

The Global Accumulation of Capital and the Periodisation of the Capitalist State Form

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1 The Problem of Periodisation

The periodisation of the capitalist mode of production is an attempt to find a middle way between empiricism, which stresses historical contingency in order to legitimate a political opportunism, and reductionism, which stresses the unchanging laws of motion of the capitalist mode of production in order to legitimate a dogmatic fundamentalism. The ‘periodisation’ of the capitalist mode of production is supposed to provide a way of defining ‘intermediate structures’ which determine the regularities and systematic features pertaining in a particular historical epoch so as to provide scientific foundations for a political strategy which can engage with the current conjuncture.

The basis of the various periodisations which have been proposed over the years has been the periodisation of the dominant forms of accumulation, but the primary purpose of such periodisations has been to relate the changing forms of accumulation to changing forms of the state and of the political class struggle. However the simplistic conceptions of the state on which the dominant periodisations have been based have undermined their theoretical coherence, their empirical applicability, and the political validity of their conclusions. This is as true of the recent periodisations proposed by ‘regulation theory’ and the ‘social structures of accumulation’ approach as it was of the orthodox theory of state monopoly capitalism, all of which have rested on a simple functionalist theory of the state, which reduces the activity of the state to an expression of the functional needs of accumulation, expressed in the interests of capital, and which presumes that the state can, at least in principle, meet those needs by intervening to resolve the contradictions of capitalist accumulation. This narrow conception of the state is associated with an inadequate theorisation of the inherent contradictions of accumulation, which underlies the presumption that the state can indeed resolve those contradictions.

The aim of this paper is to ask whether a more adequate theorisation of the contradictory form of accumulation, and a more sophisticated theorisation of the capitalist state, can provide the basis for a more adequate periodisation of the capitalist mode of production and of the capitalist state form. The starting point of my attempt is the state debate of the 1970s, which appears at first sight to offer a fruitful way forward, but which failed to provide an adequate account of the contradictions inherent in capitalist accumulation. On the basis of an alternative account of the relationship between the state and the contradictory form of capitalist accumulation I will then outline what appears to be a theoretically coherent and

empirically plausible periodisation of the capitalist state form. Finally, I will submit the proposed periodisation to a more critical review, concluding that the substantive weaknesses of the periodisation reflect theoretical and methodological errors inherent in the enterprise itself.¹

2 Overaccumulation, Class Struggle and the State

The state debate of the 1970s tried to develop an analysis which was simultaneously logical and historical, which might have been expected to lead to a periodisation of the state. However the attempt never really got off the ground, primarily because it proved impossible to find a coherent principal on which to base such a periodisation. Joachim Hirsch proposed a periodisation of the capitalist state form whose phases were related to the mobilisation of different counter-tendencies to the tendency for the rate of profit to fall, but he never elaborated this approach.² Holloway and Picciotto, in keeping with their emphasis on the primacy of the class struggle, outlined three stages in the development of the capitalist state form, related to the relationship between capital and the labour process from an initial external relationship, through the phase of absolute surplus value production to the phase of production of relative surplus value. Although this could be interpreted as a periodisation, with superficial similarities to that of Aglietta, Holloway and Picciotto did not use it as such, but rather as the basis of an historical explanation of the progressive development of different aspects of the capitalist state form, which continue to coexist as moments of the developed form of the capitalist state.³ Such debate as there was over the periodisation of the capitalist state form did not get very far, becoming bogged down over the issue of the character of the absolutist state.⁴ Hirsch later took up the functionalist periodisation of the ‘regulation approach’ as the basis of his ‘reformulation’ of state theory. While Hirsch’s work had the merit of integrating

¹Lest the reader should feel that this approach is fraudulent, in proposing a periodisation only to knock it down, I would reply that the order of presentation here reflects the order of research. I have presented the conclusions of that research more fully in *Keynesianism, Monetarism and the Crisis of the State*, Edward Elgar, 1988, which began as an attempt to develop a periodisation of the kind presented here.

