

The New Imperialism

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Capital Bondage

trend towards crises, and to seriously address the problem of poverty reduction. But, if that project fails, it can seek to accumulate by other means. Like war in relation to diplomacy, finance capital intervention backed by state power frequently amounts to 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' that is as much about cannibalistic practices and forced devaluations as it is about achieving harmonious global development. But how are we to interpret these 'other means' to accumulation?

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Accumulation by Dispossession

Rosa Luxemburg argues that capital accumulation has a dual character:

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.¹

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

Underconsumption or Overaccumulation?

Luxemburg rests her analysis upon a particular understanding of the crisis tendencies of capitalism. The problem, she argues, is underconsumption, a general lack of sufficient effective demand to soak up the growth in output that capitalism generates. This difficulty arises because workers are exploited and by definition receive much less value to spend than they produce, and capitalists are at least in part obliged to reinvest rather than to consume. After due consideration of various ways in which the supposed gap between supply and effective demand might be bridged, she concludes that trade with non-capitalist social formations provides the only systematic way to stabilize the system. If those social formations or territories are reluctant to trade then they must be compelled to do so by force of arms (as happened with the opium wars in China). This is, in her view, the heart of what imperialism is about. One possible corollary of this argument (though Luxemburg does not state it directly) is that, if this system is to last any length of time, the non-capitalist territories must be kept (forcibly if necessary) in a non-capitalist state. This could account for the fiercely repressive qualities of many of the colonial regimes developed during the latter half of the nineteenth century.

Few would now accept Luxemburg's theory of underconsumption as the explanation of crises.² By contrast,

the theory of overaccumulation identifies the lack of opportunities for profitable investment as the fundamental problem. On occasion, lack of sufficient effective consumer demand may be part of the problem—hence the heavy reliance in our own day on something called 'consumer confidence' (otherwise known as the inability of compulsive shoppers to keep their credit cards in their wallets) as an indicator of strength and stability in the economy. The gap that Luxemburg thought she saw can easily be covered by reinvestment which generates its own demand for capital goods and other inputs. And, as we have seen in the case of the spatio-temporal fixes, the geographical expansion of capitalism which underlies a lot of imperialist activity is very helpful to the stabilization of the system precisely because it opens up demand for both investment goods and consumer goods elsewhere. Imbalances can arise, of course, between sectors and regions, and business cycles and localized recessions can result. But it is also possible to accumulate in the face of stagnant effective demand if the costs of inputs (land, raw materials, intermediate inputs, labour power) decline significantly. Access to cheaper inputs is, therefore, just as important as access to widening markets in keeping profitable opportunities open. The implication is that non-capitalist territories should be forced open not only to trade (which could be helpful) but also to permit capital to invest in profitable ventures using cheaper labour power, raw materials, low-cost land, and the like. The general thrust of any capitalistic logic of power is not that territories should be held back from capitalist development, but that they should be continuously opened up. From this standpoint colonial repressions of the sort that

undoubtedly occurred in the late nineteenth century have to be interpreted as self-defeating, a case of a territorial logic inhibiting the capitalistic logic. Fear of emulation led Britain, for example, to prevent India from developing a vigorous capitalist dynamic and thereby frustrated the possibilities of spatio-temporal fixes in that region. The open dynamic of the Atlantic economy did far more for Britain than did the repressed colonial empire in India, from which Britain certainly managed to extract surpluses but which never functioned as a major field for deployment of British surplus capital. But, by the same token, it was the open dynamic of the Atlantic trade that opened up the possibility of Britain's displacement by the United States as the global hegemonic power. If Arendt is right and endless accumulation requires the endless accumulation of political power, then such shifts are impossible to avoid and any attempt to do so will result in disaster. The formation of closed empires after the First World War almost certainly played a role in the inability to solve the overaccumulation problem of the 1930s and laid the economic groundwork for the territorial conflicts of the Second World War. The territorial logic dominated and frustrated the capitalist logic, thus forcing the latter into an almost terminal crisis through territorial conflict.

The weight of historical-geographical evidence from the twentieth century broadly accords with the overaccumulation argument. However, there is much that is interesting about Luxemburg's formulation. To begin with, the idea that capitalism must perpetually have something 'outside of itself' in order to stabilize itself is worthy of scrutiny, particularly as it echoes Hegel's conception, which we encountered in Chapter 3, of an inner dialectic

