided between those who see the state as the mere expression of the particular interests in civil society and those who see the state as an autonomous force expressing some kind of general interest. This, for Marxists, would be the general interest of capitalism as distinct from the particular interests of capitalists. Gramsci contrasted historical materialism, which recognises the efficacy of ethical and cultural sources of political action (though always relating them with the economic sphere), with what he called historical economism or the reduction of everything to technological and material interests. Neo-realist theory in the United States has returned to the state/civil society relationship, though it has treated civil society as a constraint upon the state and a limitation imposed by particular interests upon raison d’état, which is conceived of, and defined as, independent of civil society. The sense of a reciprocal relationship between structure (economic relations) and superstructure (the ethico-political sphere) in Gramsci’s thinking contains the potential for considering state/society complexes as the constituent entities of a world order and for exploring the particular historical forms taken by these complexes.

Fourth, historical materialism focuses upon the production process as a critical element in the explanation of the particular historical form taken by a state/society complex. The production of goods and services which creates both
the wealth of a society and the basis for a state’s ability to mobilise power behind its foreign policy, takes place through a power relationship between those who control and those who execute the tasks of production. Political conflict and the action of the state either maintain, or bring about changes in, these power relations of production. Historical materialism examines the connections between power in production, power in the state, and power in international relations. Neo-realism has, by contrast, virtually ignored the production process. This is the point on which the problem-solving bias of neo-realism is most clearly to be distinguished from the critical approach of historical materialism. Neo-realism implicitly takes the production process and the power relations inherent in it as a given element of the national interest, and therefore as part of its parameters. Historical materialism is sensitive to the dialectical possibilities of change in the sphere of production which could affect the other spheres, such as those of the state and world order.

This discussion has distinguished two kinds of theorising as a preliminary to proposing a critical approach to a theory of world order. Some of the basic premises for such a critical theory can now be restated:

(1) an awareness that action is never absolutely free but takes place within a framework for action which constitutes its problematic. Critical theory would start with this framework, which means starting with historical enquiry or an appreciation of the human experience that gives rise to the need for theory; 

(2) a realisation that not only action but also theory is shaped by the problematic. Critical theory is conscious of its own relativity but through this consciousness can achieve a broader time-perspective and become less relative than problem-solving theory. It knows that the task of theorising can never be finished in an enclosed system but must continually be begun anew;

(3) the framework for action changes over time and a principal goal of critical theory is to understand these changes;

(4) this framework has the form of an historical structure, a particular combination of thought patterns, material conditions and human institutions which has a certain coherence among its elements. These structures do not determine people’s actions in any mechanical sense but constitute the context of habits, pressures, expectations and constraints within which action takes place;

(5) the framework or structure within which action takes place is to be viewed, not from the top in terms of the requisites for its equilibrium or reproduction (which would quickly lead back to problem-solving), but rather from the bottom or from outside in terms of the conflicts which arise within it and open the possibility of its transformation.

Frameworks for Action: Historical Structures

At its most abstract, the notion of a framework for action or historical structure is a picture of a particular configuration of forces. This configuration does not determine actions in any direct, mechanical way but imposes pressures and constraints. Individuals and groups may move with the pressures or resist and oppose them, but they cannot ignore them. To the extent that they do successfully resist a prevailing historical structure, they buttress their actions with an alternative, emerging configuration of forces, a rival structure.
Three categories of forces (expressed as potentials) interact in a structure: material capabilities, ideas and institutions. No one-way determinism need be assumed among these three; the relationships can be assumed to be reciprocal. The question of which way the lines of force run is always an historical question to be answered by a study of the particular case.

![Diagram](attachment://diagram.png)

Figure 1

Material capabilities are productive and destructive potentials. In their dynamic form these exist as technological and organisational capabilities, and in their accumulated forms as natural resources which technology can transform, stocks of equipment (e.g. industries and armaments), and the wealth which can command these.

Ideas are broadly of two kinds. One kind consists of intersubjective meanings, or those shared notions of the nature of social relations which tend to perpetuate habits and expectations of behaviour. Examples of intersubjective meanings in contemporary world politics are the notions that people are organised and commanded by states which have authority over defined territories; that states relate to one another through diplomatic agents; that certain rules apply for the protection of diplomatic agents as being in the common interest of all states; and that certain kinds of behaviour are to be expected when conflict arises between states, such as negotiation, confrontation, or war. These notions, though durable over long periods of time, are historically conditioned. The realities of world politics have not always been represented in precisely this way and may not be in the future. It is possible to trace the origins of such ideas and also to detect signs of a weakening of some of them.

The other kind of ideas relevant to an historical structure are collective images of social order held by different groups of people. These are differing views as to both the nature and the legitimacy of prevailing power relations, the meanings of justice and public good, and so forth. Whereas intersubjective meanings are broadly common throughout a particular historical structure and constitute the common ground of social discourse (including conflict), collective images may be several and opposed. The clash of rival collective images provides evidence of the potential for alternative paths of development and raises questions as to the possible material and institutional basis for the emergence of an alternative structure.

Institutionalisation is a means of stabilising and perpetuating a particular order. Institutions reflect the power relations prevailing at their point of origin and tend, at least initially, to encourage collective images consistent with these power relations. Eventually, institutions take on their own life; they can become
either a battleground of opposing tendencies, or stimulate the creation of rival institutions reflecting different tendencies. Institutions are particular amalgams of ideas and material power which in turn influence the development of ideas and material capabilities.

There is a close connection between institutionalisation and what Gramsci called hegemony. Institutions provide ways of dealing with internal conflicts so as to minimise the use of force. (They may, of course, also maximise the capacity for using force in external conflicts, but we are considering here only the internal conflicts covered by an institution.) There is an enforcement potential in the material power relations underlying any structure, in that the strong can clobber the weak if they think it necessary. But force will not have to be used in order to ensure the dominance of the strong to the extent that the weak accept the prevailing power relations as legitimate. This the weak may do if the strong see their mission as hegemonic and not merely dominant or dictatorial, that is, if they are willing to make concessions that will secure the weak’s acquiescence in their leadership and if they can express this leadership in terms of universal or general interests, rather than just as serving their own particular interests. Institutions may become the anchor for such a hegemonic strategy since they lend themselves both to the representations of diverse interests and to the universalisation of policy.

It is convenient to be able to distinguish between hegemonic and non-hegemonic structures, that is to say between those in which the power basis of the structure tends to recede into the background of consciousness, and those in which the management of power relations is always in the forefront. Hegemony cannot, however, be reduced to an institutional dimension. One must beware of allowing a focus upon institutions to obscure either changes in the relationship of material forces, or the emergence of ideological challenge to an erstwhile prevailing order. Institutions may be out of phase with these other aspects of reality and their efficacy as a means of regulating conflict (and thus their hegemonic function) thereby undermined. They may be an expression of hegemony but cannot be taken as identical to hegemony.