²Joachim Hirsch, ‘Towards a Materialist Theory of the State’ in John Holloway and Sol Picciotto (eds), *The State and Capital*, Edward Arnold, 1988.

³John Holloway and Sol Picciotto, ‘Capital, Crisis and the State’, *Capital and Class*, 2, 1977.

⁴The absolutist state is a stumbling block for any structuralist theory of the state, for it appears to be a capitalist form of the state which predates capitalism, in that it plays an essential role in establishing the external conditions for the reproduction of a capitalist mode of production which does not yet exist.

a more sophisticated theory of the state into the regulation approach, it did nothing to remedy the theoretical and historical inadequacies of the latter.⁵

In this paper I want to sketch out an alternative approach to the periodisation of the capitalist state form, based on an alternative characterisation of the contradictions inherent in the accumulation of capital. My starting point is the argument that the driving force of accumulation, imposed on individual capitals by the pressure of competition, is the tendency for capital to develop the productive forces without limit. The response of capitalists to competition is not, as bourgeois economists would have us believe, tamely to adjust production to the limits of the market, but is to seek out new markets by commercial expansion and by displacing backward forms of production, and to reduce costs by lengthening the working day, forcing down wages, intensifying labour and, above all, by transforming methods of production. The constant tendency to develop the productive forces underlies the tendency for capital, from its earliest stages, to develop the world market and to generalise capitalist social relations of production on a global scale. However the tendency to develop the productive forces without regard to the limit of the market also underlies the tendency to the global overaccumulation and uneven development of capital, as the development of social production confronts the limits of its capitalist form as production for profit. Although the tendency to the overaccumulation of capital appears in its most dramatic form with the emergence of a generalised crisis of overproduction, it is not only a feature of such dramatic crises, but also of the everyday reality of accumulation, as the pressure of competition leads to an intensification of class struggle, the devaluation of backward capitals, the destruction of productive capacity and the displacement of labour.

The relationship of the state to the contradictory form of overaccumulation is not established directly, but is mediated by the form of the state. The class character of the capitalist state is defined by the separation of the state from civil society, and the corresponding subordination of state and civil society to the rule of money and the law. However, while the subordination of the state to money defines the economic form through which an overaccumulation crisis appears to the state, and sets limits to the powers of the state in response to such a crisis, it does not determine the specific political form of the state, through which the contradictory tendencies of accumulation are mediated politically, nor the specific responses of the state in the face of a crisis. The political form of the state is determined by the class struggle, and most particularly by the struggles of the working class which arise as the working class confronts the subordination of social production to capital as a barrier to its own physical and social reproduction.

Although the state is constituted politically on a national basis, its class character is not defined in national terms, the capitalist law of property and contract transcending national legal systems, and world money transcending national currencies. Thus the subordination of the state to the rule of money and the law confines

⁵I have criticised the regulation approach at some length elsewhere: Simon Clarke, 'Overaccumulation, Class Struggle and the Regulation Approach', *Capital and Class*, 36, 1988. Werner Bonefeld has criticised Hirsch's reformulation of state theory in 'Reformulation of State Theory', *Capital and Class*, 33, 1987.

the state within limits imposed by the contradictory form of the accumulation of capital on a world scale. However the political stabilisation of the state has to be achieved on a national basis, which presupposes, in general, that the state is able to secure the expanded reproduction of domestic productive capital. On the one hand, this is the only basis on which the relative surplus population can be absorbed, and so the physical and social reproduction of the working class reconciled with its subordination to capital. On the other hand, it is the only basis on which the state can secure its revenues, and so meet increasing demands on its resources.