of capitalism forcing it to seek solutions external to itself. Consider, for example, Marx's argument concerning the creation of an industrial reserve army.³ Capital accumulation, in the absence of strong currents of labour-saving technological change, requires an increase in the labour force. This can come about in a number of ways. Increase of population is important (and most analysts conveniently forget Marx's own strictures on this point). Capital can also raid 'latent reserves' from a peasantry or, by extension, mobilize cheap labour from colonies and other external settings. Failing this, capitalism can utilize its powers of technological change and investment to induce unemployment (lay-offs) thus creating an industrial reserve army of unemployed workers directly. This unemployment tends to exert a downward pressure on wage rates and thereby opens up new opportunities for profitable deployment of capital. Now in all of these instances capitalism does indeed require something 'outside of itself' in order to accumulate, but in the last case it actually throws workers out of the system at one point in time in order to have them to hand for purposes of accumulation at a later point in time. Put in the language of contemporary postmodern political theory, we might say that capitalism necessarily and always creates its own 'other'. The idea that some sort of 'outside' is necessary for the stabilization of capitalism therefore has relevance. But capitalism can either make use of some pre-existing outside (non-capitalist social formations or some sector within capitalism—such as education—that has not yet been proletarianized) or it can actively manufacture it. I propose to take this 'inside-outside' dialectic seriously in what follows. I shall examine how the 'organic relation'

between expanded reproduction on the one hand and the often violent processes of dispossession on the other have shaped the historical geography of capitalism. This helps us better understand what the capitalistic form of imperialism is about.

Arendt, interestingly, advances an argument along similar lines. The depressions of the 1860s and 1870s in Britain, she argues, initiated the push into a new form of imperialism:

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.

This scenario sounds all too familiar given the experience of the 1980s and 1990s. But Arendt's description of the bourgeois response is even more arresting. They realized, she argues, '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'.⁴

The processes that Marx, following Adam Smith, referred to as 'primitive' or 'original' accumulation constitute, in Arendt's view, an important and continuing force in the historical geography of capital accumulation through imperialism. As in the case of labour supply, capitalism always requires a fund of assets outside of itself if it is to confront and circumvent pressures of overaccumulation. If those assets, such as empty land or new raw material sources, do not lie to hand, then capitalism must somehow produce them. Marx, however, does not consider this possibility except in the case of the creation of an industrial reserve army through technologically induced unemployment. It is interesting to consider why.

Marx's Reticence

Marx's general theory of capital accumulation is constructed under certain crucial initial assumptions that broadly match those of classical political economy. 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 appropriate value. 'Primitive' or 'original' accumulation has already occurred and accumulation now proceeds as expanded reproduction (albeit through the exploitation of

living labour in production) 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 economists, is realized. The brilliance of Marx's dialectical method, as Luxemburg for one clearly recognizes, 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 neo-liberalism, 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' capitalism as a closed 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.⁵ 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'.

Accumulation by Dispossession

A closer look at Marx's description of primitive accumulation reveals a wide range of processes.⁶ These include the commodification and privatization of land and the forceful expulsion of peasant populations; the conversion of various forms of property rights (common, collective, state, etc.) into exclusive private property rights; the suppression of rights to the commons; the 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); the monetization of exchange and taxation, particularly of land; the slave trade; and usury, the national debt, and ultimately the credit system as radical means of primitive accumulation. The state, with its monopoly of violence and definitions of legality, plays a crucial role in both backing and promoting these processes and, as I argued in Chapter 3, there is considerable evidence that the transition to capitalist development was and continues to be vitally contingent upon the stance of the state. The developmental role of the state goes back a long way, keeping the territorial and capitalistic logics of power always intertwined though not necessarily concordant.

All the features of primitive accumulation that Marx mentions have remained powerfully present within capitalism's historical geography up until now. Displacement of peasant populations and the formation of a landless proletariat has accelerated in countries such as Mexico and India in the last three decades, many formerly common property resources, such as water, have been privatized

(often at World Bank insistence) and brought within the capitalist logic of accumulation, alternative (indigenous and even, in the case of the United States, petty commodity) forms of production and consumption have been suppressed. Nationalized industries have been privatized. Family farming has been taken over by agribusiness. And slavery has not disappeared (particularly in the sex trade).

Critical engagement over the years with Marx's account of primitive accumulation—which in any case had the quality of a sketch rather than a systematic exploration—suggests some lacunae that need to be remedied. The process of proletarianization, for example, entails a mix of coercions and of appropriations of pre-capitalist skills, social relations, knowledges, habits of mind, and beliefs on the part of those being proletarianized. Kinship structures, familial and household arrangements, gender and authority relations (including those exercised through religion and its institutions) all have their part to play. In some instances the pre-existing structures have to be violently repressed as inconsistent with labour under capitalism, but multiple accounts now exist to suggest that they are just as likely to be co-opted in an attempt to forge some consensual as opposed to coercive basis for working-class formation. Primitive accumulation, in short, entails appropriation and co-optation of pre-existing cultural and social achievements as well as confrontation and supersession. The conditions of struggle and of working-class formation vary widely and there is, therefore, as Thompson among others has insisted, a sense in which a working class 'makes itself' though never, of course, under conditions of its own choosing.⁷ The result is often to leave a trace of pre-capitalist social

relations in working-class formation and to create distinctive geographical, historical, and anthropological differentiations in how a working class is defined. No matter how universal the process of proletarianization, the result is not the creation of a homogeneous proletariat.⁸