The method of historical structures is one of representing what can be called limited totalities. The historical structure does not represent the whole world but rather a particular sphere of human activity in its historically located totality. The *ceteris paribus* problem, which falsifies problem-solving theory by leading to an assumption of total stasis, is avoided by juxtaposing and connecting historical structures in related spheres of action. Dialectic is introduced, firstly, by deriving the definition of a particular structure, not from some abstract model of a social system or mode of production, but from a study of the historical situation to which it relates, and secondly, by looking for the emergence of rival structures expressing alternative possibilities of development. The three sets of forces indicated in Figure 1 are an heuristic device, not categories with a predetermined hierarchy of relationships. Historical structures are contrast models: like ideal types they provide, in a logically coherent form, a simplified representation of a complex reality and an expression of tendencies, limited in their applicability to time and space, rather than fully realised developments.

For the purpose of the present discussion, the method of historical structures is applied to the three levels, or spheres of activity: (1) the organisation of
production, more particularly with regard to the social forces engendered by the production process; (2) forms of state as derived from a study of state/society complexes; and (3) world orders, i.e. the particular configurations of forces which successively define the problematic of war or peace for the ensemble of states. Each of these levels can be studied as a succession of dominant and emergent rival structures.

The three levels are interrelated. Changes in the organisation of production generate new social forces which, in turn, bring about changes in the structure of states; and the generalisation of changes in the structure of states alters the problematic of world order. For instance, as E.H. Carr argued, the incorporation of the industrial workers (a new social force) as participants within western states from the late-Nineteenth century, accentuated the movement of these states towards economic nationalism and imperialism (a new form of state), which brought about a fragmentation of the world economy and a more conflictual phase of international relations (the new structure of world order). 23

The relationship among the three levels is not, however, simply unilinear. Transnational social forces have influenced states through the world structure, as evidenced by the effect of expansive Nineteenth century capitalism, (*les bourgeois conquérants*)24 upon the development of state structures in both core and periphery. Particular structures of world order exert influence over the forms which states take: Stalinism was, at least in part, a response to a sense of threat to the existence of the Soviet state from a hostile world order; the military-industrial complex in core countries, justifies its influence today by pointing to the conflictual condition of world order; and the prevalence of repressive militarism in periphery countries can be explained by the external support of imperialism as well as by a particular conjunction of internal forces. Forms of state also affect the development of social forces through the kinds of domination they exert, for example, by advancing one class interest and thwarting others. 25

Considered separately, social forces, forms of state, and world orders can be represented in a preliminary approximation as particular configurations of material capabilities, ideas and institutions (as indicated in Figure 1). Considered in relation to each other, and thus moving towards a fuller representation of historical process, each will be seen as containing, as well as bearing the impact of, the others (as in Figure 2). 26

![Diagram](social_forces_diagram.png)

**Figure 2**

**Hegemony and World Orders**

How are these reciprocal relationships to be read in the present historical conjuncture? Which of the several relationships will tell us the most? A sense of
the historicity of concepts suggests that the critical relationships may not be the same in successive historical periods, even within the post-Westphalian era for which the term "state system" has particular meaning. The approach to a critical theory of world order, adumbrated here, takes the form of an interconnected series of historical hypotheses.

Neo-realism puts the accent on states reduced to their dimension of material force and similarly reduces the structure of world order to the balance of power as a configuration of material forces. Neo-realism, which generally dismisses social forces as irrelevant, is not much concerned with differentiating forms of state (except insofar as "strong societies" in liberal democratic polities may hamper the use of force by the state or advance particular interests over the national interest), and tends to place a low value on the normative and institutional aspects of world order.

One effort to broaden the realist perspective to include variations in the authority of international norms and institutions is the theory of "hegemonic stability" which, as stated by Robert Keohane, "holds that hegemonic structures of power, dominated by a single country, are most conducive to the development of strong international regimes, whose rules are relatively precise and well-obeyed." The classic illustrations of the theory discussed by Keohane are the pax britannica of the mid-Nineteenth century and the pax americana of the years following the Second World War. The theory appears to be confirmed by the decline in observance of the norms of the Nineteenth century order which accompanied Britain's relative decline in state power from the late-Nineteenth century. Exponents of the theory see a similar decline, since the early 1970s, in the observance of norms of the post-war order, relating it to a relative decline in US power. Robert Keohane has tested the theory in particular issue areas (energy, money and trade) on the grounds that power is not a fungible asset, but has to be differentiated according to the contexts in which a state tries to be influential. He finds that, particularly in the areas of trade and money, changes in US power are insufficient to explain the changes that have occurred and needs to be supplemented by the introduction of domestic political, economic and cultural factors.

An alternative approach might start by redefining what it is that is to be explained, namely, the relative stability of successive world orders. This can be done by equating stability with a concept of hegemony that is based on a coherent conjunction or fit between a configuration of material power, the prevalent collective image of world order (including certain norms) and a set of institutions which administer the order with a certain semblance of universality (i.e. not just as the overt instruments of a particular state's dominance). In this formulation, state power ceases to be the sole explanatory factor and becomes part of what is to be explained. This rephrasing of the question addresses a major difficulty in the realist version signalled by Keohane and others, namely, how to explain the failure of the US to establish a stable world order in the inter-war period despite its preponderance of power. If the dominance of a single state coincides with a stable order on some occasions but not on others, then there may be some merit in looking more closely at what is meant by stability and more broadly at what may be its sufficient conditions. Dominance by a powerful state may be a necessary but not a sufficient condition of hegemony.
The two periods of the *pax britannica* and the *pax americana* also satisfy the reformulated definition of hegemony. In the mid-Nineteenth century, Britain's world supremacy was founded on its sea power, which remained free from challenge by a continental state as a result of Britain's ability to play the role of balancer in a relatively fluid balance of power in Europe. The norms of liberal economics (free trade, the gold standard, free movement of capital and persons) gained widespread acceptance with the spread of British prestige, providing a universalistic ideology which represented these norms as the basis of a harmony of interests. While there were no formal international institutions, the ideological separation of economics from politics meant that the City could appear as administrator and regulator according to these universal rules, with British sea power remaining in the background as potential enforcer.

This historical structure was transformed in its three dimensions during the period running from the last quarter of the Nineteenth century through the Second World War. During this period British power declined relatively, losing its undisputed supremacy at sea, first with the German challenge and then with the rise of US power; economic liberalism foudnered with the rise of protectionism, the new imperialisms and ultimately the end of the gold standard; and the belated and abortive attempt at international institutionalisation through the League of Nations, unsustained either by a dominant power or a widely-accepted ideology, collapsed in a world increasingly organised into rival power blocs.