The result is that, in the most general terms, the contradiction inherent in capitalist accumulation appears to the state in the form of the barriers to the sustained accumulation of domestic productive capital presented by the overaccumulation of capital on a world scale. Although the state cannot resolve the contradictions inherent in capitalist accumulation, it can contain the political impact of those contradictions to the extent that it is able to secure the integration of the accumulation of domestic productive capital into the accumulation of capital on a world scale, and so provide a basis on which to secure the political integration of the working class. The limits on the ability of the state to achieve this are not defined only by the form of the state as a national state, but more fundamentally by the form of the international state system, and corresponding modes of integration of global accumulation, of which it is a part. The periodisation of modes of integration of global accumulation correspondingly underpins the periodisation of forms of the capitalist state.

All this is very abstract, but I think it provides a basis for a much more concrete analysis and periodisation of the capitalist state form. Although the idea of the overaccumulation of capital outlined above is abstract, it provides the basis for a periodisation because the tendency to the overaccumulation and uneven development of capital defines not only quantitative relationships, summed up in the movement of the rate of profit, but also qualitative relationships, in the changing forms of the sectoral and geographical unevenness of accumulation and in the changing forms of class struggle to which overaccumulation has given rise.

The bulk of the paper will outline a provisional periodisation into four and a half stages, with the transition from one to another being determined primarily by the form and development of the class struggle in the face of a crisis of overaccumulation. However at the end of the paper I want to muddy the waters by suggesting that the crisis of Keynesianism and the rise of monetarism indicates that this periodisation is spurious, and that it conceals some more fundamental continuities. But for now the stages are as follows:

- 1) Mercantilism. This defines the typical form of the 18th century state, based on the global expansion of commercial capital. The overaccumulation of commercial capital led to increasing international competition, costly commercial and colonial wars, and the penetration of capital into production, which undermined the global integration of accumulation and the economic, political and ideological foundations of the mercantilist state form, while providing the basis for the transition to the next stage.

- 2) Liberalism. The liberalisation of the state in the first half of the nineteenth century was based primarily on an international division of labour between the intensive accumulation of capital in British manufacture and the extensive accumulation of capital in agriculture elsewhere. Although the liberal state form was

never able to contain the struggle of the emerging working class, so that economic liberalism was by no means necessarily accompanied by political liberalism, ad hoc expedients of repression and reform sustained the liberal form of the state until the global overaccumulation crisis of the 1870s.

3) Imperialism. Imperialism and social reform emerged as the state sought to sustain domestic accumulation, and accommodate the organised working class, through the more or less active regulation of international trade and investment. However the result of such efforts was the politicisation of international competition on a national basis, and the rise of militarism culminating in global war and revolution.

4) Social Democracy. The inter-war period saw a vain attempt to restore liberalism, which only led to a revival of imperialism and militarism. However it also saw the emergence of the elements of the social democratic form of the state, which was systematically developed in the post-war reconstruction period, where the sustained accumulation of capital on a world scale, within the framework of a liberalisation of international trade and payments, made it possible to contain the class struggle on the basis of the generalisation of industrial relations and social reform. However the attempt to contain the growing class struggle by sustaining accumulation through expansionary fiscal and monetary policies provoked an inflationary crisis, and stimulated the development of new forms of class struggle directed not at capital but at the state.

4/5) Monetarism. Reasserts the subordination of the state and civil society to the money power of global capital. However it is an open question whether monetarism represents a new phase in the periodisation of the capitalist state, or merely a moment in the crisis of the social democratic form of the state, as the inter-war period marked the crisis of the imperialist form of the state.

Let us examine this periodisation more closely.

3 The Crisis of Mercantilism and the Rise of the Modern State

The growth of commercial capitalism provided the basis for the emergence of the mercantilist state form. The feudal state had been no more than the organised power of the feudal landed class, the sovereign's revenues deriving from feudal rents and feudal dues, the authority of the state being coterminous with the feudal authority of the sovereign. The growth of trade in the middle ages provided the sovereign and the landed class with new sources of revenue, and so underlay the first stages in the separation of the state from civil society. However this separation provoked long drawn-out class and political struggles, which focussed on the form of the state.

