

THE 'NEW' IMPERIALISM: ACCUMULATION BY DISPOSSESSION

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The survival of capitalism for so long in the face of multiple crises and reorganizations accompanied by dire predictions, from both the left and the right, of its imminent demise, is a mystery that requires illumination. Lefebvre, for one, thought he had found the key in his celebrated comment that capitalism survives through the production of space, but he did not explain exactly how this might be so.¹ Both Lenin and Luxemburg, for quite different reasons and utilizing quite different forms of argument, considered that imperialism – a certain form of the production of space – was the answer to the riddle, though both argued that this solution was finite because of its own terminal contradictions.

The way I sought to look at this problem in the 1970s was to examine the role of 'spatio-temporal fixes' to the inner contradictions of capital accumulation.² This argument makes sense only in relation to a pervasive tendency of capitalism, understood theoretically by way of Marx's theory of the falling rate of profit, to produce crises of overaccumulation.³ Such crises are registered as surpluses of capital and of labour power side by side without there apparently being any means to bring them profitably together to accomplish socially useful tasks. If system-wide devaluations (and even destruction) of capital and of labour power are not to follow, then ways must be found to absorb these surpluses. Geographical expansion and spatial reorganization provide one such option. But this cannot be divorced from temporal fixes either, since geographical expansion often entails investment in long-lived physical and social infrastructures (in transport and communications networks and education and research, for example) that take many years to return their value to circulation through the productive activity they support.

Global capitalism has experienced a chronic and enduring problem of overaccumulation since the 1970s. I find the empirical materials Brenner assembles to document this point generally convincing.⁴ I interpret the volatility of international capitalism during these years, however, as a series of temporary spatio-temporal fixes that failed even in the medium run to deal with problems of overaccumulation. It was, as Gowan argues, through the orchestration of such volatility that the United States sought to preserve its hegemonic position within global capitalism.⁵ The recent apparent shift towards an open imperialism backed by military force on the part of the US may then be seen as a sign of the weakening of that hegemony before the serious threat of recession and widespread devaluation at home, as opposed to the various bouts of devaluation formerly inflicted elsewhere (Latin America in the 1980s and early 1990s, and, even more seriously, the crisis that consumed East and South-East Asia in 1997 and then engulfed Russia and much of Latin America). But I also want to argue that the inability to accumulate through expanded reproduction on a sustained basis has been paralleled by a rise in attempts to accumulate by dispossession.⁶ This, I then conclude, is the hallmark of what some like to call ‘the new imperialism’ is about.⁷

THE SPATIO-TEMPORAL FIX AND ITS CONTRADICTIONS

The basic idea of the spatio-temporal fix is simple enough. Overaccumulation within a given territorial system means a condition of surpluses of labour (rising unemployment) and surpluses of capital (registered as a glut of commodities on the market that cannot be disposed of without a loss, as idle productive capacity, and/or as surpluses of money capital lacking outlets for productive and profitable investment). Such surpluses may be absorbed by: (a) temporal displacement through investment in long-term capital projects or social expenditures (such as education and research) that defer the re-entry of current excess capital values into circulation well into the future, (b) spatial displacements through opening up new markets, new production capacities and new resource, social and labour possibilities elsewhere, or (c) some combination of (a) and (b).

The combination of (a) and (b) is particularly important when we focus on fixed capital of an independent kind embedded in the built environment. This provides the necessary physical infrastructures for production and consumption to proceed over space and time (everything from industrial parks, ports and airports, transport and communications systems, to sewage and water provision, housing, hospitals, schools). Plainly, this is not a minor sector of the economy and it is capable of absorbing massive amounts of capital and labour, particularly under conditions of rapid geographical expansion and intensification.

The reallocation of capital and labour surpluses to such investments requires the mediating help of financial and/or state institutions. These have the capacity to generate credit. A quantity of ‘fictitious capital’ is created that can be allocated away from current consumption to future-oriented projects in, say, highway

construction or education, thereby re-invigorating the economy (including, perhaps, augmenting the demand for surplus commodities like shirts and shoes by teachers and construction workers).⁸ If the expenditures on built environments or social improvements prove productive (i.e. facilitative of more efficient forms of capital accumulation later on) then the fictitious values are redeemed (either directly by retirement of debt or indirectly in the form of, say, higher tax returns to pay off state debt). If not, overaccumulations of values in built environments or education can become evident with attendant devaluations of these assets (housing, offices, industrial parks, airports, etc.) or difficulties in paying off state debts on physical and social infrastructures (a fiscal crisis of the state).

The role of such investments in stabilizing and destabilizing capitalism has been significant. I note, for example, that the starting point of the crisis of 1973 was a world-wide collapse of property markets (beginning with the Herstatt Bank in Germany which brought down the Franklin National in the United States), followed shortly thereafter by the virtual bankruptcy of New York City in 1975 (a classic case of social expenditures outrunning tax revenues); that the beginning of the decade-long stagnation in Japan in 1990 was a collapse of the speculative bubble in land, property and other asset prices, putting the whole banking system in jeopardy; that the beginning of the Asian collapse in 1997 was the bursting of the property bubbles in Thailand and Indonesia; and that the most important prop to the US and British economies after the onset of general recession in all other sectors from mid-2001 onwards has been the continued speculative vigour in property markets. Since 1998, the Chinese have kept their economy growing and sought to absorb their labour surpluses (and curb the threat of social unrest) by debt-financed investment in huge mega-projects that dwarf the already huge Three Gorges Dam (8,500 miles of new railroads, superhighways and urbanization projects, massive engineering works to divert water from the Yangtze to Yellow Rivers, new airports, etc.). It is, I think, passing strange that most accounts of capital accumulation (including Brenner's) either ignore these matters entirely or treat them as epiphenomenal.

The term 'fix' has, however, a double meaning. A certain portion of the total capital becomes literally fixed in some physical form for a relatively long period of time (depending on its economic and physical lifetime). There is a sense in which social expenditures also become territorialized and rendered geographically immobile through state commitments. (In what follows, however, I will exclude social infrastructures from explicit consideration since the matter is complicated and would take too much text to elucidate). Some fixed capital is geographically mobile (such as machinery that can easily be unbolted from its moorings and taken elsewhere) but the rest is so fixed in the land that it cannot be moved without being destroyed. Aircraft are mobile but the airports to which they fly are not.

The spatio-temporal 'fix', on the other hand, is a metaphor for solutions to capitalist crises through temporal deferment and geographical expansion. The production of space, the organization of wholly new territorial divisions of

labour, the opening up of new and cheaper resource complexes, of new dynamic spaces of capital accumulation, and the penetration of pre-existing social formations by capitalist social relations and institutional arrangements (such as rules of contract and private property arrangements) provide multiple ways to absorb existing capital and labour surpluses. Such geographical expansions, reorganizations and reconstructions often threaten, however, the values fixed in place but not yet realized. Vast quantities of capital fixed in place act as a drag upon the search for a spatial fix elsewhere. The values of the fixed assets that constitute New York City were and are not trivial and the threat of their massive devaluation in 1975 (and now again in 2003) was (and is) viewed by many as a major threat to the future of capitalism. If capital does move out, it leaves behind a trail of devastation (the de-industrialization experienced in the 1970s and 1980s in the heartlands of capitalism, like Pittsburgh and Sheffield, as well as in many other parts of the world, such as Bombay illustrates the point). If overaccumulated capital does not or cannot move, on the other hand, then it stands to be devalued directly. The summary statement of this process I usually offer is this: capital necessarily creates a physical landscape in its own image at one point in time only to have to destroy it at some later point in time as it pursues geographical expansions and temporal displacements as solutions to the crises of overaccumulation to which it is regularly prone. Thus is the history of creative destruction (with all manner of deleterious social and environmental consequences) written into the evolution of the physical and social landscape of capitalism.