Some of the mechanisms of primitive accumulation that Marx emphasized have been fine-tuned to play an even stronger role now than in the past. The credit system and finance capital became, as Lenin, Hilferding, and Luxemburg all remarked at the beginning of the twentieth century, major levers of predation, fraud, and thievery. The strong wave of financialization that set in after 1973 has been every bit as spectacular for its speculative and predatory style. Stock promotions, ponzi schemes, structured asset destruction through inflation, asset-stripping through mergers and acquisitions, and the promotion of levels of debt incumbency that reduce whole populations, even in the advanced capitalist countries, to debt peonage, to say nothing of corporate fraud and 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 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.

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 material, seed plasma, and all manner of other products can now be used against whole populations whose practices had 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 pharmaceutical 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 (such as universities), to say nothing of the wave of privatization (of water and public utilities of all kinds) that has swept the world, indicate 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 popular will. The rolling back of regulatory frameworks designed to protect labour and the environment from degradation has entailed the loss of rights. The reversion of common property rights won through years of hard class struggle (the right to a state pension, to welfare, to national health care) to the private domain has been one of the most egregious of all policies of dispossession pursued in the name of neo-liberal orthodoxy.

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*.

So how, then, does accumulation by dispossession help solve the overaccumulation problem? Overaccumulation, recall, is a condition where surpluses of capital (perhaps accompanied by surpluses of labour) lie idle with no profitable outlets in sight. The operative term here, however, is the capital surplus. What accumulation by dispossession does is to release a set of assets (including labour power) at very low (and in some instances zero) cost. Overaccumulated capital can seize hold of such assets and immediately turn them to profitable use. In the case of primitive accumulation as Marx described it, this entailed taking land, say, enclosing it, and expelling a resident population to create a landless proletariat, and then releasing the land into the privatized mainstream of capital accumulation. Privatization (of social housing, telecommunications, transportation, water, etc. in Britain, for example) has, in recent years, opened up vast fields for overaccumulated capital to seize upon. The collapse of the Soviet Union and then the opening up of China entailed a massive release of hitherto unavailable assets into the mainstream of capital accumulation. What would have happened to overaccumulated capital these last thirty years if these new terrains of accumulation had not opened up? Put another way, if capitalism has been experiencing a chronic difficulty of overaccumulation since 1973, then the neo-liberal project of privatization of everything makes a lot of sense as one way to solve the

problem. Another way would be to release cheap raw materials (such as oil) into the system. Input costs would be reduced and profits thereby enhanced. As the newspaper baron Rupert Murdoch observed, the solution to our current economic woes is oil at \$20 rather than \$30 or more a barrel. Small wonder that all of Murdoch's newspapers have been such avid supporters of war against Iraq.⁹

The same goal can be achieved, however, by the devaluation of existing capital assets and labour power. Devalued capital assets can be bought up at fire-sale prices and profitably recycled back into the circulation of capital by overaccumulated capital. But this requires a prior wave of devaluation, which means a crisis of some kind. Crises may be orchestrated, managed, and controlled to rationalize the system. This is often what state-administered austerity programmes, making use of the key levers of interest rates and the credit system, are often all about. Limited crises may be imposed by external force upon one sector or upon a territory or whole territorial complex of capitalist activity. This is what the international financial system (led by the IMF) backed by superior state power (such as that of the United States) is so expert at doing. The result is the periodic creation of a stock of devalued, and in many instances undervalued, assets in some part of the world, which can be put to profitable use by the capital surpluses that lack opportunities elsewhere. Wade and Veneroso capture the essence of this when they write of the Asian crisis of 1997–8:

Financial crises have always caused transfers of ownership and power to those who keep their own assets intact and who are in a position to create credit, and the Asian crisis is no exception

... there is no doubt that Western and Japanese corporations are the big winners. ... The combination of massive devaluations, IMF-pushed financial liberalization, and IMF-facilitated recovery may even precipitate the biggest peacetime transfer of assets from domestic to foreign owners in the past fifty years anywhere in the world, dwarfing the transfers from domestic to US owners in Latin America in the 1980s or in Mexico after 1994. One recalls the statement attributed to Andrew Mellon: 'In a depression assets return to their rightful owners.'¹⁰