By the eighteenth century commercial capital had largely freed itself from its subordination to feudal landed property, while commercial activity extended far beyond the luxury goods and military supplies of the middle ages. However, although production was increasingly subordinated to capital, the relationship remained an external one, and the capitalist penetration of production was limited. While the generalisation of commodity production was associated with a steady development

of the forces of production, commercial profits still depended primarily on the exploitation of monopoly powers, conferred and enforced by the state, rather than on the production of surplus value. While domestic trade merely redistributed the surplus product of landowners and commodity producers, foreign trade provided the opportunity for appropriating the surplus product of foreign producers.

The mercantilist state form was the outcome of the attempt to resolve the class struggles unleashed by the accumulation of commercial capital, seeking to ensure that monopoly powers were exploited at the expense of foreigners. Despite the formal separation of the state from civil society, public finance and administration was achieved primarily through the public endorsement of private powers and privileges. The state fostered the development of foreign commerce by aggressive commercial and colonial policies, while seeking to contain its impact on domestic production and employment by maintaining an apparatus of protective and restrictive legislation, and sustaining the authority of the landed class over the mass of the population.

The overaccumulation of commercial capital underlay growing commercial competition, which appeared in the form of commercial and colonial wars, and a growing burden of taxation and public debt. Pressure on profitability underlay the penetration of production by capital, in the attempt to develop new sources of profit, which eroded the established forms of regulation of commodity production and undermined established forms of authority. The result was an intensification of the class struggle, whose political focus was the parasitism and corruption of the state, which came to a head most dramatically in the American and French Revolutions, but equally underlay the rise of popular radicalism in Europe in the first half of the nineteenth century.

The penetration of capital into production undermined the mercantilist state form, and laid the foundations for the emergence of a new form of the state, in which the accumulation of capital would be based on the penetration of capital into production and the development of the world market through trade liberalisation. This required the radical separation of the state from civil society by dismantling the apparatus of mercantilist regulation to subordinate the accumulation of capital to the disinterested rule of money and the law. This was achieved in England through the quiet revolution in government from Pitt to Gladstone, in Continental Europe through the reconstitution of the state in the wake of the 1848 revolutions, and in the USA in the period after the Civil War.

4 The liberal state form

The condition for the emergence of the liberal state form was the development of an international division of labour which was essentially complementary rather than competitive, based on the penetration of capital into production on a global scale, fostered by commercial expansionism and trade liberalisation in the second quarter of the nineteenth century, followed by the development of the railways in the third quarter of the century. The rapid development of the productive forces in British manufacturing stimulated the overaccumulation of manufacturing capital in relation to supplies of raw material and outlets for the product, which erupted in periodic crises. However capital was able to overcome the resulting barriers to

accumulation on the basis of the extensive development of agriculture on a world scale, on the one hand, and the destruction of petty commodity producers, on the other. Thus periodic crises only prepared the way for renewed accumulation, primarily by devaluing commercial capital and destroying petty producers.

The complementary accumulation of capital in agriculture and manufacturing undermined mercantilist forms of regulation on a global scale, and generalised the class struggles which underlay the emergence of the liberal state form. However the unfettered accumulation of capital and the perfection of the liberal state form unleashed new waves of struggle. The popular radicalism of displaced petty producers tended to follow the course of the cycle, augmented in periods of crisis by the struggles of the emerging working class. While the state responded to disorder by the repressive enforcement of the rule of law, popular resistance and the development of working class organisation checked the attempt of the state to subordinate the mass of the population to the money power of capital, and underlay the continued relief of distress, the reproduction of the social power of the landed class, the beginnings of protective industrial legislation, and the faltering recognition of limited trades union rights for the working class. Nevertheless, while the accumulation of domestic productive capital absorbed the relative surplus population and healthy profits ameliorated the class struggle over the production of surplus value, such remedies could appear as ad hoc and exceptional responses to the frictional problems of transition and periodic crises.