Another series of contradictions arises within the dynamics of spatio-temporal transformations more generally. If the surpluses of capital and labour power exist within a given territory (such as a nation state) and cannot be absorbed internally (either by geographical adjustments or social expenditures) then they must be sent elsewhere to find a fresh terrain for their profitable realization if they are not to be devalued. This can happen in a number of ways. Markets for commodity surpluses can be found elsewhere. But the spaces to which the surpluses are sent must possess means of payment such as gold or currency (e.g. dollar) reserves or tradable commodities. Surpluses of commodities are sent out and money or commodities flow back. The problem of overaccumulation is alleviated only in the short term; it merely switches the surplus from commodities to money or into different commodity forms, though if the latter turn out, as is often the case, to be cheaper raw materials or other inputs they can relieve the downward pressure on the profit rate at home temporarily. If the territory does not possess reserves or commodities to trade back, it must either find them (as Britain forced India to do by opening up the opium trade with China in the nineteenth century and thus extracting Chinese gold via Indian trade) or be given credit or aid. In the latter case a territory is lent or donated the money with which to buy back the surplus commodities generated at home. The British did this with Argentina in the nineteenth century and Japanese trade surpluses during the 1990s were largely absorbed by lending to the United States to support the consumerism that purchased Japanese goods. Plainly, market and credit transactions of this sort can

alleviate problems of overaccumulation at least in the short term. They function very well under conditions of uneven geographical development in which surpluses available in one territory are matched by lack of supply elsewhere. But resort to the credit system simultaneously makes territories vulnerable to flows of speculative and fictitious capitals that can both stimulate and undermine capitalist development and even, as in recent years, be used to impose savage devaluations upon vulnerable territories.

The export of capital, particularly when accompanied by the export of labour power, works rather differently and typically has longer term effects. In this case, surpluses of (usually money) capital and labour are sent elsewhere to set capital accumulation in motion in the new space. Surpluses generated in Britain in the nineteenth century found their way to the United States and to the settler colonies like South Africa, Australia and Canada, creating new and dynamic centers of accumulation in these territories which generated a demand for goods from Britain. Since it may take many years for capitalism to mature in these new territories (if it ever does) to the point where they, too, begin to produce over-accumulations of capital, the originating country can hope to benefit from this process for a considerable period of time. This is particularly the case when the goods demanded elsewhere are fixed physical infrastructures (such as railroads and dams) required as a basis for future capital accumulation. But the rate of return on these long-term investments in the built environment eventually depends upon the evolution of a strong dynamic of accumulation in the receiving country. Britain lent to Argentina in this way during the last part of the nineteenth century. The United States, via the Marshall Plan for Europe (Germany in particular) and Japan, clearly saw that its own economic security (leaving aside the military aspect dependent on the Cold War) rested on the active revival of capitalist activity in these spaces.

Contradictions arise, because new dynamic spaces of capital accumulation ultimately generate surpluses and have to absorb them through geographical expansions. Japan and Germany became competitors with US capital from the late 1960s onwards, much as the US overwhelmed British capital (and helped pull down the British Empire) as the twentieth century dragged on. It is always interesting to note the point at which strong internal development spills over into a search for a spatio-temporal fix. Japan did so during the 1960s, first through trade, then through the export of capital as direct investment first to Europe and the United States and more recently through massive investments (both direct and portfolio) in East and South East Asia, and finally through lending abroad (particularly to the United States). South Korea suddenly switched outwards in the 1980s, shortly followed by Taiwan in the 1990s, in both cases exporting not only financial capital but some of the most vicious labour management practices imaginable as subcontractors to multinational capital throughout the world (in Central America, in Africa, as well as throughout the rest of South and East Asia). Even recently successful adherents to capitalist development have, therefore, quickly found themselves in need of

a spatio-temporal fix for their overaccumulated capital. The rapidity with which certain territories, like South Korea, Singapore, Taiwan and now even China moved from being net receiving to net exporting territories has been quite startling relative to the slower rhythms characteristic of former periods. But by the same token these successful territories have to adjust fast to the blowbacks from their own spatio-temporal fixes. China, absorbing surpluses in the form of foreign direct investments from Japan, Korea and Taiwan, is rapidly supplanting those countries in many lines of production and export (particularly of the lower value-added and labour intensive sort, but it is quickly moving up to the higher value-added commodities as well). The generalized overcapacity that Brenner identifies can in this way be disaggregated into a cascading and proliferating series of spatio-temporal fixes primarily throughout South and East Asia but with additional elements within Latin America – Brazil, Mexico and Chile in particular – supplemented now by Eastern Europe. And in an interesting reversal, explicable in large part by the role of the dollar as a secure global reserve currency which confers the power of seigniorage, the US has in recent years with its huge increase in indebtedness absorbed surplus capitals chiefly from East and South East Asia but also from elsewhere.⁹

The aggregate result, however, is increasingly fierce international competition as multiple dynamic centers of capital accumulation emerge to compete on the world stage in the face of strong currents of overaccumulation. Since they cannot all succeed in the long run, either the weakest succumb and fall into serious crises of devaluation, or geopolitical confrontations erupt in the form of trade wars, currency wars and even military confrontations (of the sort that gave us two world wars between capitalist powers in the twentieth century). In this case it is devaluation and destruction (of the sort that the US financial institutions visited on East and South East Asia in 1997–8) that is being exported, and the spatio-temporal fix takes on much more sinister forms. There are, however, some further points to make about this process in order to better understand how it actually occurs.

INNER CONTRADICTIONS

In *The Philosophy of Right*, Hegel notes how the inner dialectic of bourgeois society, producing an overaccumulation of wealth at one pole and a rabble of paupers at the other, drives it to seek solutions through external trade and colonial/imperial practices. He rejects the idea that there might be ways to solve the problem of social inequality and instability through internal mechanisms of redistribution.¹⁰ Lenin quotes Cecil Rhodes as saying that colonialism and imperialism abroad were the only possible way to avoid civil war at home.¹¹ Class relations and struggles within a territorially bounded social formation drive impulses to seek a spatio-temporal fix elsewhere.

The evidence from the end of the nineteenth century is here of interest. Joseph Chamberlain ('Radical Joe' as he was known) was closely identified with the liberal manufacturing interests of Birmingham, and was initially opposed to

imperialism (in the Afghan Wars of the 1850s, for example). He devoted himself to educational reform and improvements in the social and physical infrastructures for production and consumption in his home city of Birmingham. This provided, he thought, a productive outlet for surpluses that would be repaid in the long run. An important figure within the liberal conservative movement, he saw the rising tide of class struggle in Britain at first hand and in 1885 made a celebrated speech in which he called for the propertied classes to take cognizance of their responsibilities to society (i.e. to better the conditions of life of the least well off and invest in social and physical infrastructures in the national interest) rather than solely to promote their individual rights as property owners. The uproar that followed on the part of the propertied classes forced him to recant and from that moment on he turned to be the most ardent advocate for imperialism (ultimately, as Colonial Secretary, leading Britain into the disaster of the Boer War). This career trajectory was quite common for the period. Jules Ferry in France, an ardent supporter of internal reform, particularly education, in the 1860s, took to colonial advocacy after the Commune of 1871 (leading France into the mire of Southeast Asia that culminated in defeat at Dien Bien-Phu in 1954); Crispi sought to solve the land problem in the Italian south through colonization in Africa; and even Theodore Roosevelt in the United States turned, after Frederic Jackson Turner declared, erroneously, at least as far as investment opportunities were concerned, that the American Frontier was closed, to support imperial policies rather than internal reforms.¹²

In all of these cases, the turn to a liberal form of imperialism (and one that had attached to it an ideology of progress and of a civilizing mission) resulted not from absolute economic imperatives but from the political unwillingness of the bourgeoisie to give up any of its class privileges, thus blocking the possibility of absorbing overaccumulation through social reform at home. The fierce opposition by the owners of capital to any politics of redistribution or internal social amelioration in the United States today likewise leaves the country no option but to look outwards for solutions to its economic difficulties. Internal class politics of this sort forced many European powers to look outwards to solve their problems from 1884 to 1945, and this gave a specific coloration to the forms that European imperialism then took. Many liberal and even radical figures became proud imperialists during these years and much of the working-class movement was persuaded to support the imperial project as essential to their well-being. This required, however, that bourgeois interests should thoroughly command state policy, ideological apparatuses and military power. Arendt therefore interprets this Euro-centric imperialism, correctly in my view, as 'the first stage in political rule of the bourgeoisie rather than the last stage of capitalism' as Lenin depicted it.¹³ I will consider this idea further in the conclusion.