Regional crises and highly localized place-based devaluations emerge as a primary means by which capitalism perpetually creates its own 'other' in order to feed upon it. The financial crises of East and South-East Asia in 1997–8 were a classic case of this.¹¹ The analogy with the creation of an industrial reserve army by throwing people out of work is exact. Valuable assets are thrown out of circulation and devalued. They lie fallow and dormant until surplus capital seizes upon them to breath new life into capital accumulation. The danger, however, is that such crises might spin out of control and become generalized, or that the 'othering' will provoke a revolt against the system that creates it. One of the prime functions of state interventions and of international institutions is to orchestrate devaluations in ways that permit accumulation by dispossession to occur without sparking a general collapse. This is the essence of what a structural adjustment programme administered by the IMF is all about. For the main capitalist powers, such as the United States, this means orchestrating these processes to their specific advantage, while proclaiming their role as that of a noble leader organizing 'bail-outs' (as in Mexico in 1994) to keep

global capital accumulation on track. But there is, as with any speculative gamble, a danger of losing: the sudden evident panic of the US Treasury and the IMF in December 1998 after Russia, with nothing left to lose, had simply declared bankruptcy and when it seemed that the South Korean economy (after several months of hard bargaining) was about to crash and possibly spark a global chain reaction, illustrates how close to the edge such forms of calculation can go.¹²

The mixture of coercion and consent within such bargaining activity varies considerably, but we can now more clearly see how hegemony gets constructed through financial mechanisms in such a way as to benefit the hegemon while leading the subaltern states on the supposedly golden path of capitalist development. The umbilical cord that ties together accumulation by dispossession and expanded reproduction is that given by finance capital and the institutions of credit, backed, as ever, by state powers.

The Contingency of It All

How, then, can we uncover the iron laws within the contingencies of accumulation by dispossession? We know, of course, that a certain level of this goes on all the time and that it can take many forms, both legal and illegal. Consider, for example, a process in US housing markets known as 'flipping'. A house in poor condition is bought for next to nothing, given some cosmetic improvements, then sold on at an exorbitant price, with the aid of a mortgage package arranged by the seller, to a low-income family looking to realize its dream of home ownership. If

the family has difficulty meeting the payments or dealing with the serious maintenance problems that almost certainly emerge, then the house is repossessed. This is not exactly illegal (buyers beware!) but the effect is to prey upon low-income families and bilk them of whatever little savings they have. This is accumulation by dispossession. There are innumerable activities (legal and illegal) of this kind that affect the control of assets by one class rather than another.

But how, when, and why does accumulation by dispossession emerge from this background state to become the dominant form of accumulation relative to expanded reproduction? In part this has to do with how and when crises form in expanded reproduction. But it can also reflect attempts by determined entrepreneurs and developmental states to 'join the system' and seek the benefits of capital accumulation directly.

Any social formation or territory that is brought or inserts itself into the logic of capitalist development must undergo wide-ranging structural, institutional, and legal changes of the sort that Marx describes under the rubric of primitive accumulation. The collapse of the Soviet Union posed exactly this problem. The result was a savage episode of primitive accumulation under the heading of 'shock therapy' as advised by the capitalist powers and international institutions. The social distress was immense, but the distribution of assets that resulted through privatization and market reforms was both lop-sided and not very conducive to the sorts of investment activity that typically emerge with expanded reproduction. Even more recently, the turn towards state-orchestrated capitalism in China has entailed wave

after wave of primitive accumulation. Hitherto successful state and township/village enterprises around Shanghai (which provided component parts to major industries in the metropolitan area) have in recent times either been forced to close or be privatized, thus shedding social welfare and pension obligations and creating a huge pool of unemployed and asset-poor workers. The effect has been to make the remaining Chinese enterprises far more fiercely competitive in world markets, but at the expense of the devaluation and destruction of previously viable livelihoods. While accounts remain sketchy, the result seems to have been a great deal of localized social distress and episodes of fierce, sometimes even violent, class struggle in areas desolated by this process.¹³

Accumulation by dispossession can here be interpreted as the necessary cost of making a successful breakthrough into capitalist development with the strong backing of state powers. The motivations can be internally driven (as in the case of China) or externally imposed (as in the case of neo-colonial development in export-processing zones in South-East Asia or the structural reform approach that the Bush administration now proposes to attach to foreign aid grants to poor nations). In most cases, some combination of internal motivation and external pressure lies behind such transformations. Mexico, for example, abandoned its already weakening protections of peasant and indigenous populations in the 1980s, in part under pressure from its neighbour to the north to adopt privatization and neo-liberal practices in return for financial assistance and the opening of the US market for trade through the NAFTA agreement. And even when the motivation appears predominantly internal, the external conditions