The world crisis of 1873 marked the limits of this form of global accumulation, which appeared in the collapse of a world promotional boom, centred on the railways, which was not followed, as previous such crises had been, by a renewed expansionary wave, but led to the emergence of generalised overproduction and the sectoral and geographical dislocation of accumulation. The crisis appeared to capital in the form of intensified international competition, pressure on profitability, the devaluation of capital and the destruction of productive capacity. The crisis appeared to the working class in the form of the attempt of employers to intensify labour and force down money wages, and widespread redundancy and unemployment. The crisis appeared to the state in the form of a growing fiscal, financial and monetary crisis as declining revenues disrupted the public finances, and the dislocation of accumulation disrupted domestic and international payments, and in the form of growing popular unrest, which could only be intensified by the attempt to resolve the economic crisis, within the framework of free trade and the gold standard, by orthodox deflationary means. Thus the crisis of overaccumulation precipitated a crisis of the state, and unleashed a new wave of class struggles over the form of the state, the outcome of which was the emergence of the ‘imperialist’ state form.⁶

5 The imperialist state form

While the emerging socialist movement called for the socialisation of production, and romantic conservatism called for a resurrection of pre-capitalist forms of reg-

⁶Although the immediate crisis was less acute in Britain, its impact was essentially the same as elsewhere.

ulation, the state responded to the crisis within the limits of its capitalist form, through which the state and civil society alike were subordinated to the power of capital, which had been perfected in the liberal phase. The separation of the state from civil society, and its subordination to the rule of money and the law, had been institutionalised in the form of the independence of the judiciary and the central bank, the formal subordination of the executive to the legislative branch of government, the rationalisation of the system of public accounting and finance, and the constitutional principles of the balanced budget and the gold standard. The constitutional limits of the liberal state form correspondingly confined the political response of the state to the crisis within the limits of capital.

The state responded to the challenge of the organised working class, within the limits of its form, by attempting to institutionalise and reinforce sectional divisions by providing limited recognition for trades unions, within an emerging ‘industrial relations’ framework, and by introducing limited social reform, while reconstituting the working class politically on a national basis through the extension of the franchise. However the condition for the success of such a project was the sustained accumulation of domestic productive capital, through which to absorb the relative surplus population, to keep down the costs of social reform, and to institutionalise the system of industrial relations. Protectionism and imperialism provided the means by which the state simultaneously sought to resolve the immediate fiscal, financial and monetary pressures, to secure the national identification of the working class, and to secure the renewed accumulation of domestic productive capital by removing the barriers to accumulation presented by limited supplies of means of production and subsistence, on the one hand, and limited outlets for the surplus product, on the other.

Imperialism and protectionism provided the basis on which global accumulation was sustained through the 1880s, and accelerated to new heights from the 1890s. Tariffs presented only a limited barrier to global accumulation as protectionism was held in check by Britain’s continued commitment to free trade and its ability to manage an international payments system in which massive capital flows financed the trade imbalances associated with the uneven sectoral and geographical accumulation of capital. Thus advanced manufacturing capital, particularly in Germany and the United States, was able to find outlets for its surplus product on world markets, while booming demand for food and raw materials stimulated the rapid penetration of capital into agriculture and the renewed expansion of the railways and shipping, which provided British capital with outlets for its traditional products, and for the investment of its surplus capital. Thus the early stages of the boom were based on a renewed complementarity in the international division of labour, mediated by an increasingly complex system of international trade and payments. However as the boom gathered pace it stimulated the overaccumulation of capital to a hitherto unprecedented degree, and growing international competition and domestic conflict undermined tendencies towards liberalisation.

The imperialist state form politicised growing competitive pressure as nation states attempted to sustain the accumulation of domestic productive capital by the increasing use of diplomatic, political and military weapons to open up world markets as sources of supply and outlets for the surplus product. International pressures increasingly focussed on Britain’s intentions, British command of the seas and the global dominance of British financial capital giving the British state the

potential to inflict untold damage on its competitors, and above all Germany, when the looming crisis struck. In the face of growing signs that the boom had run its course tension mounted, culminating in inter-imperialist war.