MEDIATING INSTITUTIONAL ARRANGEMENTS FOR THE PROJECTION OF POWER OVER SPACE

In a recent article Henderson shows that the difference in 1997–8 between Taiwan and Singapore (which both escaped the crisis relatively unscathed except for currency devaluation) and Thailand and Indonesia (which suffered almost total economic and political collapse), turned on differences in state and financial policies.¹⁴ The former territories were insulated from speculative flows into property markets by strong state controls and protected financial markets, whereas the latter were not. Differences of this sort plainly matter. The forms taken by the mediating institutions are productive of, as well as products of, the dynamics of capital accumulation.

Clearly, the whole pattern of turbulence in the relations between state, supra-state, and financial powers on the one hand, and the more general dynamics of capital accumulation (through production and selective devaluations) on the other, has been one of the most signal, and most complex, elements in the narrative of uneven geographical development and imperialist politics to be told of the period since 1973.¹⁵ I think Gowan is correct to see the radical restructuring of international capitalism after 1973 as a series of gambles on the part of the United States to try to maintain its hegemonic position in world economic affairs against Europe, Japan and later East and South East Asia.¹⁶ This began during the crisis of 1973 with Nixon's double strategy of high oil pricing and financial deregulation. The US banks were then given the exclusive right to recycle the vast quantities of petro-dollars being accumulated in the Gulf region. This re-centered global financial activity in the US and incidentally helped, along with the deregulation of the financial sector within the US, to rescue New York from its own local economic crisis. A powerful Wall Street/US Treasury financial regime¹⁷ was created, with controlling powers over global financial institutions (such as the IMF) and able to make or break many weaker foreign economies through credit manipulations and debt management practices. This monetary and financial regime was used, Gowan argues, by successive US administrations 'as a formidable instrument of economic statecraft to drive forward both the globalization process and the associated neo-liberal domestic transformations.' The regime thrived on crises. 'The IMF covers the risks and ensures that the US banks don't lose (countries pay up through structural adjustments etc.) and flight of capital from localized crises elsewhere ends up boosting the strength of Wall Street ...'.¹⁸ The effect was to project US economic power outwards (in alliance with others wherever possible), to force open markets, particularly for capital and financial flows (now a requirement for membership in the IMF), and impose other neoliberal practices (culminating in the WTO) upon much of the rest of the world.

There are two major points to be made about this system. First, free trade in commodities is often depicted as opening up the world to free and open competition. But this whole argument fails, as Lenin long ago pointed out, in the face of monopoly or oligopoly power (either in production or consumption). The US, for example, has repeatedly used the weapon of denial of access to the huge

US market to force other nations to comply with its wishes. The most recent (and crass) example of this line of argument comes from the US Trade Representative Robert Zoellick to the effect that if Lula, the newly elected Workers Party President of Brazil, does not go along with US plans for free markets in the Americas, he would find himself having 'to export to Antarctica'.¹⁹ Taiwan and Singapore were forced to sign on to the WTO, and thereby open their financial markets to speculative capital, in the face of US threats to deny them access to the US market. At US Treasury insistence, South Korea was forced to do the same as a condition for an IMF bail-out in 1998. The US now plans to attach a condition of financial institutional compatibility to the foreign aid it offers as 'challenge grants' to poor countries. On the production side, oligopolies largely based in the core capitalist regions, effectively control the production of seeds, fertilizers, electronics, computer software, pharmaceutical products, petroleum products and much more. Under these conditions, the creation of new market openings does not open up competition but merely creates opportunities to proliferate monopoly powers with all manner of social, ecological, economic and political consequences. The fact that nearly two-thirds of foreign trade is now accounted for by transactions within and between the main transnational corporations is indicative of the situation. Even something as seemingly benevolent as the Green Revolution has, most commentators agree, paralleled the increased agricultural outputs with considerable concentrations of wealth in the agrarian sector and higher levels of dependency upon monopolized inputs throughout South and East Asia. The penetration of the China market by US tobacco companies is set fair to compensate for their losses in the US market at the same time as it will surely generate a public health crisis in China for decades to come. In all of these respects, the claims generally made that neoliberalism is about open competition rather than monopoly control or limited competition within oligopolistic structures, turn out to be fraudulent, masked as usual by the fetishism of market freedoms. Free trade does not mean fair trade.

There is also, as even advocates of free trade readily acknowledge, a huge difference between freedom of trade in commodities and freedom of movement for finance capital.²⁰ This immediately poses the problem of what kind of market freedom is being talked about. Some, like Bhagwati, fiercely defend free trade in commodities but resist the idea that this necessarily holds good for financial flows. The difficulty here is this. On the one hand credit flows are vital to productive investments and reallocations of capital from one line of production or location to another. They also play an important role in bringing consumption needs – for housing, for example – into a potentially balanced relationship with productive activities in a spatially disaggregated world marked by surpluses in one space and deficits in another. In all of these respects the financial system, with or without state involvement, is critical to coordinate the dynamics of capital accumulation through uneven geographical development. But finance capital also embraces a lot of unproductive activity in which money is simply used to make more money through speculation on commodity futures, currency

values, debt, and the like. When huge quantities of capital become available for such purposes, then open capital markets become vehicles for speculative activity some of which, as we saw during the 1990s with both the 'dot.com' and the stock market 'bubbles', become self-fulfilling prophecies, just as the hedge funds, armed with trillions of dollars of leveraged money, could force Indonesia and even South Korea into bankruptcy no matter what the strength of their underlying economies. Much of what happens on Wall Street has nothing to do with facilitating investment in productive activities. It is purely speculative (hence the descriptions of it as 'casino', 'predatory' or even 'vulture' capitalism – with the debacle of Long Term Capital Management needing a \$2.3 billion bail-out reminding us that speculations can easily go awry). This activity has, however, deep impacts upon the overall dynamics of capital accumulation. Above all, it facilitated the re-centering of political-economic power primarily in the United States but also within the financial markets of other core countries (Tokyo, London, Frankfurt).

How this occurs depends on the dominant form of the class alliances arrived at within the core countries, the balance of power between them in negotiating international arrangements (such as the new international financial architecture put in place after 1997-8 to replace the so-called Washington Consensus of the mid-1990s) and the political-economic strategies set in motion by dominant agents with respect to surplus capital. The emergence of a 'Wall Street-Treasury-IMF' complex within the United States, able to control global institutions and to project vast financial power across the world through a network of other financial and governmental institutions, has played a determinant and problematic role in the dynamics of global capitalism in recent years. But this power center can only operate the way it does because the rest of the world is networked and successfully hooked into (and effectively 'hooked on') a structured framework of interlocking financial and governmental (including supra-national) institutions. Hence the significance of collaborations between, for example, central bankers of the G7 nations and the various international accords (temporary in the case of currency strategies and more permanent with respect to the WTO) designed to deal with particular difficulties.²¹ And if market power is not sufficient to accomplish particular objectives and to bring recalcitrant elements or 'rogue states' into line, then unchallengeable US military power (covert or overt) is available to force the issue.