The power configuration of the *pax americana* was more rigid than that of the earlier hegemony, taking the form of alliances (all hinging on US power) created in order to contain the Soviet Union. The stabilisation of this power configuration created the conditions for the unfolding of a global economy in which the United States played a role similar to that of Britain in mid-Nineteenth century. The United States rarely needed to intervene directly in support of specific national economic interests; by maintaining the rules of an international economic order according to the revised liberalism of Bretton Woods, the strength of US corporations engaged in the pursuit of profits was sufficient to ensure continuing national power. The *pax americana* produced a greater number of formal international institutions than the earlier hegemony. The Nineteenth century separation of politics and economics had been blurred by the experience of the Great Depression and the rise of Keynesian doctrines. Since states now had a legitimate and necessary overt role in national economic management, it became necessary both to multilateralise the administrative management of the international economy and to give it an intergovernmental quality.

The notion of hegemony as a fit between power, ideas and institutions makes it possible to deal with some of the problems in the theory of state dominance as the necessary condition for a stable international order; it allows for lags and leads in hegemony. For example, so appealing was the nostalgia for the Nineteenth century hegemony that the ideological dimension of the *pax britannica* flourished long after the power configuration that supported it had vanished. Sustained, and ultimately futile, efforts were made to revive a liberal world economy along with the gold standard in the inter-war period. Even in the post-war period, British policy continued to give precedence to balance of payments problems over national industrial development and employment considerations.28 Another
prime example is the case of the US, where the growth indicators of material power during the inter-war period were insufficient predictors of a new hegemony. It was necessary that US leaders should come to see themselves in ideological terms as the necessary guarantors of a new world order. The Roosevelt era made this transition, including both the conscious rejection of the old hegemony (e.g. by torpedoing the world economic conference in 1933 and abandoning the gold standard) and the gradual incorporation of New Deal principles into the ideological basis of the new world order. There followed US initiatives to create the institutions to administer this order. Neo-mercantilists in the United States now warn against a danger of repeating the British error, urging US policy-makers not to continue to operate according to doctrines appropriate to the pax americana when the United States can no longer afford to act as guarantor for a universalist world order. Their persuasive efforts underline the point that in these matters ideology is a determining sphere of action which has to be understood in its connections with material power relations.

Social Forces, Hegemony and Imperialism

Represented as a fit between material power, ideology and institutions, hegemony may seem to lend itself to a cyclical theory of history; the three dimensions fitting together in certain times and places and coming apart in others. This is reminiscent of earlier notions of virtù, or of the weltgeist migrating from people to people. The analogy merely points to something which remains unexplained. What is missing is some theory as to how and why the fit comes about and comes apart. It is my contention that the explanation may be sought in the realm of social forces shaped by production relations.

Social forces are not to be thought of as existing exclusively within states. Particular social forces may overflow state boundaries, and world structures can be described in terms of social forces just as they can be described as configurations of state power. The world can be represented as a pattern of interacting social forces in which states play an intermediate though autonomous rôle between the global structure of social forces and local configurations of social forces within particular countries. This may be called a political economy perspective of the world: power is seen as emerging from social processes rather than taken as given in the form of accumulated material capabilities, that is as the result of these processes. (Paraphrasing Marx, one could describe the latter, neorealist view as the “fetishism of power”.) In reaching for a political economy perspective, we move from identifying the structural characteristics of world orders as configurations of material capabilities, ideas and institutions (Figure 1) to explaining their origins, growth and demise in terms of the interrelationships of the three levels of structures (Figure 2).

It is, of course, no great discovery to find that, viewed in the political economy perspective, the pax Britannica was based both on the ascendancy of manufacturing capitalism in the international exchange economy, of which Britain was the centre, and on the social and ideological power, in Britain and other parts of northwest Europe, of the class which drew its wealth from manufacturing. The new bourgeoisie did not need to directly control states; its social power became the premiss of state politics.
The demise of this hegemonic order can also be explained by the development of social forces. Capitalism mobilised an industrial labour force in the most advanced countries, and from the last quarter of the Nineteenth century industrial workers had an impact on the structure of the state in these countries. The incorporation of the industrial workers, the new social force called into existence by manufacturing capitalism, into the nation involved an extension in the range of state action in the form of economic intervention and social policy. This in turn brought the factor of domestic welfare (i.e. the social minimum required to maintain the allegiance of the workers) into the realm of foreign policy. The claims of welfare competed with the exigencies of liberal internationalism within the management of states; whilst the former gained ground as protectionism, the new imperialism and ultimately the end of the gold standard marked the long decline of liberal internationalism. 32 The liberal form of state was slowly replaced by the welfare nationalist form of state.

The spread of industrialisation, and the mobilisation of social classes it brought about, not only changed the nature of states but also altered the international configuration of state power as new rivals overtook Britain’s lead. Protectionism, as the means of building economic power comparable to Britain’s, was for these new industrial countries more convincing than the liberal theory of comparative advantage. The new imperialisms of the major industrial powers were a projection abroad of the welfare nationalist consensus among social forces sought or achieved within the nations. As both the material predominance of the British economy and the appeal of the hegemonic ideology weakened, the hegemonic world order of the mid-Nineteenth century gave place to a non-hegemonic configuration of rival power blocs.

Imperialism is, thus, a rather loose concept which in practice has to be newly defined with reference to each historical period. There is little point in looking for any “essence” of imperialism beyond the forms which dominance and subordination take in different successive world order structures. The actual form, whether activated by states, by social forces (e.g. the managements of multinational corporations), or some combination of both, and whether domination is primarily political or economic, is to be determined by historical analysis, and not deductive reasoning.

The expansive capitalism of the mid-Nineteenth century brought most of the world into the exchange relations of an international economy centred in London. The liberal imperialism of this phase was largely indifferent as to whether or not peripheral countries were formally independent or under the political-administrative control of a colonial power, provided that the rules of the international economy were observed. 33 Canada and Argentina, for example, had similar positions in real terms, though one had colonial and the other independent status. In the phase of liberal imperialism, local authorities, who were often pre-capitalist in their relationship to the production process (e.g. traditional agrarian-based rulers), kept their countries in the commercial system. During the second phase, that of the so-called new imperialism following the 1870s, direct state control began to supplant the less formal patterns of the commercial period. Capitalist production relations under this political aegis penetrated the periphery more thoroughly, notably in the extraction of raw materials and the building of the infrastructure (roads, railways, ports and
commercial and governmental administrations) required to link the colonies more
closely with the metropole.

Capitalist production relations generated new social forces in the periphery. Outsiders came to play important roles in the local society, some as agents of the colonial administration and of big capital from the metropole, others in smaller businesses, filling the interstices between big capital and traditional local production (for example, the Chinese in southeast Asia, the Indians in east Africa or the Lebanese in west Africa.) A local workforce often numerically small and materially better-off than the majority of the population, was drawn into capitalist production. This politically strategic group was opposed to capital on wage and labour issues but aligned with it as regards the development of the capitalist production sector. An indigenous petty bourgeoisie also grew up, occupying the subordinate positions in colonial administration and metropole-based enterprises, as well as in local small business. A local state apparatus emerged under colonial tutelage, encouraging the new production relations by methods ranging from the introduction of compulsory labour or a head tax as a means of generating a labour force, to reproducing, in the colonial context, some of the institutions and procedures of the industrial relations of the metropole.