6 The contradictions of imperialism and the emergence of the social democratic state form

The inter-war period saw the failure of the attempt to resolve the contradictions of imperialism by reconstructing the liberal world order. Free trade and the gold standard were seen as the means of subordinating the nation state to the global accumulation of capital and the global power of money, which would thereby prevent the rise of economic nationalism, which had underlain the descent into war, and check the revolutionary challenge of the working class, that had grown out of popular resistance to the costs of imperialist war, and which had acquired an increasingly anti-capitalist form as a result of the suspension of the separation of the state from civil society imposed by the needs of war. However the reconstruction of the liberal state form could not overcome the contradictions inherent in the tendency for accumulation to take the form of overaccumulation and crisis.

Trade and monetary liberalisation was facilitated by massive capital movements, particular from the United States to Europe, which stimulated recovery from the post-war recession. The revolutionary challenge of the working class was contained, outside Russia, by repression, while the class struggle was contained by the emerging systems of industrial relations, social reform and the franchise, which had been extended in the face of the popular pressures of the war and immediate post-war period. However the boom of the 1920s intensified the overaccumulation and uneven development of capital, which was a legacy of the pre-war period that had only been reinforced by war, culminating in the crash of 1929 and the ensuing depression.

The immediate response of the state to the fiscal, financial and monetary pressures imposed by the crash was to pursue restrictive fiscal and monetary policies, to bring accumulation back within the limits of the market. However the extent of the overaccumulation of capital revealed by the crash was such that restrictive policies, far from restoring the conditions for renewed accumulation, set up a deflationary spiral which only intensified the crisis, and threatened an escalation of the class struggle. The outcome of such pressures was the return to protectionist and imperialist policies, through which the reintegration of accumulation was achieved within relatively closed blocks. In Germany and Italy the comprehensive defeat of the working class provided the political basis on which protectionism was complemented by extensive state intervention in the restructuring of domestic productive capital and the political integration of the working class into corporatist apparatuses of a militaristic nationalism. Elsewhere the continued political weight of the working class was such that capital and the state largely resisted such corporatist developments, until growing inter-imperialist tensions culminated once more in war. Outside the fascist powers the political integration of the working class in the face of depression and war was achieved by the further ad hoc development of the sys-

tems of industrial relations, social reform and the franchise, although the scope for such integration tended to be limited by fiscal constraints and the constraints of profitability.

The reconstruction of the world economy and the international state system in the wake of the second world war was based on similar principles to those which guided reconstruction after the first war. However the lessons of the inter-war period had also been learned. Political stabilisation depended on the systematic social and political integration of the working class through industrial relations, social reform and the franchise. The condition for such integration was the sustained accumulation of domestic productive capital, within the context of the sustained accumulation of capital on a world scale. However the free international movement of money, capital and commodities would not on their own overcome the barriers to accumulation presented by the overaccumulation and uneven development of capital, which had in the past led to economic crises, economic nationalism, fascism and socialism. The condition for such liberalisation was a planned reconstruction effort to overcome the immediate barriers presented by the uneven development of the forces of production which was the legacy of war, and the development of a system of international credit which could overcome the limitations of the gold standard by financing imbalances of international payments, so averting the need for national governments to resort either to deflation or to protection in the face of sustained payments deficits. Within such a framework national governments could pursue expansionary domestic policies, free from external constraints.

Far from overcoming the tendency to the overaccumulation and uneven development of capital, the Keynesianism of the post-war boom gave such a tendency free reign, accommodating the overaccumulation of capital by an explosion of domestic and international credit. As the overaccumulation of capital confronted the barrier of the market from the 1960s international competition eroded profitability, productive investment began to fall, and the class struggle intensified as employers sought to hold down wages and intensify labour, and as they closed plant and laid off workers. However the systematic development of social democratic forms of working class integration had institutionalised a generalised expectation of rising living standards, adequate welfare benefits, and guaranteed employment, which compelled the state to sustain accumulation by fiscal and monetary expansionism, the result of which was only to intensify the overaccumulation and uneven development of capital and to push capital into ever more speculative and inflationary channels, intensifying the inevitable crisis.