This complex of institutional arrangements should in the best of all possible capitalist worlds be geared to sustain and support expanded reproduction (growth). But, like war in relation to diplomacy, finance capital intervention backed by state power can frequently become accumulation by other means. An unholy alliance between state powers and the predatory aspects of finance capital forms the cutting edge of a 'vulture capitalism' dedicated to the appropriation and devaluation of assets, rather than to building them up through productive investments. But how are we to interpret these 'other means' to accumulation or devaluation?

ACCUMULATION BY DISPOSSESSION

In *The Accumulation of Capital*, Luxemburg focuses attention on the dual aspects of capitalist accumulation:

One concerns the commodity market and the place where surplus value is produced – the factory, the mine, the agricultural estate. Regarded in this light accumulation is a purely economic process, with its most important phase a transaction between the capitalist and the wage labourer.... Here, in form at any rate, peace, property and equality prevail, and the keen dialectics of scientific analysis were required to reveal how the right of ownership changes in the course of accumulation into appropriation of other people's property, how commodity exchange turns into exploitation and equality becomes class rule. The other aspect of the accumulation of capital concerns the relations between capitalism and the non-capitalist modes of production which start making their appearance on the international stage. Its predominant methods are colonial policy, an international loan system – a policy of spheres of interest – and war. Force, fraud, oppression, looting are openly displayed without any attempt at concealment, and it requires an effort to discover within this tangle of political violence and contests of power the stern laws of the economic process.

These two aspects of accumulation, she argues, are 'organically linked' and 'the historical career of capitalism can only be appreciated by taking them together'.²²

Marx's general theory of capital accumulation is constructed under certain crucial initial assumptions which broadly match those of classical political economy and which exclude primitive accumulation processes. These assumptions are: freely functioning competitive markets with institutional arrangements of private property, juridical individualism, freedom of contract and appropriate structures of law and governance guaranteed by a 'facilitative' state which also secures the integrity of money as a store of value and as a medium of circulation. The role of the capitalist as a commodity producer and exchanger is already well-established and labour power has become a commodity that trades generally at its value. 'Primitive' or 'original' accumulation has already occurred and accumulation now proceeds as expanded reproduction (albeit through the exploitation of living labour in production) within a closed economy working under conditions of 'peace, property and equality'. These assumptions allow us to see what will happen if the liberal project of the classical political economists or, in our times, the neo-liberal project of the neo-classical economists, is realized. The brilliance of Marx's dialectical method is to show that market liberalization – the credo of the liberals and the neo-liberals – will not produce a harmonious state in which everyone is better off. It will instead produce ever greater levels of social inequality, as indeed has been the global trend over the last thirty years of neoliberalism, particularly within those countries such as

Britain and the United States that have most closely hewed to such a political line. It will also, Marx predicts, produce serious and growing instabilities culminating in chronic crises of overaccumulation of the sort we are now witnessing.

The disadvantage of these assumptions is that they relegate accumulation based upon predation, fraud, and violence to an ‘original stage’ that is considered no longer relevant or, as with Luxemburg, as being somehow ‘outside of’ the capitalist system. A general re-evaluation of the continuous role and persistence of the predatory practices of ‘primitive’ or ‘original’ accumulation within the long historical geography of capital accumulation is, therefore, very much in order, as several commentators have recently observed.²³ Since it seems peculiar to call an ongoing process ‘primitive’ or ‘original’ I shall, in what follows, substitute these terms by the concept of ‘accumulation by dispossession’.

A closer look at Marx’s description of primitive accumulation reveals a wide range of processes. These include the commodification and privatization of land and the forceful expulsion of peasant populations; conversion of various forms of property rights – common, collective, state, etc. – into exclusive private property rights; suppression of rights to the commons; commodification of labour power and the suppression of alternative, indigenous, forms of production and consumption; colonial, neo-colonial and imperial processes of appropriation of assets, including natural resources; monetization of exchange and taxation, particularly of land; slave trade; and usury, the national debt and ultimately the credit system. The state, with its monopoly of violence and definitions of legality, plays a crucial role in both backing and promoting these processes and there is considerable evidence, which Marx suggests and Braudel confirms, that the transition to capitalist development was vitally contingent upon the stance of the state – broadly supportive in Britain, weakly so in France and highly negative, until very recently, in China.²⁴ The invocation of the recent shift towards primitive accumulation in the case of China indicates that this is an on-going issue and the evidence is strong, particularly throughout East and South East Asia, that state policies and politics (consider the case of Singapore) have played a critical role in defining both the intensity and the paths of new forms of capital accumulation. The role of the ‘developmental state’ in recent phases of capital accumulation has therefore been the subject of intense scrutiny.²⁵ One only has to look back at Bismarck’s Germany or Meiji Japan to recognize that this has long been the case.

All the features that Marx mentions have remained powerfully present within capitalism’s historical geography. Some of them have been fine-tuned to play an even stronger role now than in the past. The credit system and finance capital have, as Lenin, Hilferding and Luxemburg all remarked, been major levers of predation, fraud and thievery. Stock promotions, ponzi schemes, structured asset destruction through inflation, asset stripping through mergers and acquisitions, the promotion of levels of debt encumbrance that reduce whole populations, even in the advanced capitalist countries, to debt peonage, to say nothing of corporate fraud, dispossession of assets (the raiding of pension funds and their

decimation by stock and corporate collapses) by credit and stock manipulations – all of these are central features of what contemporary capitalism is about. The collapse of Enron dispossessed many people of their livelihoods and their pension rights. But above all we have to look at the speculative raiding carried out by hedge funds and other major institutions of finance capital as the cutting edge of accumulation by dispossession in recent times. By creating a liquidity crisis throughout South East Asia, the hedge funds forced profitable businesses into bankruptcy. These businesses could be purchased at fire-sale prices by surplus capitals in the core countries, thus engineering what Wade and Veneroso refer to as 'the biggest peacetime transfer of assets from domestic (i.e. South East Asian) to foreign (i.e. US, Japanese and European) owners in the past fifty years anywhere in the world.'²⁶

Wholly new mechanisms of accumulation by dispossession have also opened up. The emphasis upon intellectual property rights in the WTO negotiations (the so-called TRIPS agreement) points to ways in which the patenting and licensing of genetic materials, seed plasmas, and all manner of other products, can now be used against whole populations whose environmental management practices have played a crucial role in the development of those materials. Biopiracy is rampant and the pillaging of the world's stockpile of genetic resources is well under way, to the benefit of a few large multinational companies. The escalating depletion of the global environmental commons (land, air, water) and proliferating habitat degradations that preclude anything but capital-intensive modes of agricultural production have likewise resulted from the wholesale commodification of nature in all its forms. The commodification of cultural forms, histories and intellectual creativity entails wholesale dispossessions – the music industry is notorious for the appropriation and exploitation of grassroots culture and creativity. The corporatization and privatization of hitherto public assets (like universities) to say nothing of the wave of privatization of water and other public utilities that has swept the world, constitute a new wave of 'enclosing the commons'. As in the past, the power of the state is frequently used to force such processes through even against the popular will. As also happened in the past, these processes of dispossession are provoking widespread resistance and this now forms the core of what the anti-globalization movement is about.²⁷ The reversion to the private domain of common property rights won through past class struggles (the right to a state pension, to welfare, or to national health care) has been one of the most egregious of all policies of dispossession pursued in the name of neo-liberal orthodoxy. The Bush administration's plan to privatize social security (and make pensions subject to the vagaries of the stock market) is a clear case in point. Small wonder that much of the emphasis within the anti-globalization movement in recent times has been focused on the theme of reclaiming the commons and attacking the joint role of the state and capital in their appropriation.