The existence in the colonial territory of these new social forces, labour and the petty bourgeoisie, which could agree on a nationalist political programme, together with the introduction by the colonial administration of the elements of a modern state apparatus, (control of which could be the aim of this programme) laid the basis for the anti-colonial revolt which swept the colonial world after the Second World War. This movement reacted against administrative control from the metropole, but not continued involvement in capitalist production and exchange relations. The anti-imperialist label on the forces which replaced the structures created by the second phase or new imperialism obscured their rôle in ushering in yet a third phase of imperialism.

James Petras, in his use of the concept of an imperial state system, has posed a number of questions concerning the structural characteristics of states in the present world order. The dominant imperial state and subordinate collaborator states differ in structure and have complementary functions in the imperial system; they are not just more and less powerful units of the same kind, as might be represented in a simple neo-realist model. A striking feature in his framework is that the imperial state he analyses is not the whole US government; it is “those executive bodies within the ‘government’ which are charged with promoting and protecting the expansion of capital across state boundaries.” 34 The imperial system is at once more than and less than the state. It is more than the state in that it is a transnational structure with a dominant core and dependent periphery. This part of the US government is at the system’s core, together (and here we may presume to enlarge upon Petras’ indications) with inter-state institutions such as the IMF and the World Bank, symbiotically related to expansive capital, and with collaborator governments (or at any rate parts of them linked to the system) in the system’s periphery. It is less than the state in the sense that non-imperial, or even anti-imperial, forces may be present in other parts of both core and periphery states. The unity of the state, posited by neo-realism, is fragmented in this image, and the struggle for and against the imperial system may go on within
the state structures at both core and periphery as well as among social forces ranged in support and opposition to the system. The state is thus a necessary but insufficient category to account for the imperial system. The imperial system itself becomes the starting point of enquiry.

The imperial system is a world order structure drawing support from a particular configuration of social forces, national and transnational, and of core and periphery states. One must beware of slipping into the language of reification when speaking of structures; they are constraints on action, not actors. The imperial system includes some formal and less formal organisations at the system level through which pressures on states can be exerted without these system-level organisations actually usurping state power. The behaviour of particular states or of organised economic and social interests, however, finds its meaning in the larger totality of the imperial system. Actions are shaped either directly by pressures projected through the system or indirectly by the subjective awareness on the part of actors of the constraints imposed by the system. Thus one cannot hope to understand the imperial system by identifying imperialism with actors, be they states or multinationals; they are both dominant elements in the system, but the system as a structure is more than their sum. Furthermore, one must beware of ignoring the principle of dialectic by over emphasising the power and coherence of a structure, even a very dominant one. Where a structure is hegemonic, critical theory leads one to look for a counter-structure, even a latent one, by seeking out its possible bases of support and elements of cohesion.

At this point, it is preferable to revert to the earlier terminology which referred to hegemonic and non-hegemonic world order structures. To introduce the term ‘imperial’ with reference to the pax americana risks both obscuring the important difference between hegemonic and non-hegemonic world orders and confusing structurally different kinds of imperialism (e.g. liberal imperialism, the new or colonial imperialism, and the imperial system just outlined). The contention here is that the pax americana was hegemonic: it commanded a wide measure of consent among states outside the Soviet sphere and was able to provide sufficient benefits to the associated and subordinate elements in order to maintain their acquiescence. Of course, consent wore thin as one approached the periphery where the element of force was always apparent, and it was in the periphery that the challenge to the imperial system first became manifest.

It was suggested above how the particular fit between power, ideology and institutions constituting the pax americana came into being. Since the practical issue at the present is whether or not the pax americana has irretrievably come apart and if so what may replace it, two specific questions deserving attention are: (1) what are the mechanisms for maintaining hegemony in this particular historical structure? and (2) what social forces and/or forms of state have been generated within it which could oppose and ultimately bring about a transformation of the structure?

The Internationalisation of the State

A partial answer to the first question concerns the internationalisation of the state. The basic principles of the pax americana were similar to those of the pax britannica — relatively free movement of goods, capital and technology and a
reasonable degree of predictability in exchange rates. Cordell Hull’s conviction that an open trading world was a necessary condition of peace could be taken as its ideological text, supplemented by confidence in economic growth and ever-rising productivity as the basis for moderating and controlling conflict. The post-war hegemony was, however, more fully institutionalised than the *pax britannica* and the main function of its institutions was to reconcile domestic social pressures with the requirements of a world economy. The International Monetary Fund was set up to provide loans to countries with balance of payments deficits in order to provide time in which they could make adjustments, and to avoid the sharp deflationary consequences of an automatic gold standard. The World Bank was to be a vehicle for longer term financial assistance. Economically weak countries were to be given assistance by the system itself, either directly through the system’s institutions or by other states nominally certified by the system’s institutions. These institutions incorporated mechanisms to supervise the application of the system’s norms and to make financial assistance effectively conditional upon reasonable evidence of intent to live up to the norms.

This machinery of surveillance was, in the case of the western allies and subsequently of all industrialised capitalist countries, supplemented by elaborate machinery for the harmonisation of national policies. Such procedures began with the mutual criticism of reconstruction plans in western European countries (the US condition for Marshall aid funds), continued with the development of annual review procedures in NATO (which dealt with defence and defence support programmes), and became an acquired habit of mutual consultation and mutual review of national policies (through the OECD and other agencies).

The notion of international obligation moved beyond a few basic commitments, such as observance of the most favoured nation principle or maintenance of an agreed exchange rate, to a general recognition that measures of national economic policy affect other countries and that such consequences should be taken into account before national policies are adopted. Conversely, other countries should be sufficiently understanding of one country’s difficulties to acquiesce in short-term exceptions. Adjustments are thus perceived as responding to the needs of the system as a whole and not to the will of dominant countries. External pressures upon national policies were accordingly internationalised.

Of course, such an internationalised policy process presupposed a power structure, one in which central agencies of the US government were in a dominant position. But it was not necessarily an entirely hierarchical power structure with lines of force running exclusively from the top down, nor was it one in which the units of interaction were whole nation-states. It was a power structure seeking to maintain consensus through bargaining and one in which the bargaining units were fragments of states. The power behind the negotiation was tacitly taken into account by the parties.

The practice of policy harmonisation became such a powerful habit that when the basic norms of international economic behaviour no longer seemed valid, as became the case during the 1970s, procedures for mutual adjustment of national economic policies were, if anything, reinforced. In the absence of clear norms, the need for mutual adjustment appeared the greater.15 State structures appropriate to this process of policy harmonisation can be
contrasted with those of the welfare nationalist state of the preceding period. Welfare nationalism took the form of economic planning at the national level and the attempt to control external economic impacts upon the national economy. To make national planning effective, corporative structures grew up in most industrially advanced countries for the purpose of bringing industry, and also organised labour, into consultation with the government in the formulation and implementation of policy. National and industrial corporative structures can raise protectionist or restrictive obstacles to the adjustments required for adaptation of national economies to the world economy in a hegemonic system. Corporatism at the national level was a response to the conditions of the interwar period; it became institutionally consolidated in western Europe just as the world structure was changing into something for which national corporatism was ill-suited.