7 The Crisis of Keynesianism and the Rise of Monetarism

The Keynesian welfare state accommodated the aspirations of the working class at the cost of growing inflationary pressure and a growing burden of public expenditure. The crisis of Keynesianism appeared as such modes of integration confronted the limits of inflation and the fiscal crisis of the state. However the outcome of the

crisis was not a growing class polarisation, and a revolutionary confrontation of the working class with the capitalist state. Rather it was an intensification of the divisions within the working class institutionalised within the social democratic state form, the eventual outcome of which was the demobilisation and demoralisation of the working class. The emerging forces of the New Right, on the other hand, were able to tap growing popular resentment at the alienated forms of capitalist state power, which came to a head over the issues of inflation and taxation, which the monetarism of the New Right articulated in terms of the relationship between money and the state. The neo-liberal programme of the new Right sought to subordinate the state and civil society alike to the unfettered rule of world money.

The neo-liberal programme of monetarism was to reconstruct the liberal state form of the nineteenth century. The fact that the New Right has presided over continuing increases in state expenditure, has strengthened the power of the state and expanded its repressive apparatuses, appears to belie its liberal rhetoric. However the fact that there have not been fundamental changes in the functions of the state should not conceal the fact that neo-liberalism has sought to impose fundamental changes in its form, and in particular to secure the systematic subordination of the state and civil society to the money power of capital by subordinating political and social relations to the rule of money and the law.

The conditions for the relative success of the monetarist project were the defeat of the organised working class in the struggles precipitated by the crisis of Keynesianism, on the one hand, and the world boom of the mid-1980s, unleashed by global liberalisation and sustained by an explosion of international credit. However these conditions are ephemeral. Nineteenth century liberalism was able to secure the sustained accumulation of global capital essentially because of the complementarity of the international division of labour. Since 1873 attempts to overcome the contradictions of accumulation, mediated politically by the capitalist state form, through liberalisation (in the 1890s, 1920s, and 1950s) have soon come to grief as liberalisation has stimulated the renewed overaccumulation and uneven development of capital, which has appeared in the form of growing international competition, culminating in global crisis. The instability following the crash of 1987 has made it clear that the neo-liberal project of the 1980s is condemned to a similar fate.

The outcome of the coming crisis is by no means predictable, since the unfolding of the crisis is not determined by an economic logic, but by the development of the class struggle, nationally and on a global scale. In 1914 overaccumulation led to inter-imperialist war before the crisis could strike. In 1929 the crisis led to depression, the formation of imperialist blocks, and inter-imperialist war. In the late 1960s such a development was averted as the crisis was postponed and depression staved off by inflationary means, the restructuring of capital and the working class taking place within the framework of stagflation, culminating in the sharp recession of the early 1980s, which paved the way for the current boom.

The current boom may be sustained for a while longer by the continued accumulation of credit, although the longer it is sustained, and the greater the accumulation of fictitious capital on which it rests, the greater the dangers of a catastrophic crisis and a devastating depression. In the event of such a crisis, the only means of staving off such a depression will be strategies of state-sponsored national and international reconstruction, with the opening up of the Soviet block to capitalist penetration providing the most mouth-watering opportunities for the requisite global restruc-

turing of accumulation. However such a global restructuring is also likely to unleash powerful national-chauvinist and imperialist forces as it politicises the international competitive struggle, threatening to lead to the formation of competing international blocks.

8 A Critical Conclusion

The crisis of Keynesianism and the rise of monetarism raises doubts about the periodisation outlined above. It is difficult to see the project of neo-liberalism as that of constituting a form of ‘post-Keynesian’ or ‘post-Fordist’ state. Nor is it any longer possible to see neo-liberalism as an aberration, to be followed by a resumption of Keynesian normality, or as a transitional phase, to be followed by some new ‘post-modern’ form of the state. If neo-liberalism is a throwback to the nineteenth century, the only alternative on the political horizon is likely to lead to a resurgence of economic nationalism and inter-imperialist conflict which equally harks back to the nineteenth century.