Capitalism internalizes cannibalistic as well as predatory and fraudulent practices. But it is, as Luxemburg cogently observed, 'often hard to determine, within the tangle of violence and contests of power, the stern laws of the economic

process.’ Accumulation by dispossession can occur in a variety of ways and there is much that is both contingent and haphazard about its *modus operandi*. Yet it is omnipresent in no matter what historical period and picks up strongly when crises of overaccumulation occur in expanded reproduction, when there seems to be no other exit except devaluation. Arendt suggests, for example, that for Britain of the nineteenth century, the depressions of the sixties and seventies initiated the push into a new form of imperialism in which the bourgeoisie realized ‘for the first time that the original sin of simple robbery, which centuries ago had made possible “the original accumulation of capital” (Marx) and had started all further accumulation, had eventually to be repeated lest the motor of accumulation suddenly die down’.²⁸ This brings us back to relations between the drive for spatio-temporal fixes, state powers, accumulation by dispossession and the forms of contemporary imperialism.

THE ‘NEW’ IMPERIALISM

Capitalist social formations, often arranged in particular territorial or regional configurations and usually dominated by some hegemonic center, have long engaged in quasi-imperialist practices in search of spatio-temporal fixes to their overaccumulation problems. It is possible, however, to periodize the historical geography of these processes by taking Arendt seriously when she argues that the European-centered imperialism of the period 1884 to 1945 constituted the first stab at global political rule by the bourgeoisie. Individual nation-states engaged in their own imperialist projects to deal with problems of overaccumulation and class conflict within their orbit. Initially stabilized under British hegemony and constructed around open flows of capital and commodities on the world market, this first system broke down at the turn of the century into geopolitical conflicts between major powers pursuing autarky within increasingly closed systems. It erupted in two world wars in much the way that Lenin foresaw. Much of the rest of the world was pillaged for resources during this period (just look at the history of what Japan did to Taiwan or Britain did to the Witwatersrand in South Africa) in the hope that accumulation by dispossession would compensate for a chronic inability, which came to a head in the 1930s, to sustain capitalism through expanded reproduction.

This system was displaced in 1945 by a US led system that sought to establish a global compact among all the major capitalist powers to avoid internecine wars and find a rational way to deal collectively with the overaccumulation that had plagued the 1930s. For this to happen they had to share in the benefits of an intensification of an integrated capitalism in the core regions (hence US support for moves towards European Union) and engage in systematic geographical expansion of the system (hence the US insistence upon decolonization and ‘developmentalism’ as a generalized goal for the rest of the world). This second phase of global bourgeois rule was largely held together by the contingency of the Cold War. This entailed US military and economic leadership as the sole capitalist superpower. The effect was to construct a

hegemonic US 'superimperialism' that was more political and military than it was a manifestation of economic necessity. The US was not itself highly dependent upon external outlets or even inputs. It could even afford to open its market to others and thereby absorb through internal spatio-temporal fixes, such as the interstate highway system, sprawling suburbanization, and the development of its South and West, part of the surplus capacity that began to emerge strongly in Germany and Japan during the 1960s. Strong growth through expanded reproduction occurred throughout the capitalist world. Accumulation by dispossession was relatively muted, though countries with capital surpluses, like Japan and West Germany, increasingly needed to look outwards for markets, including by competing for control of post-colonial developing markets.²⁹ Strong controls over capital export (as opposed to commodities) were, however, kept in place in much of Europe and capital imports into East Asia remained restricted. Class struggles within individual nation states over expanded reproduction (how it would occur and who would benefit) dominated. The main geopolitical struggles that arose were either those of the Cold War (with that other empire constructed by the Soviets) or residual struggles (more often than not cross-cut by Cold War politics that pushed the US to support many reactionary post-colonial regimes) which resulted from the reluctance of European powers to disengage from their colonial possessions (the invasion of Suez by the British and French in 1956, not supported at all by the US, was emblematic). Growing resentments of being locked into a spatio-temporal situation of perpetual subservience to the center did, however, spark anti-dependency and national liberation movements. Third world socialism sought modernization but on an entirely different class and political basis.

This system broke down around 1970. Capital controls became hard to enforce as surplus US dollars flooded the world market. Inflationary pressures resulting from the US trying to have both guns and butter in the midst of the Vietnam War became very strong while the level of class struggle in many of the core countries began to erode profits. The US then sought to construct a different kind of system, that rested upon a mix of new international and financial institutional arrangements to counter economic threats from Germany and Japan and to re-center economic power as finance capital operating out of Wall Street. The collusion between the Nixon administration and the Saudis to push oil prices sky-high in 1973 did far more damage to the European and Japanese economies than it did to the US, which at that time was little dependent upon Middle Eastern supplies.³⁰ US banks gained the privilege of re-cycling the petrodollars into the world economy. Threatened in the realm of production, the US countered by asserting its hegemony through finance. But for this system to work effectively, markets in general and capital markets in particular had to be forced open to international trade – a slow process that required fierce US pressure backed by use of international levers such as the IMF and an equally fierce commitment to neo-liberalism as the new economic orthodoxy. It also entailed shifting the balance of power and interests within the bourgeoisie from

production activities to institutions of finance capital. This could be used to attack the power of working class movements within expanded reproduction either directly, by exerting disciplinary oversight on production, or indirectly by facilitating greater geographical mobility for all forms of capital. Finance capital was therefore central to this third phase of bourgeois global rule.

This system was much more volatile and predatory and visited various bouts of accumulation by dispossession – usually as structural adjustment programs administered by the IMF – as an antidote to difficulties in the realm of expanded reproduction. In some instances, such as Latin America in the 1980s, whole economies were raided and their assets recovered by US finance capital. The hedge funds' attack upon the Thai and Indonesian currencies in 1997, backed up by the savage deflationary policies demanded by the IMF, drove even viable concerns into bankruptcy and reversed the remarkable social and economic progress that had been made in much of East and South East Asia. Millions of people fell victim to unemployment and impoverishment as a result. The crisis also conveniently sparked a flight to the dollar, confirming Wall Street's dominance and generating an amazing boom in asset values for the affluent in the United States. Class struggles began to coalesce around issues such as IMF-imposed structural adjustment, the predatory activities of finance capital and the loss of rights through privatization.