The internationalisation of the state gives precedence to certain state agencies – notably ministries of finance and prime ministers’ offices – which are key points in the adjustment of domestic to international economic policy. Ministries of industries, labour ministries, planning offices, which had been built up in the context of national corporatism, tended to be subordinated to the central organs of internationalised public policy. As national economies became more integrated in the world economy, it was the larger and more technologically advanced enterprises that adapted best to the new opportunities. A new axis of influence linked international policy networks with the key central agencies of government and with big business. This new informal corporative structure overshadowed the older more formalised national corporatism and reflected the dominance of the sector oriented to the world economy over the more nationally-oriented sector of a country’s economy.  

The internationalisation of the state is not, of course, limited to advanced capitalist core countries. It would not be difficult to make a catalogue of recent cases in peripheral countries where institutions of the world economy, usually as a condition for debt renewal, have dictated policies which could only be sustained by a coalition of conservative forces. Turkey, Peru and Portugal are among those recently affected. As for Zaire, a conference of creditors laid down the condition that officials of the IMF be placed within the key ministries of the state to oversee the fulfilment of the conditions of debt renewal.

The Internationalisation of Production

The internationalisation of the state is associated with the expansion of international production. This signifies the integration of production processes on a transnational scale, with different phases of a single process being carried out in different countries. International production currently plays the formative role in relation to the structure of states and world order that national manufacturing and commercial capital played in the mid-Nineteenth century.

International production expands through direct investment, whereas the rentier imperialism, of which Hobson and Lenin wrote, primarily took the form of portfolio investment. With portfolio investment, control over the productive resources financed by the transaction passed with ownership to the borrower. With direct investment, control is inherent in the production process itself and
remains with the originator of the investment. The essential feature of direct investment is possession, not of money, but of knowledge — in the form of technology and especially in the capacity to continue to develop new technology. The financial arrangements for direct investment may vary greatly, but all are subordinated to this crucial factor of technical control. The arrangements may take the form of wholly-owned subsidiaries, joint ventures with local capital sometimes put up by the state in host countries, management contracts with state-owned enterprises, or compensation agreements with socialist enterprises whereby, in return for the provision of technology, these enterprises become suppliers of elements to a globally organised production process planned and controlled by the source of the technology. Formal ownership is less important than the manner in which various elements are integrated into the production system.

Direct investment seems to suggest the dominance of industrial capital over finance capital. The big multinational corporations which expand by direct investment are, to some degree, self-financing and to the extent that they are not they seem capable of mobilising money capital in a number of ways, such as through local capital markets (where their credit is better than that of national entrepreneurs), through the Eurocurrency markets, through infusions of capital from other multinationals linked to technology and production agreements, through state subsidies, and so forth. And yet, particularly since the 1970s, finance capital seems to be returning to prominence through the operations of the multinational banks, not only in the old form of rentier imperialism administering loans to peripheral states, but also as a network of control and private planning for the world economy of international production. This network assesses and collectivises investment risks and allocates investment opportunities among the participants in the expansion of international production, that is, it performs the function of Lenin’s ‘collective capitalist’ in the conditions of late Twentieth century production relations.

*International Production and Class Structure*

International production is mobilising social forces, and it is through these forces that its major political consequences *vis-a-vis* the nature of states and future world orders may be anticipated. Hitherto, social classes have been found to exist within nationally-defined social formations, despite rhetorical appeals to the international solidarity of workers. Now, as a consequence of international production, it becomes increasingly pertinent to think in terms of a global class structure alongside or superimposed upon national class structures.

At the apex of an emerging global class structure is the transnational managerial class. Having its own ideology, strategy and institutions of collective action, it is both a class in itself and for itself. Its focal points of organisation, the Trilateral Commission, World Bank, IMF and OECD, develop both a framework of thought and guidelines for policies. From these points, class action penetrates countries through the process of internationalisation of the state. The members of this transnational class are not limited to those who carry out functions at the global level, such as executives of multinational corporations or as senior officials of international agencies, but includes those who manage the
internationally-oriented sectors within countries, the finance ministry officials, local managers of enterprises linked into international production systems, and so on.\textsuperscript{38}

National capitalists are to be distinguished from the transnational class. The natural reflex of national capital faced with the challenge of international production is protectionism. It is torn between the desire to use the state as a bulwark of an independent national economy and the opportunity of filling niches left by international production in a subordinate symbiotic relationship with the latter.

Industrial workers have been doubly fragmented. One line of cleavage is between established and non-established labour. Established workers are those who have attained a status of relative security and stability in their jobs and have some prospects of career advancement. Generally they are relatively skilled, work for larger enterprises, and have effective trade unions. Non-established workers, by contrast, have insecure employment, have no prospect of career advancement, are relatively less skilled, and confront great obstacles in developing effective trade unions. Frequently, the non-established are disproportionately drawn from lower-status ethnic minorities, immigrants and women. The institutions of working class action have privileged established workers. Only when the ideology of class solidarity remains powerful, which usually means only in conditions of high ideological polarisation and social and political conflict, do organisations controlled by established workers (unions and political parties) attempt to rally and act for non-established workers as well.

The second line of cleavage among industrial workers is brought about by the division between national and international capital (i.e. that engaged in international production). The established workers in the sector of international production are potential allies of international capital. This is not to say that those workers have no conflict with international capital, only that international capital has the resources to resolve these conflicts and to isolate them from conflicts involving other labour groups by creating an enterprise corporatism in which both parties perceive their interest as lying in the continuing expansion of international production.

Established workers in the sector of national capital are more susceptible to the appeal of protectionism and national (rather than enterprise) corporatism in which the defence of national capital, of jobs and of the workers’ acquired status in industrial relations institutions, are perceived to be interconnected.\textsuperscript{39}

Non-established labour has become of particular importance in the expansion of international production. Production systems are being designed so as to make use of an increasing proportion of semi-skilled (and therefore frequently non-established) in relation to skilled (and established) labour.\textsuperscript{40} This tendency in production organisation makes it possible for the centre to decentralise the actual physical production of goods to peripheral locations in which an abundant supply of relatively cheap non-established labour is to be found, and to retain control of the process and of the research and development upon which its future depends.

As a non-established workforce is mobilised in Third World countries by international production, governments in these countries have very frequently sought to pre-empt the possibility of this new social force developing its own class-conscious organisations by imposing upon it structures of state corporatism.
in the form of unions set-up and controlled by the government or the dominant political party. This also gives local governments, through their control over local labour, additional leverage with international capital regarding the terms of direct investment. If industrial workers in Third World countries have thus sometimes been reduced to political and social quiescence, state corporatism may prove to be a stage delaying, but in the long run not eliminating, a more articulate self consciousness.  