In this light it seems more sensible to interpret the above periodisation rather differently. In essence it conflates three levels of analysis. Firstly, at the most abstract level, the class character of the capitalist state is defined, in every stage of its existence, by its liberal form, based on the separation of the state from civil society, and their subordination to the power of money.⁷ This is correspondingly the most fundamental level of the class struggle over the form of the state. A crisis in the state form arises when the working class challenge to the power of capital extends to a challenge to the constitutional authority of the state in its relation to civil society.

Secondly, there is a progressive tendency underlying the development of the capitalist state form through every stage of its existence, as the state responds to the challenge of the working class within the limits of its liberal form. The contradictory development of the social relations of capitalist production and reproduction underlies the changing forms of class struggle which in turn underlie the tendency to the socialisation of the reproduction of the working class, in the alienated form of the systems of industrial relations, social welfare and social administration, leading to a progressive accretion of state functions and growth in state expenditure.

Thirdly, there is a typology of modes of integration of global accumulation: liberal, imperialist and Keynesian, which define the forms of capitalist competition on a world scale, and so structure the relationships between particular capitals. However it is not clear that this defines a necessary succession of stages, nor a progressive growth in the state intervention, nor even that the typology is clear-cut, imperialism and Keynesianism both being dimensions of liberalism in crisis as the

⁷‘The middle classes being powerful by money only . . . must merge all feudalistic privileges, all political monopolies of past ages, in the one great privilege and monopoly of *money*. The political dominion of the middle classes is, therefore, of an essentially *liberal* appearance’. Marx and Engels, *Collected Works*, vol. 6, p. 28.

political priorities of nation states come into conflict with the global power of money, and lead to a restructuring of the global relationship between money and the state, within the limits of the liberal state form.

Fourthly, we could add a typology of modes of state intervention in the domestic regulation of accumulation, which structure domestic competition: fiscal incentives, the direction of investment, the direction of labour, which structure relationships between capitals in the accumulation of domestic productive capital, within the limits of the liberal state form. Intervention in regulating the relations between domestic productive capitals is again essentially an aspect of liberalism in crisis, and does not have a necessary progressive tendency. The form and extent of such intervention is determined primarily by the balance of class forces.

Where does this leave us? My purpose in this paper is not to present answers, but to raise questions for discussion. The most general conclusion would seem to be that changing forms of class struggle and changing forms of the state are the result of a range of cross-cutting historical tendencies, which implies that history cannot be neatly packaged into structurally distinct periods. This is not to say that different historical epochs are not distinct, nor that there are progressive tendencies in play, but it is to say that the distinctiveness of an epoch is defined at a number of levels. The basis of comparison of successive epochs is the permanence of their contradictory foundations, in the contradictory form of the social relations of capitalist production. The progressive relationship between successive epochs is determined by the progressive development of the forces and relations of production. The distinctive characteristics of particular epochs are defined, on this common foundation, primarily by the balance of forces in the class struggle, and secondarily by contingent and particularistic factors. The result is that the capitalist mode of production can only be grasped as a complex totality. However this is not the complexity of relations of structural interdependence, it is the complexity of an historical process, a process of class struggle which develops on the basis of contradictory historical foundations. Periodisation does not solve the problem which gave rise to it, that of getting beyond the static fetishism of a simple 'essentialist' structuralism, because it merely proliferates structures which remain, each in their turn, equally static and fetishistic. Far from providing a middle way between a fatalistic essentialism and a political opportunism, the periodisation of the capitalist mode of production can only embrace historical specificity in the mutually exclusive forms of historical contingency and structural inevitability, either of which serve to legitimate a political opportunism in the name alternatively of the openness or the determinism of the conjuncture, and both of which cut the present off from the past, and so prevent us from learning the lessons of history.