Debt crises could be used to reorganize internal social relations of production in each country on a case-by-case basis in such a way as to favour the penetration of external capitals. Domestic financial regimes, domestic product markets and thriving domestic firms were, in this way, prized open for takeover by American, Japanese or European companies. Low profits in the core regions could thereby be supplemented by taking a cut out of the higher profits being earned abroad. Accumulation by dispossession became a much more central feature within global capitalism (with privatization as one its key mantras). Resistance to this became more central within the anti-capitalist and anti-imperialist movement.³¹ But the system, while centered on the Wall Street-Treasury complex, had many multilateral aspects with the financial centers of Tokyo, London, Frankfurt and many other financial centers participating. It was associated with the emergence of transnational capitalist corporations which, though they may have a basis in one or other nation state, spread themselves across the map of the world in ways that were unthinkable in the earlier phases of imperialism (the trusts and cartels that Lenin described were all tied very closely to particular nation states). This was the world that the Clinton White House, with an all-powerful Treasury Secretary, Robert Rubin, drawn from the speculator side of Wall Street, sought to manage by a centralized multilateralism (epitomized by the so-called 'Washington Consensus' of the mid 1990s). It seemed, for a brief moment, that Lenin was wrong and that Kautsky might be right – an ultraimperialism based on a 'peaceful' collaboration between all the major capitalist powers – now symbolized by the grouping known as the G7 and the so-called 'new international financial architecture', albeit under the hegemony of US leadership – was possible.³²

But this system has now run into serious difficulties. The sheer volatility and chaotic fragmentation of power conflicts makes it hard, as Luxemburg earlier noted, to discern how the stern laws of economics are working behind all the smoke and mirrors (particularly those of the financial sector). But insofar as the crisis of 1997–8 revealed that the main center of surplus productive capacity lay in East and South East Asia (so that the US targeted that region specifically for devaluation), the rapid recovery of some parts of East and South East Asian capitalism has forced the general problem of overaccumulation back into the forefront of global affairs.³³ This poses the question of how a new form of the spatio-temporal fix (into China?) might be organized, or who will bear the brunt of a new round of devaluation. The gathering recession within the United States after a decade or more of spectacular (even if 'irrational') exuberance indicates that the US may not be immune. A major fault line of instability lies in the rapid deterioration in the balance of payments of the United States. 'The same exploding imports that drove the world economy' during the 1990s, writes Brenner, 'brought US trade and current account deficits to record levels, leading to the historically unprecedented growth of liabilities to overseas owners' and 'the historically unprecedented vulnerability of the US economy to the flight of capital and a collapse of the dollar'.³⁴ But this vulnerability exists on both sides. If the US market collapses then the economies that look to that market as a sink for their excess productive capacity will go down with it. The alacrity with which the central bankers of countries like Japan and Taiwan lend funds to cover US deficits, has a strong element of self-interest. They thereby fund the US consumerism that forms the market for their products. They may now even find themselves funding the US war effort.

But the hegemony and dominance of the US is, once more, under threat and this time the danger seems more acute. If, for example, Braudel (followed by Arrighi) is correct, and a powerful wave of financialization is a likely prelude to a transfer of dominant power from one hegemon to another then the US turn towards financialization in the 1970s would appear to exemplify a self-destructive historical pattern.³⁵ The deficits, both internal and external, cannot continue to spiral out of control indefinitely and the ability and willingness of others, primarily in Asia, to fund them, to the tune of \$2.3 billion a day at current rates, is not inexhaustible. Any other country in the world that exhibited the macro-economic condition of the US economy would by now have been subjected to ruthless austerity and structural adjustment procedures by the IMF. But, as Gowan remarks: 'Washington's capacity to manipulate the dollar price and to exploit Wall Street's international financial dominance enabled the US authorities to avoid doing what other states have had to do; watch the balance of payments; adjust the domestic economy to ensure high levels of domestic savings and investment; watch levels of public and private indebtedness; ensure an effective domestic system of financial intermediation to ensure the strong development of the domestic productive sector.' The US economy has had 'an escape route from all these tasks' and has become 'deeply distorted and unstable'

as a result.³⁶ Furthermore, the successive waves of accumulation by dispossession, the hallmark of the new US-centered imperialism, are sparking resistance and resentments wherever they happen to break, generating not only an active worldwide anti-globalization movement (quite different in form from class struggles embedded in processes of expanded reproduction) but also active resistance to US hegemony by formerly pliant subordinate powers, particularly in Asia (South Korea is a case in point), and now even in Europe.

The options for the United States are limited. The US could turn away from its current form of imperialism by engaging in a massive redistribution of wealth within its borders and seek paths to surplus absorption through temporal fixes internally (dramatic improvements in public education and repair of aging infrastructures would be good places to start). An industrial strategy to revitalize manufacturing would also help. But this would require even more deficit financing or higher taxation as well as heavy state direction and this is precisely what the bourgeoisie will refuse to contemplate, as was the case in Chamberlain's day; any politician who proposes such a package will almost certainly be howled down by the capitalist press and their ideologists and lose any election in the face of overwhelming money power. Yet, ironically, a massive counter-attack within the US as well as within other core countries of capitalism (particularly in Europe) against the politics of neo-liberalism and the cutting of state and social expenditures might be one of the only ways to protect Western capitalism internally from its self-destructive tendencies.

Even more suicidal politically, within the US, would be to try to enforce by self-discipline the kind of austerity program that the IMF typically visits on others. Any attempt by external powers to do so (by capital flight and collapse of the dollar, for example) would surely elicit a savage US political, economic and even military response. It is hard to imagine that the US would peacefully accept and adapt to the phenomenal growth of East Asia and recognize, as Arrighi suggests it should, that we are in the midst of a major transition towards Asia as the hegemonic center of global power.³⁷ It is unlikely that the US will go quietly and peacefully into that good night. It would, in any case, entail a reorientation – some signs of which already exist – of East Asian capitalism away from dependency on the US market to the cultivation of an internal market within Asia itself. This is where the huge modernization program within China – an internal version of a spatio-temporal fix that is equivalent to what the US did internally in the 1950s and 1960s – may have a critical role to play in gradually siphoning off the surplus capitals of Japan, Taiwan and South Korea and thereby diminishing the flows into the United States. Taiwan, for example, now exports more to China than to North America. The consequent diminution of the flow of funds for the US could have calamitous consequences.

And it is in this context that we see elements within the US political establishment looking to flex military muscle as the only clear absolute power they have left, talking openly of Empire as a political option (presumably to extract tribute from the rest of the world) and looking to control oil supplies as a means

to counter the power shifts threatened within the global economy. The attempts by the US to gain better control of Iraqi and Venezuelan oil supplies – in the former case by purportedly seeking to establish democracy and in the latter by overthrowing it – make a lot of sense. They reek of a re-run of what happened in 1973, since Europe and Japan, as well as East and South East Asia, now crucially including China, are even more heavily dependent on Gulf oil than is the United States. If the US engineers the overthrow of Chavez as well as Saddam, if it can stabilize or reform an armed-to-the-teeth Saudi regime that is currently based on the shifting sands of authoritarian rule (and in imminent danger of falling into the hands of radicalized Islam – this was, after all, Osama bin Laden's primary objective), if it can move on, as seems likely, from Iraq to Iran and consolidate its position in Turkey and Uzbekistan as a strategic presence in relation to Caspian basin oil reserves, then the US, through firm control of the global oil spigot, might hope to keep effective control over the global economy and secure its own hegemonic position for the next fifty years.³⁸

The dangers of such a strategy are immense. Resistance will be formidable, not least from Europe and Asia, with Russia not far behind. The reluctance to sanction US military invasion of Iraq in the United Nations, particularly by France and Russia who already have strong connections to Iraqi oil exploitation, was a case in point. And the Europeans in particular are far more attracted to a Kautskyian vision of ultra-imperialism in which all the major capitalist powers will supposedly collaborate on an equal basis. An unstable US hegemony that rests on permanent militarization and adventurism of a sort that could seriously threaten global peace is not an attractive prospect for the rest of the world. This is not to say that the European model is much more progressive. If Robert Cooper, a Blair consultant, is to be believed, it resurrects nineteenth century distinctions between civilized, barbarian and savage states in the guise of post-modern, modern and pre-modern states with the postmoderns, as guardians of decentred civilized behaviour, expected to induce by direct or indirect means obeisance to universal (read 'Western' and 'bourgeois') norms and humanistic (read 'capitalistic') practices across the globe.³⁹ This was exactly the way that nineteenth century liberals, like John Stuart Mill, justified keeping India in tutelage and exacting tribute from abroad while praising the principles of representative government at home. In the absence of any strong revival of sustained accumulation through expanded reproduction, this will entail a deepening politics of accumulation by dispossession throughout the world in order to keep the motor of accumulation from stalling entirely.