matter. The setting up of the WTO makes it easier now for China to break into the global capitalist system than would have been the case back in the 1930s when autarky within closed empires prevailed, or even back in the 1960s, when the state-dominated Bretton Woods system kept capital flows under stricter control. Post-1973 conditions—and this has been the obverse of what US pressures to open markets was supposed to do—have been far more favourable for any country or regional complex that wished to insert itself into the global capitalist system—hence the rapid rise of territories such as Singapore, Taiwan, and South Korea, and several other newly industrializing regions and countries. This openness of opportunity brought waves of deindustrialization to much of the advanced capitalist world (and even beyond, as we saw in Chapter 3) at the same time as it rendered the newly industrializing countries, as in the crisis of 1997–8, more vulnerable to movements of speculative capital, spatio-temporal competition, and further waves of accumulation by dispossession. Thus was the volatility of international capitalism constructed and expressed.

The devaluations inflicted in the course of crises are often destructive of social well-being and of social institutions more generally. This typically arises when the credit system operates a squeeze, when liquidity dries up and enterprises are forced into bankruptcy. There is no way for owners to hang on to assets and they have to relinquish them at a very low price to capitalists who have the liquidity to take over. But the circumstances vary widely. The displacements that occurred in the Dust Bowl of the 1930s and the mass migration of the 'okies' to California (so dramatically described in Steinbeck's *Grapes of Wrath*)

was the violent precursor to a long process of gradual displacement of family farming in the United States by agribusiness. The prime lever for this transition has always been the credit system, but perhaps the most interesting aspect of it is how a variety of state institutions set up ostensibly to help preserve family farming played a subversive role in facilitating the transition they were supposed to hold back.

Accumulation by dispossession became increasingly more salient after 1973, in part as compensation for the chronic problems of overaccumulation arising within expanded reproduction. The primary vehicle for this development was financialization and the orchestration, largely at the behest of the United States, of an international financial system that could, from time to time, visit anything from mild to savage bouts of devaluation and accumulation by dispossession on certain sectors or even whole territories. But the opening up of new territories to capitalist development and to capitalistic forms of market behaviour also played a role, as did the primitive accumulations accomplished in those countries (such as South Korea, Taiwan, and now, even more dramatically, China) that sought to insert themselves into global capitalism as active players. For all of this to occur required not only financialization and freer trade, but a radically different approach to how state power, always a major player in accumulation by dispossession, should be deployed. The rise of neo-liberal theory and its associated politics of privatization symbolized much of what this shift was about.

Privatization: The Cutting Edge of Accumulation by Dispossession

Neo-liberalism as a political economic doctrine goes back to the late 1930s. Radically opposed to communism, socialism, and all forms of active government intervention beyond that required to secure private property arrangements, market institutions, and entrepreneurial activity, it began as an isolated and largely ignored corpus of thought that was actively shaped during the 1940s by thinkers such as von Hayek, Ludwig von Mises, Milton Friedman, and, at least for a while, Karl Popper. It would, presciently predicted von Hayek, take at least a generation for neo-liberal views to become mainstream. Assembling funds from sympathetic corporations and founding exclusive think-tanks, the movement produced a steady but ever-expanding stream of analyses, writings, polemics, and political position statements during the 1960s and 1970s. But it was still dismissed as largely irrelevant and even scoffed at by the mainstream. It was only after the general crisis of overaccumulation became so apparent in the 1970s that the movement was taken seriously as an alternative to Keynesian and other more state-centred frameworks for policy-making. And it was Margaret Thatcher who, casting around for a better framework for attacking the economic problems of her time, discovered the movement politically and turned to its think-tanks for inspiration and advice after her election in 1979.¹⁴ Together with Reagan, she transformed the whole orientation of state activity away from the welfare state and towards active support for the 'supply-side' conditions of capital accumulation. The IMF and the World Bank changed their

policy frameworks almost overnight, and within a few years neo-liberal doctrine had made a very short and victorious march through the institutions to dominate policy, first in the Anglo-American world but subsequently throughout much of the rest of Europe and the world. Since privatization and liberalization of the market was the mantra of the neo-liberal movement, the effect was to make a new round of 'enclosure of the commons' into an objective of state policies. Assets held by the state or in common were released into the market where overaccumulating capital could invest in them, upgrade them, and speculate in them. New terrains for profitable activity were opened up, and this helped stave off the overaccumulation problem, at least for a while. Once in motion, however, this movement created incredible pressures to find more and more arenas, either at home or abroad, where privatization might be achieved.