Even if industry were to move rapidly into the Third World and local governments were, by and large, able to keep control over their industrial workforces, most of the populations of these countries may see no improvement, but probably a deterioration, in their conditions. New industrial jobs lag far behind increases in the labour force, while changes in agriculture dispossess many in the rural population. No matter how fast international production spreads, a very large part of the world's population in the poorest areas remains marginal to the world economy, having no employment or income, or the purchasing power derived from it. A major problem for international capital in its aspiration for hegemony is how to neutralise the effect of this marginalisation of perhaps one-third of the world's population so as to prevent its poverty from fuelling revolt.  

Social forces, state structures, and future world order prospects

It would, of course, be logically inadmissible, as well as imprudent, to base predictions of future world order upon the foregoing considerations. Their utility is rather in drawing attention to factors which could incline an emerging world order in one direction or another. The social forces generated by changing production processes are the starting point for thinking about possible futures. These forces may combine in different configurations, and as an exercise one could consider the hypothetical configurations most likely to lead to three different outcomes as to the future of the state system. The focus on these three outcomes is not, of course, to imply that no other outcomes or configurations of social forces are possible.

First, is the prospect for a new hegemony being based upon the global structure of social power generated by the internationalising of production. This would require a consolidation of two presently powerful and related tendencies: the continuing dominance of international over national capital within the major countries, and the continuing internationalisation of the state. Implicit in such an outcome is a continuance of monetarism as the orthodoxy of economic policy, emphasising the stabilisation of the world economy (anti-inflationary policies and stable exchange rates) over the fulfilment of domestic socio-political demands (the reduction of unemployment and the maintenance of real wages levels).

The inter-state power configuration which could maintain such a world order, provided its member states conformed to this model, is a coalition centring upon the United States, the Federal Republic of Germany, and Japan, with the support of other OECD states, the co-optation of a few of the more industrialised Third World countries, such as Brazil, and of leading conservative OPEC countries, and the possibility of revived détente allowing for a greater linkage of the Soviet sphere into the world economy of international production. The new international division of labour, brought about through the progressive
decentralisation of manufacturing into the Third World by international capital, would satisfy demands for industrialisation from those countries. Social conflict in the core countries would be combatted through enterprise corporatism, though many would be left unprotected by this method, particularly the non-established workers. In the peripheral countries, social conflict would be contained through a combination of state corporatism and repression.

The social forces opposed to this configuration have been noted above. National capital, those sections of established labour linked to national capital, newly mobilised non-established workers in the Third World, and socially marginal in the poor countries are all in some way or another potentially opposed to international capital, and to the state and world order structures most congenial to international capital. These forces do not, however, have any natural cohesion, and might be dealt with separately, or neutralised, by an effective hegemony. If they did come together under particular circumstances in a particular country, precipitating a change of regime, then that country might be dealt with in isolation by the world structure. In other words, where hegemony failed within a particular country, it could reassert itself through the world structure.

A second possible outcome is a non-hegemonic world structure of conflicting power centres. Perhaps the most likely way for this to evolve would be through the ascendancy in several core countries of neo-mercantilist coalitions which linked national capital and established labour, and were determined to opt out of arrangements designed to promote international capital and to organise their own power and welfare on a national or sphere of influence basis. The continuing pursuit of monetarist policies may be the single most likely cause of neo-mercantilist reaction. Legitimated as anti-inflationary, monetarist policies have been perceived as hindering national capital (because of high interest rates), generating unemployment (through planned recession), and adversely affecting relatively deprived social groups and regions dependent upon government services and transfer payments (because of budget-balancing cuts in state expenditures). An opposing coalition would attack monetarism for subordinating national welfare to external forces, and for showing an illusory faith in the markets (which are perceived to be manipulated by corporate-administered pricing). The likely structural form of neo-mercantilism within core states would be industry-level and national-level corporatism, bringing national capital and organised labour into a relationship with the government for the purpose of making and implementing of state policy. Peripheral states would have much the same structure as in the first outcome, but would be more closely linked to one or another of the core country economies.

A third and more remotely possible outcome would be the development of a counter-hegemony based on a Third World coalition against core country dominance and aiming towards the autonomous development of peripheral countries and the termination of the core-peripheral relationship. A counter-hegemony would consist of a coherent view of an alternative world order, backed by a concentration of power sufficient to maintain a challenge to core countries. While this outcome is foreshadowed by the demand for a New International Economic Order, the prevailing consensus behind this demand lacks a sufficiently clear view of an alternative world political economy to constitute counter-
hegemony. The prospects of counter-hegemony lie very largely in the future development of state structures in the Third World.

The controlling social force in these countries is, typically, what has been called a “state class”, a combination of party, bureaucratic and military personnel and union leaders, mostly petty bourgeois in origin, which controls the state apparatus and through it attempt to gain greater control over the productive apparatus in the country. The state class can be understood as a local response to the forces generated by the internationalising of production, and an attempt to gain some local control over these forces. The orientation of the state class is indeterminate. It can be either conservative or radical. It may either bargain for a better deal within the world economy of international production, or it may seek to overcome the unequal internal development generated by international capital.

State classes of the first orientation are susceptible to incorporation into a new hegemonic world economy, and to the maintenance of state corporatist structures as the domestic counterpart to international capital. The second orientation could provide the backing for counter-hegemony. However, a state class is only likely to maintain the second and more radical orientation if it is supported from below in the form of a genuine populism (and not just a populism manipulated by political leaders). One may speculate that this could come about through the unfolding social consequences of international production, such as the mobilisation of a new non-established labour force coupled with the marginalisation of an increasing part of the urban population. The radical alternative could be the form of response to international capital in Third World countries, just as neo-mercantilism could be the response in richer countries. Each projects a particular state structure and vision of world order.

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REFERENCES


4. I use the term “world order” in preference to “inter-state system” as it is relevant to all historical periods (and not only those in which states have been the component entities) and in preference to “world system” as it is more indicative of a structure having only a certain duration in time and avoiding the equilibrium connotations of “system”. “World” designates the relevant
totality, geographically limited by the range of probable interactions (some past "worlds" being limited to the Mediterranean, to Europe, to China, etc.). "Order" is used in the sense of the way things usually happen (not the absence of turbulence); thus disorder is included in the concept of order. An inter-state system is one historical form of world order. The term is used in the plural to indicate that particular patterns of power relationships which have endured in time can be contrasted in terms of their principal characteristics as distinctive world orders.


7. This is most clearly expressed in K. Waltz, Man, the State and War (New York: Columbia University Press, 1954).

8. Leviathan, Part I, chap. xi

9. Kenneth Waltz, in a paper presented to a panel discussion at the American Political Science Association in August 1980 for which a first version of the present essay was written, asked the question "Will the future be like the past?", which he answered affirmatively — not only was the same pattern of relationships likely to prevail but it would be for the good of all that this should be so. It should be noted that the future contemplated by Waltz was the next decade or so.