This alternative form of imperialism will hardly be acceptable to wide swathes of the world's population who have lived through (and in some instances begun to fight back against) accumulation by dispossession and the predatory forms of capitalism they have had to confront over the last few decades. The liberal ruse that someone like Cooper proposes is far too familiar to postcolonial writers to have much traction.⁴⁰ And the blatant militarism that the US is increasingly proposing on the grounds that this is the only possible response to global

terrorism is not only fraught with danger (including dangerous precedents for 'pre-emptive strikes'); it is increasingly recognized as a mask for trying to sustain a threatened hegemony within the global system.

But perhaps the most interesting question concerns the internal response within the United States itself. On this point Hannah Arendt again makes a telling argument: imperialism abroad cannot for long be sustained without active repressions, even tyranny, at home.⁴¹ The damage done to democratic institutions domestically can be substantial (as the French learned during the Algerian struggle for independence). The popular tradition within the United States is anti-colonial and anti-imperial and it has taken a very substantive conjuring trick, if not outright deception, to mask the imperial role of the US in world affairs or at least to clothe it in grand humanitarian intentions over the past few decades. It is not clear that the US population will generally support an overt turn to any long-term militarized Empire (any more than it ended up supporting the Vietnam War). Nor will it likely accept for long the price, already substantial given the repressive clauses inserted into the Patriot and the Homeland Security Acts, that has to be paid at home in terms of civil liberties, rights and general freedoms. If Empire entails tearing up the Bill of Rights then it is not clear that this trade off will easily be accepted. But the other side of the difficulty is that in the absence of any dramatic revival of sustained accumulation through expanded reproduction and with limited possibilities to accumulate by dispossession, the US economy will likely sink into a deflationary depression that will make the last decade or so in Japan fade into insignificance by comparison. And if there is a serious flight from the dollar, then the austerity will have to be intense – unless, that is, there emerges an entirely different politics of redistribution of wealth and assets (a prospect the bourgeoisie will contemplate with utter horror) which focuses on the complete reorganization of the social and physical infrastructures of the nation to absorb idle capital and labour into socially useful, as opposed to purely speculative, tasks.

The shape and form any new imperialism will take is therefore up for grabs. The only thing that is certain is that we are in the midst of a major transition in how the global system works and that there is a variety of forces in motion which could easily tip the balance in one or another direction. The balance between accumulation by dispossession and expanded reproduction has already shifted towards the former and it is hard to see this trend doing anything other than deepening, making this the hallmark of what the new imperialism is all about (and making overt claims about the new imperialism and the necessity of empire of great ideological significance). We also know that the economic trajectory taken by Asia is key, but that military dominance still lies with the United States. This, as Arrighi remarks, is a unique configuration and we may well be seeing in Iraq the first stage of how it might play out geopolitically on the world stage under conditions of generalized recession. The United States, whose hegemony was based on production, finance and military power in the immediate post-war period lost its superiority in production after 1970 and may well now

be losing financial dominance leaving it with military might alone. What happens within the United States is therefore a vitally important determinant of how the new imperialism might be articulated. And there is, to boot, a gathering storm of opposition to the deepening of accumulation by dispossession. But the forms of class struggle which this provokes are of a radically different nature from the classic proletarian struggles within expanded reproduction (which continue though in somewhat more muted forms) upon which the future of socialism was traditionally supposed to rest. The unities beginning to emerge around these different vectors of struggle are vital to nurture, for within them we can discern the lineaments of an entirely different, non-imperialistic, form of globalization that emphasizes social well-being and humanitarian goals coupled with creative forms of uneven geographical development, rather than the glorification of money power, stock market values and the incessant accumulation of capital across the variegated spaces of the global economy by whatever means, but always ending up heavily concentrated in a few spaces of extraordinary wealth. The moment may be full of volatility and uncertainties; but that means it is also a moment of the unexpected and full of potential.

NOTES

- 1 H. Lefebvre, *The Survival of Capitalism: Reproduction of the Relations of Production*, St Martin's Press, New York: 1976.
- 2 Most of these essays from the 1970s and 1980s have been republished in David Harvey, *Spaces of Capital: Towards a Critical Geography*, New York: Routledge 2001. The main line of argument can also be found in Harvey, *The Limits to Capital*, Oxford: Basil Blackwell, 1982 (reprint version, London: Verso Press, 1999).
- 3 My own version of this theoretical argument is detailed in Harvey, *Limits*, chapters 6 and 7.
- 4 R. Brenner, *The Boom and the Bubble: The US in the World Economy*, London: Verso, 2002. The theory of overaccumulation in Brenner is very different from mine but I find his empirical evidence, so far as it goes, useful and for the most part convincing.
- 5 P. Gowan, *The Global Gamble: Washington's Bid for World Dominance*, London: Verso, 1999.
- 6 Since this is a lot to argue for in a short piece, I will proceed in a schematic and simplified way, leaving more detailed elaborations for a later publication. D. Harvey, *The New Imperialism*, Oxford: Oxford University Press, forthcoming.
- 7 The topic of the 'new imperialism' has been broached on the left by L. Panitch, 'The New Imperial State', *New Left Review*, 11(1), 2000; see also P. Gowan, L. Panitch and M. Shaw, 'The State, Globalization and the New Imperialism: A Round Table Discussion', *Historical Materialism*, 9, 2001.

- Other commentaries of interest are J. Petras and J. Veltmeyer, *Globalization Unmasked: Imperialism in the 21st Century*, London: Zed Books, 2001; R. Went, 'Globalization in the Perspective of Imperialism', *Science and Society*, 66(4), 2002-3; S. Amin, 'Imperialism and Globalization', *Monthly Review*, 53(2), 2001; conservative and liberal perspectives are laid out in M. Ignatieff, 'The Burden', *New York Times Magazine*, January 5th, 2003 and R. Cooper, 'The New Liberal Imperialism', *The Observer*, April 7, 2002.
- 8 Marx's concepts of 'fixed capital of an independent kind' and 'fictitious capital' are elaborated in Harvey, *Limits*, chapters 8 and 10 respectively and their geopolitical significance is taken up in Harvey, *Spaces*, chapter 15, 'The Geopolitics of Capitalism'.
 - 9 The importance of siegnorage is examined in G. Carchedi, 'Imperialism, Dollarization and the Euro', *Socialist Register 2002*, London: Merlin Press, 2002.
 - 10 G.W. Hegel, *The Philosophy of Right*, New York: Oxford University Press, 1967.
 - 11 V.I. Lenin, 'Imperialism: The Highest Stage of Capitalism', in *Selected Works*, Volume 1, Moscow: Progress Publishers.
 - 12 This whole common history of a radical shift from internal to external solutions to political-economic problems in response to the dynamics of class struggle across many capitalist states is told in a little known but quite fascinating collection by C.-A. Julien, J. Bruhat, C. Bourgin, M. Crouzet and P. Renouvin, *Les Politiques d'Expansion Imperialiste*, Paris: Presses Universitaires de France, 1949, in which the cases of Ferry, Chamberlain, Roosevelt, Crispi and others are all examined in comparative detail.
 - 13 H. Arendt, *Imperialism*, New York: Harcourt Brace, 1968. There are many eerie resemblances between Arendt's analysis of the situation in the nineteenth century and our contemporary condition. Consider, for example, the following extract: 'Imperialist expansion had been touched off by a curious kind of economic crisis, the overproduction of capital and the emergence of 'superfluous' money, the result of oversaving, which could no longer find productive investment within the national borders. For the first time, investment of power did not pave the way for investment of money, but export of power followed meekly in the train of exported money, since uncontrolled investments in distant countries threatened to transform large strata of society into gamblers, to change the whole capitalist economy from a system of production into a system of financial speculation, and to replace the profits of production with profits in commissions. The decade immediately before the imperialist era, the seventies of the last century, witnessed an unparalleled increase in swindles, financial scandals and gambling in the stock market' (p. 15).
 - 14 J. Henderson, 'Uneven Crises: Institutional Foundations of East Asian Economic Turmoil', *Economy and Society*, 28(3), 1999.
 - 15 Brenner, *The Boom*, attempts the most general and synthetic account of this