In Thatcher's case, the large stock of social housing was one of the first set of assets to be privatized. At first blush this appeared as a gift to the lower classes, who could now convert from rental to ownership at a relatively low cost, gain control over a valuable asset, and augment their wealth. But once the transfer was accomplished housing speculation took over, particularly in prime central locations, eventually bribing, cajoling, or forcing low-income populations out to the periphery in cities like London, and turning erstwhile working-class housing estates into centres of intense gentrification. The loss of affordable housing produced homelessness and social anomie in many urban neighbourhoods. In Britain, the subsequent privatization of utilities (water, telecommunications, electricity, energy, transportation), the selling off of any

publicly owned companies, and the shaping of many other public institutions (such as universities) according to an entrepreneurial logic meant a radical transformation in the dominant pattern of social relations and a redistribution of assets that increasingly favoured the upper rather than the lower classes.

The same pattern of asset redistribution can be found almost anywhere that privatization occurred. The World Bank treated post-apartheid South Africa as a showcase for the greater efficiencies that could be achieved through privatization and liberalization of the market. It promoted, for example, either the privatization of water or 'total cost recovery' by municipally owned utilities. Consumers paid for the water they used, rather than receiving it as a free good. With higher revenues the utilities would, the theory went, earn profits and extend services. But, unable to afford the charges, more and more people were cut out of the service, and with less revenue the companies raised rates, making water even less affordable to low-income populations. One outcome, as they were forced to turn to other sources of water supply, was a cholera epidemic in which many people died. The stated objective (running water for all) could not be realized given the means insisted upon. Extensive surveys in South Africa by McDonald and others thus show that 'cost recovery on municipal services imposes enormous hardships on low-income families, contributes to massive numbers of service cut-offs and evictions, and jeopardises the potential for millions of low-income families to lead healthy and productive lives'.¹⁵

This same logic took Argentina through an extraordinary wave of privatization (water, energy, telecommunications,

transportation) which resulted in a huge inflow of over-accumulated capital and a substantial boom in asset values, followed by a collapse into massive impoverishment (now extended to more than half of the population) as capital withdrew to go elsewhere. Consider, as another example, the case of Mexican land rights. The 1917 Constitution from the Mexican revolution protected the legal rights of indigenous peoples and enshrined those rights in the *ejido* system, which allowed land to be collectively held and used. In 1991 the Salinas government passed a reform law that both permitted and encouraged privatization of the *ejido* lands. Since the *ejido* provided the basis for collective security among indigenous groups, the government was, in effect, divesting itself of its responsibilities to maintain the basis for that security. This was, moreover, one item within a general package of privatization moves under Salinas which dismantled social security protections in general and which had predictable and dramatic impacts upon income and wealth distribution.¹⁶ Resistance to the *ejido* reform was widespread, and the most vociferous of the campesino groups ended up supporting the Zapatista rebellion that broke out in Chiapas on the very day in January 1994 when the NAFTA accord was due to be put into effect. The subsequent lowering of import barriers delivered yet another blow as cheap imports from the efficient but also highly subsidized agribusinesses (as much as 20 per cent of cost) in the United States drove down the price of corn and other products to the point where small agricultural producers could not compete. Close to starvation, many of these producers have been forced off the land to augment the pool of the unemployed in already overcrowded cities. Similar effects on rural populations have been experienced world-

wide. Cheap imports of vegetables from California and rice from Louisiana, achieved under WTO rules, are now displacing rural populations in Japan and Taiwan for example. Foreign competition under WTO rules is devastating rural life in India. In effect, reports Roy, 'India's rural economy, which supports seven hundred million people, is being garroted. Farmers who produce too much are in distress, farmers who produce too little are in distress, and landless agricultural labourers are out of work as big estates and farms lay off their workers. They're all flocking to the cities in search of employment.'¹⁷ In China the estimate is that at least half a billion people will have to be absorbed by urbanization over the next ten years if rural mayhem and revolt is to be avoided. What they will do in the cities remains unclear, though, as we have seen, the vast physical infrastructural plans now in the works will go some way to absorbing the social distress.

Privatization, Roy concludes, is essentially 'the transfer of productive public assets from the state to private companies. Productive assets include natural resources. Earth, forest, water, air. These are the assets that the state holds in trust for the people it represents. . . . To snatch these away and sell them as stock to private companies is a process of barbaric dispossession on a scale that has no parallel in history.'¹⁸

That the Zapatista rebellion in Chiapas, Mexico had much to do with protection of indigenous rights was obvious. That the trigger for this movement was the conjoining of initiatives towards privatization of the commons and the opening up of free trade through NAFTA was also obvious. This raises, however, the general question of the resistance to accumulation by dispossession.