10. A recent example of this argument is Stephen Krasner, Defending the National Interest: Raw Materials Investments and U.S. Foreign Policy (Princeton: Princeton University Press, 1978). The normative intent of the new realism is most apparent as a polemic response to liberal moralism. This was also the case for E.H. Carr's The Twenty Years' Crisis, 1919-1939 (London: Macmillan, 1942) which offered a "scientific" mode of thinking about international relations in opposition to the "utopianism" of the supporters of the League of Nations in Britain. Dean Acheson and George Kennan, in laying the foundations for US Cold War policy acknowledged their debt to Reinhold Niebuhr whose revival of a pessimistic Augustinian view of human nature challenged the optimistic Lockean view native to American culture. Krasner's chosen target is "Lockean liberalism" which he sees as having undermined the rational defence of US national interests.


12. Ibid., p.6, para. 35; p.22, para. 145; p.25, para. 161; p.62, para. 349.


16. As in Krasner, op. cit., and Peter Katzenstein (ed.) Beyond Power and Plenty. Foreign Economic Policies of Advanced Industrial States (Madison, Wisconsin: University of Wisconsin Press, 1978). The United States is represented by these authors as a state which is weak in relation to the strength of civil society (or more particularly of interests in civil society), whereas other states, e.g. Japan or France, are stronger in relation to their societies. Civil society is thus seen in the US case as limiting the effectiveness of the state.

17. The notion of a framework for action recalls what Machiavelli called necessitá, a sense that the conditions of existence require action to create or sustain a form of social order. Necessità engenders both the possibility of a new order and all the risks inherent in changing the existing order "...few men ever welcome new laws setting up a new order in the state unless necessity makes it clear to them that there is a need for such laws; and since such a necessity cannot arise without danger, the state may easily be ruined before the new order has been brought to completion." Niccolo Machiavelli, The Discourses (ed.) Bernard Crick (Harmondsworth, Middlesex: Penguin Books, 1970) pp. 105-106.

18. In this regard, Stanley Hoffmann has written: "Born and raised in America, the discipline of international relations is, so to speak, too close to the fire. It needs triple distance: it should move away from the contemporary world towards the past; from the perspective of a superpower (and a highly conservative one), toward that of the weak and the revolutionary — away from the impossible quest for stability; from the glide into policy science, back to the steep ascent toward the peaks which
the questions raised by traditional political philosophy represent." In "An American social science: international relations", *Daedalus* (Summer 1977), p. 59.


20. C. Taylor, *op. cit.* points out that expectations with regard to negotiating behaviour are culturally differentiated in the present world. Garrett Mattingly, *Renaissance Diplomacy* (London: Cape, 1953) studied the origin of the ideas outlined in this paragraph which are implicit in the modern state system.

21. Collective images are not aggregations of fragmented opinions of individuals such as are compiled through surveys; they are coherent mental types expressive of the world views of specific groups such as may be reconstructed through the work of historians and sociologists, e.g. Max Weber's reconstructions of forms of religious consciousness.

22. Gramsci's principal application of the concept of hegemony was to the relations among social classes, *e.g.* in explaining the inability of the Italian industrial bourgeoisie to establish its hegemony after the unification of Italy and in examining the prospects of the Italian industrial workers establishing their class hegemony over peasantry and petty bourgeoisie so as to create a new *blocco storico* (historic bloc) — a term which in Gramsci's work corresponds roughly to the notion of historic structure in this essay. The term "hegemony" in Gramsci's work is linked to debates in the international Communist movement concerning revolutionary strategy and in this connection its application is specifically to classes. The form of the concept, however, draws upon his reading of Machiavelli and is not restricted to class relations but has a broader potential applicability. Gramsci's adjustment of Machiavellian ideas to the realities of the world he knew was an exercise in dialectic in the sense defined above. It is an appropriate continuation of his method to perceive the applicability of the concept to world order structures as suggested here. For Gramsci, as for Machiavelli, the general question involved in hegemony is the nature of power, and power is a centaur, part man, part beast, a combination of force and consent. See Machiavelli, *The Prince*, Norton Critical Edition (ed.) Robert M. Adams (New York: W.W. Norton, 1977), pp. 49-50; Gramsci, *Selections* *op. cit.*, pp. 169-170.


26. I have been engaged with Jeffrey Harrod in a study of production relations on a world scale which begins with an examination of distinctive patterns of power relations in the production process as separate historical structures and which then leads to a consideration of different forms of state and global political economy. Bringing in these last two levels is necessary to an understanding of the existence of the different patterns of production relations and the hierarchy of relationships among them. One could equally well adopt forms of state or world orders as the point of departure and ultimately be required to bring the other levels in to explain the historical process.


"Hegemony" is used by Keohane in the limited sense of dominance by a state. This meaning is to be distinguished from its meaning in this article which is derived from Gramsci, *i.e.* hegemony as a structure of dominance, leaving open the question of whether the dominant power is a state, or a group of states, or some combination of state and private power, which is sustained by broadly-based consent through acceptance of an ideology and of institutions consistent with this structure. Thus a hegemonic structure of world order is one in which power takes a primarily consensual form, as distinguished from a non-hegemonic order in which there are manifestly rival powers and no power has been able to establish the legitimacy of its dominance. There can be dominance without hegemony; hegemony is one possible form dominance may take. Institutionalised hegemony, as used in this essay, corresponds to what Keohane calls a "strong international regime". His theory can be restated in our terms as: dominance by a powerful state is most conducive to the development of hegemony. In the present text, the term "hegemony" is reserved for a consensual order and "dominance" refers only to a preponderance of material power.

28. Two classic studies relevant particularly to the inter-war period are Karl Polanyi, *The Great Transformation* (Boston, Mass: Little, Brown, 1957) and E.H. Carr, *The Twenty Years' Crisis*, *op. cit.* The chapter by Stephen Blank, "Britain: The Politics of Foreign Economic Policy, the Domestic Economy and the Problem of Pluralistic Stagnation", in Katzenstein (ed.), *op. cit.*, comments on post-war British economic policy as does Stephen Krasner in, "State Power and the Structure of


30. The basic point I am making here is suggested by a passage in Gramsci’s *Prison Notebooks* which reads: “Do international relations precede or follow (logically) fundamental social relations? There can be no doubt but that they follow. Any organic innovation in the social structure, through its technical-military expressions, modifies organically absolute and relative relations in the international field too.” Gramsci used the term “organic” to refer to relatively long-term and permanent changes, as opposed to “conjunctural”. *Selections* op. cit., pp. 176-177. In the critical Italian edition, the original is to be found in vol III, pp. 1562.