- turbulence. Details of the East Asian meltdown can be found in R. Wade and F. Veneroso, 'The Asian Crisis: The High Debt Model versus the Wall Street-Treasury-IMF Complex', *New Left Review*, 228, 1998; Henderson, 'Uneven Crises'; C. Johnson, *Blowback: The Costs and Consequences of American Empire*, New York: Henry Holt, 2000, chapter 9; the special issue of *Historical Materialism*, 8, 2001, 'Focus on East Asia after the Crisis' (particularly P. Burkett and M. Hart-Landsberg, 'Crisis and Recovery in East Asia: The Limits of Capitalist Development').
- 16 Gowan, *Global Gamble*.
 - 17 Various names have been proposed for this. Gowan prefers the Dollar Wall Street Regime but I prefer the Wall-Street-Treasury-IMF complex suggested by Wade and Veneroso, 'The Asian Crisis'.
 - 18 Gowan, *Global Gamble*, pp. 23, 35.
 - 19 Editorial, *The Buenos Aires Herald*, December 31st, 2002, p. 4.
 - 20 J. Bhagwati, 'The Capital Myth: The Difference Between Trade in Widgets and Dollars', *Foreign Affairs*, 77(3), 1998, pp. 7-12.
 - 21 Gowan, *Global Gamble* and Brenner, *The Boom* offer interesting parallel accounts without, however, ever referring to each other.
 - 22 R. Luxemburg, *The Accumulation of Capital*, New York: Monthly Review Press, 1968, pp. 452-3. Luxemburg bases her account on a theory of underconsumption (lack of effective demand) which has rather different implications from theories of overaccumulation (lack of opportunities for profitable activity) with which I work. A full exploration of the concept of accumulation by dispossession and its relation to overaccumulation is given in Part Three of Harvey, *The New Imperialism*.
 - 23 M. Perelman, *The Invention of Capitalism: Classical Political Economy and the Secret History of Primitive Accumulation*, Durham: Duke University Press, 2000. There is also an extensive debate in *The Commoner* (www.thecommoner.org) on the new enclosures and on whether primitive accumulation should be understood as a purely historical or a continuing process. DeAngelis (<http://homepages.uel.ac.uk/M.DeAngelis/PRIMACCA.htm>) provides a good summary.
 - 24 K. Marx, *Capital*, Volume 1, New York: International Publishers, 1967, Part 8; F. Braudel, *Afterthoughts on Material Civilization and Capitalism*, Baltimore: Johns Hopkins University Press, 1977.
 - 25 Wade and Veneroso, 'The Asian Crisis', p. 7 propose the following definition: 'high household savings, plus high corporate debt/equity ratios, plus bank-firm-state collaboration, plus national industrial strategy, plus investment incentives conditional on international competitiveness, equals the developmental state.' The classic study is C. Johnson, *MITI and the Japanese Miracle: The Growth of Industrial Policy, 1925-75*, Stanford: Stanford University Press, 1982; while the empirical impact of state policies upon relative rates of economic growth has been well-documented in M. Webber and D. Rigby, *The Golden Age Illusion: Rethinking Post-war*

- Capitalism*, New York: Guilford Press, 1996.
- 26 Wade and Veneroso, 'The Asian Crisis'.
- 27 The extent of resistance is indicated in B. Gills, ed., *Globalization and the Politics of Resistance*, New York: Palgrave, 2000; see also J. Brecher and T. Costello, *Global Village or Global Pillage? Economic Reconstruction from the Bottom Up*, Boston: South End Press, 1994. A crisp recent guide to the resistance is given in W. Bello, *Deglobalization: Ideas for a New World Economy*, London: Zed Books, 2002. The idea of globalization from below is presented most succinctly in R. Falk, *Predatory Globalization: A Critique*, Cambridge: Polity Press, 2000.
- 28 Arendt, *Imperialism*, p. 28.
- 29 By far the best account is given in P. Armstrong, A. Glyn and J. Harrison, *Capitalism Since World War II: The Making and Break Up of the Great Boom*, Oxford: Basil Blackwell, 1991.
- 30 Gowan, *Global Gamble*, pp. 21-2, cites the evidence for collusion between Nixon and the Saudis.
- 31 The left, embedded as it was (and still in many respect is) in the politics of expanded reproduction, was slow to recognize the significance of anti-IMF riots and other movements against dispossession. Walton's pioneering study on the pattern of anti-IMF riots stands out in retrospect. See J. Walton, *Reluctant Rebels: Comparative Studies on Revolution and Underdevelopment*, New York: Columbia University Press, 1984. But it also seems right that we do a far more sophisticated analysis to determine which of the myriad movements against dispossession are regressive and anti-modernizing in any socialist sense and which can be progressive or at least be pulled in a progressive direction by alliance formation. As ever, the way in which Gramsci analyzed the Southern question seems to be a pioneering study of this sort. Petras has recently emphasized this point in his critique of Hardt and Negri: see J. Petras, 'A Rose by Any Other Name? The Fragrance of Imperialism', *The Journal of Peasant Studies*, 29(2), 2002. Affluent peasants fighting against land reform are not the same as landless peasants fighting for the right to subsist.
- 32 P. Anderson, 'Internationalism: A Breviary', *New Left Review*, 14, 2002, p. 20, notes how 'something like Kautsky's vision' had come to pass and that liberal theorists, like Robert Keohane, also noticed the connection. On the new international financial architecture, see S. Soederberg, 'The New International Financial Architecture: Imposed Leadership and "Emerging Markets"', *Socialist Register 2002*, London: Merlin, 2002.
- 33 See Burkett and Hart-Landsberg, 'Crisis and Recovery'.
- 34 Brenner, *The Boom*, p. 3.
- 35 G. Arrighi and B. Silver, eds., *Chaos and Governance in the Modern World System*, Minneapolis: University of Minnesota Press, 1999, pp. 31-3.
- 36 Gowan, *Global Gamble*, p. 123.
- 37 Arrighi does not envisage any serious external challenge but he and his

- colleagues do conclude that the US 'has even greater capabilities than Britain did a century ago to convert its declining hegemony into exploitative domination. If the system eventually breaks down, it will be primarily because of US resistance to adjustment and accommodation. And conversely, US adjustment and accommodation to the rising economic power of the East Asian region is an essential condition for a non-catastrophic transition to a new world order.' See Arrighi and Silver, *Chaos and Governance*, pp. 288-9.
- 38 M. Klare, *Resource Wars: The New Landscape of Global Conflict*, New York: Henry Holt, 2002.
- 39 Cooper, 'New Liberal Imperialism'.
- 40 The critique mounted by U. Mehta, *Liberalism and Empire*, Chicago: Chicago University Press, 1999, is simply devastating when put up against Cooper's formulations.
- 41 Arendt, *Imperialism*, pp. 6-9; This has, interestingly, been a persistent internal source of concern against imperial ventures on the part of the United States, as William Appleman Williams points out in his *Empire as a Way of Life*, Oxford: New York, 1980.