Struggles over Accumulation by Dispossession

Primitive accumulation as Marx depicts it entailed a whole series of violent and episodic struggles. The birth of capital was no peaceable affair. It was written into the history of the world, as Marx put it, 'in letters of blood and fire'. Christopher Hill, in *The World Turned Upside Down*, provides a detailed account of how these struggles unfolded in seventeenth-century Britain, as the forces of private power and landownership clashed repeatedly with multiple and diverse popular movements pointing away from capitalism and privatization towards radically different forms of social and communal organization.¹⁹ Accumulation by dispossession in our own times has similarly provoked political and social struggles and vast swaths of resistance. Many of these now form the core of a diverse and seemingly inchoate but widespread anti- or alternative globalization movement. The ferment of alternative ideas within these movements matches the fecundity of ideas generated in other historical phases of parallel disruptions in ways of life and social relations (1640–80 in Britain and 1830–48 in France spring to mind). The emphasis within these movements on the theme of 'reclaiming the commons' is indicative, however, of the deep continuities with struggles of long ago.

These struggles pose, however, serious difficulties of interpretation and analysis. You cannot make an omelette without breaking eggs, the old adage goes, and the birth of capitalism entailed fierce and often violent episodes of creative destruction. While the class violence was abhorrent, the positive side was to obliterate feudal relations, liberate creative energies, open up society to strong cur-

rents of technological and organizational change, and overcome a world based on superstition and ignorance and replace it with a world of scientific enlightenment with the potentiality to liberate people from material want and need. From this standpoint it could be said that primitive accumulation was a necessary though ugly stage through which the social order had to go in order to arrive at a state where both capitalism and some alternative socialism might be possible. Marx (as opposed to anarchists such as Reclus and Kropotkin, and adherents of the William Morris branch of socialism) placed little if any value on the social forms destroyed by primitive accumulation. Nor did he argue for a perpetuation of the status quo and most certainly not for any reversion to pre-capitalist social relations and productive forms. He took the view that there was something progressive about capitalist development and that this was true even for British imperialism in India (a position that did not command much respect in the anti-imperialist movements of the post-Second World War period, as the icy reception of Bill Warren's work on imperialism as the pioneer of capitalism showed).²⁰

This issue is of critical importance in any political evaluation of contemporary imperialistic practices. While levels of exploitation of labour power in developing countries are undoubtedly high and abundant cases of abusive practices can be identified, the ethnographic accounts of the social transformations wrought by foreign direct investments, industrial development, and offshore production systems in many parts of the world tell a more complicated story. In some instances the position of women, who provide the bulk of the labour power, has

been significantly changed if not enhanced. Faced with the choice of sticking with industrial labour or returning to rural impoverishment, many within the new proletariat seem to express a strong preference for the former. In other instances sufficient class power has been achieved to make real material gains in living standards and to achieve a standard of life far superior to the degraded circumstances of a previous rural existence. It is then arguable whether the problem in Indonesia, for example, was the impact of rapid capitalist industrialization on life chances during the 1980s and 1990s or the devaluation and de-industrialization occasioned through the financial crisis of 1997–8 that demolished much of what that industrialization had achieved. Which, then, was the more serious problem: the import and insertion of capital accumulation through expanded reproduction into the Indonesian economy or the total disruption of that activity through accumulation by dispossession? While it is obviously true that the latter was a logical corollary of the former, and that the real tragedy is constituted by drawing (sometimes forcibly) populations into the proletariat in short order only to cast them off as redundant labour, I also think it plausible that the second step did far more damage to the long-term hopes, aspirations, and possibilities of the mass of the impoverished population than did the first. The implication is that primitive accumulation that opens up a path to expanded reproduction is one thing, and accumulation by dispossession that disrupts and destroys a path already opened up is quite another.

The recognition that primitive accumulation may be a necessary precursor to more positive changes raises the whole question of the politics of dispossession under

socialism. It was, within the Marxist/communist revolutionary tradition, often deemed necessary to organize the equivalent of primitive accumulation in order to implement programmes of modernization in those countries that had not gone through the initiation into capitalist development. This sometimes meant similar levels of appalling violence, as with the forced collectivization of agriculture in the Soviet Union (the elimination of the kulaks) and in China and eastern Europe. These policies were hardly great success stories and sparked political resistance that was in some instances ruthlessly crushed. This approach created its own difficulties wherever it was implemented. The difficulties the Sandinistas had in dealing with the Atlantic coast Mesquito Indians in Nicaragua, as they planned socialist development in the region, created a Trojan horse through which the CIA could mount its successful Contra offensive against the revolution.

While, therefore, struggles against primitive accumulation could provide the seedbed of discontent for insurgent movements, including those embedded in the peasantry, the point of socialist politics was not to protect the ancient order but to attack directly the class relations and forms of state power that were attempting to transform it and arrive thereby at a totally different configuration of class relations and state powers. This idea was central to many of the revolutionary movements that swept the developing world in the aftermath of the Second World War. They fought against capitalist imperialism but did so in the name of an alternative modernity rather than in defence of tradition. In so doing they often found themselves opposing and opposed by those who sought to protect if not

revitalize traditional systems of production, cultural norms, and social relations.