33. George Lichtheim, *Imperialism* (New York: Praeger, 1971) has proposed a periodisation of imperialism, and I have taken the term “liberal imperialism” from him.


35. Max Beloff was perhaps the first to point to the mechanisms whereby participation in international organisations altered the internal policy-making practices of states in his *New Dimensions in Foreign Policy* (London: Allen and Unwin, 1961). R.W. Cox and H.K. Jacobson, et al., *The Anatomy of Influence: Decision-making in International Organisation* (New Haven: Yale University Press, 1972) represented the political systems of international organisations as including segments of states. R.O. Keohane and J.S. Nye, “Transgovernmental Relations and International Organizations”, *World Politics* (Vol. 27 October 1974) pointed to the processes whereby coalitions are formed among segments of the apparatuses of different states and the ways in which international institutions facilitate such coalitions. These various works, while they point to the existence of mechanisms for policy co-ordination among states and for penetration of external influences within states, do not discuss the implications of these mechanisms for the structure of power within states. It is this structural aspect I wish to designate by the term “internationalisation of the state”. Christian Pailloix refers to “L'internationalisation de l'appareil de l'Etat national, de certains lieux de cet appareil d'Etat . . . .” (L'internationalisation du capital, Paris, Maspero, 1975, p. 82) by which he designates those segments of national states which serve as policy supports for the internationalisation of production. He thus raises the question of structural changes in the state, though he does not enlarge upon the point. Keohane and Nye, subsequent to the work mentioned above, linked the transgovernmental mechanism to the concept of “interdependence”, *Power and Interdependence*, (Boston: Little, Brown, 1977). I find this concept tends to obscure the power relationships involved in structural changes in both state and world order and prefer not to use it for that reason. Peter Gourevitch, *op. cit.*, does retain the concept interdependence while insisting that it be linked with power struggles among social forces within states.

36. There is, of course, a whole literature implicit in the argument of this paragraph. Some sketchy references may be useful. Andrew Shonfield, *Modern Capitalism* (London: Oxford University Press, 1965) illustrated the development of corporative-type structures of the kind I associate with the welfare-nationalist state. The shift from industry-level corporatism to an enterprise-based corporatism led by the big public and private corporations has been noted in some industrial relations works, particularly those concerned with the emergence of a “new working class”, e.g. Serge Mallet, *La nouvelle classe ouvrière* (Paris: Seuil, 1963), but the industrial relations literature has generally not linked what I have elsewhere called enterprise corporatism to the broader framework suggested here (cf. R. W. Cox, “Pour une étude prospective des relations de production”, *Sociologie du Travail*, 2, 1977). Erhard Friedberg, “l’internationalisation de l’économie et modalités d’intervention de l’état: la ‘politique industrielle’...”, in *Planification et Société* (Grenoble: Presses universitaires de Grenoble, 1974), pp. 94-108, discusses the subordination of the old corporatism to the new. The shift in terminology from planning to industrial policy is related to the internationalising of state and economy. Industrial policy has become a matter of interest to global economic policy.
makers, cf. William Diebold, Jr., *Industrial Policy as an International Issue* (New York: McGraw-Hill for the Council on Foreign Relations, 1980) and John Pinder, Takashi Hosomi and William Diebold, *Industrial Policy and the International Economy* (Trilateral Commission, 1979). If planning evokes the spectre of economic nationalism, industrial policy, as the Trilateral Commission study points out, can be looked upon with favour from a world economy perspective as a necessary aspect of policy harmonisation: 'We have argued that industrial policies are needed to deal with structural problems in the modern economies. Thus, international action should not aim to dismantle these policies. The pressure should, rather, be towards positive and adaptive industrial policies, whether on the part of single countries or groups of countries combined. Far from being protectionist, industrial policy can help them to remove a cause of protectionism, by making the process of adjustment less painful.' (p. 50). It may be objected that the argument and references presented here are more valid for Europe than for the United States, and that, indeed, the very concept of corporatism is alien to US ideology. To this it can be replied that since the principal levers of the world economy are in the United States, the US economy adjusts less than those of European countries and peripheral countries, and the institutionalisation of adjustment mechanisms is accordingly less developed. Structural analyses of the US economy have, however, pointed to a distinction between a corporate international-oriented sector and a medium and small business nationally-oriented sector, and to the different segments of the state and different policy orientations associated with each. Cf John Kenneth Galbraith, *Economics and the Public Purpose* (London: Andre Deutsch, 1974) and James O'Connor, *The Fiscal Crisis of the State* (New York: St. Martin's Press, 1973). Historians point to the elements of corporatism in the New Deal, e.g. Arthur M. Schlesinger, Jr., *op. cit.*


38. The evidence for the existence of a transnational managerial class lies in actual forms of organisation, the elaboration of ideology, financial supports, and the behaviour of individuals. Other structures stand as rival tendencies, e.g. national capital and its interests sustained by a whole other structure of loyalties, agencies, etc. Individuals or firms and state agencies may in some phases of their activity be caught up now in one, now in another tendency. Thus the membership of the class may be continually shifting though the structure remains. It is sometimes argued that this is merely a case of US capitalists giving themselves a hegemonic aura, an argument that by implication makes of imperialism a purely national phenomenon. There is no denying the US origin of the values carried and propagated by this class, but neither is there any doubt that many non-US citizens and agencies also participate in it nor that its world view is global and distinguishable from the purely national capitalisms which exist alongside it. Through the transnational managerial class American culture, or a certain American business culture, has become globally hegemonic. Of course, should neo-mercantilist tendencies come to prevail in international economic relations, this transnational class structure would wither.

39. Some industries appear as ambiguously astride the two tendencies, e.g. the automobile industry. During a period of economic expansion, the international aspect of this industry dominated in the United States, and the United Auto Workers union took the lead in creating world councils for the major international auto firms with a view to inaugurating multinational bargaining. As the industry was hit by recession, protectionism came to the fore.

40. R.W. Cox, 'Labour and Employment in the Late Twentieth Century', in R. St. J. Macdonald, et al. (eds.), *The International Law and Policy of Human Welfare* (Sijthoff and Noordhoff, 1978). This tendency can be seen as the continuation of a long-term direction of production organisation of which Taylorism was an early stage, in which control over the work process is progressively wrested from workers and separated out from the actual performance of tasks so as to be concentrated with management. See Harry Braverman, *Labor and Monopoly Capital* (New York: Monthly Review, 1974).

41. Recent news from Brazil indicates restiveness on the part of Sao Paulo workers whose unions have been subjected to a state corporatist structure since the time of President Vargas.

42. The World Bank promotes rural development and birth control. The concept of "self-reliance", once a slogan of anti-imperialism meaning "decoupling" from the imperial system, has been co-opted by the imperial system to mean self-help among populations becoming marginalised — a do-it-yourself welfare programme.

43. I have borrowed the term from Hartmut Eisenhas, "The State Class in the Third World: For a New Conceptualisation of Periphery Modes of Production" (unpublished).