Insurgent movements against accumulation by dispossession did not necessarily appreciate being co-opted by socialist developmentalism. The patchy record of success for the socialist alternative (the early achievements of Cuba in fields of health care, education, and agronomy initially inspired before later flagging), and the climate of repressive politics largely orchestrated by Cold War politics, made it increasingly difficult for the traditional left to claim a position of leadership rather than of coercive domination in relation to these social movements.

The insurgent movements against accumulation by dispossession generally took a different political path, in some instances quite hostile to socialist politics. This was sometimes for ideological but in other instances simply for pragmatic and organizational reasons that derived from the very nature of what such struggles were and are about. To begin with, the variety of such struggles was and is simply stunning. It is hard to even imagine connections between them. The struggles of the Ogoni people against the degradation of their lands by Shell Oil; the long-drawn-out struggles against World Bank-backed dam construction projects in India and Latin America; peasant movements against biopiracy; struggles against genetically modified foods and for the authenticity of local production systems; fights to preserve access for indigenous populations to forest reserves while curbing the activities of the timber companies; political struggles against privatization; movements to procure labour rights or women's rights in developing countries; campaigns to protect biodiversity and to prevent habitat destruction; peasant

movements to gain access to land; protests against highway and airport construction; literally hundreds of protests against IMF-imposed austerity programmes—these were all part of a volatile mix of protest movements that swept the world and increasingly grabbed the headlines during and after the 1980s.²¹ These movements and revolts were frequently crushed with ferocious violence, for the most part by state powers acting in the name of 'order and stability'. Client states, supported militarily or in some instances with special forces trained by the major military apparatuses (led by the US, with Britain and France playing a minor role), took the lead in a system of repressions and liquidations to ruthlessly check activist movements challenging accumulation by dispossession.

To this complicated picture must then be added the extraordinary proliferation of international NGOs, particularly after 1970 or so, most of them dedicated to single-issue politics (the environment, the status of women, civil rights, labour rights, poverty elimination, and the like). While some of these NGOs came out of religious and humanistic traditions in the West, others were set up in the name of battling poverty but were funded by groups assiduously pursuing the aim of proliferating market exchange. It is hard not to feel overwhelmed by the extent and diversity of issues or the range of objectives. An activist like Roy puts it this way: 'What is happening to our world is almost too colossal for human comprehension to contain. But it is a terrible, terrible thing. To contemplate its girth and circumference, to attempt to define it, to try and fight it all at once, is impossible. The only way to fight it is by fighting specific wars in specific ways.'²²

But the movements are not only inchoate. They often exhibit internal contradictions as, for example, when indigenous populations claim back rights in areas that environmental groups regard as crucial to put a fence around to protect biodiversity and to prevent habitat destruction. And partly because of the distinctive conditions that give rise to such movements, their political orientation and modes of organization also depart markedly from those that typically coalesced around expanded reproduction. The Zapatista rebellion, for example, did not seek to take over state power or accomplish a political revolution. It sought instead a more inclusionary politics to work through the whole of civil society in a more open and fluid search for alternatives that would look to the specific needs of the different social groups and allow them to improve their lot. Organizationally, it tended to avoid avant-gardism and refused to take on the form of a political party. It preferred instead to remain a social movement within the state, attempting to form a political power bloc in which indigenous cultures would be central rather than peripheral. It sought thereby to accomplish something akin to a passive revolution within the territorial logic of power commanded by the Mexican state apparatus.²³

The effect of all these movements *in toto* was to shift the terrain of political organization away from traditional political parties and labour organizing into what was bound to be in aggregate a less focused political dynamic of social action across the whole spectrum of civil society. What this movement lost in focus it gained in terms of relevance and embeddedness in the politics of daily life. It drew its strengths from that embeddedness, but in so

doing often found it hard to extract itself from the local and the particular to understand the macro-politics of what accumulation by dispossession was and is all about.

The danger, however, is of seeing all such struggles against dispossession as by definition 'progressive' or, even worse, of placing them under some homogenizing banner like that of Hardt and Negri's 'multitude' that will magically rise up to inherit the earth.²⁴ This, I think, is where the real political difficulty lies. Because if Marx is only partially right, in holding that there can sometimes be something progressive about primitive accumulation, that to make the omelette some eggs must be broken, then we have to confront difficult choices head-on. And these are the choices that now face the anti- or alternative globalization movement and which threaten to blow apart a movement that seems to hold such promise for anti-capitalist and anti-imperialist struggle. Let me elaborate.

The Dual Domains of Anti-Capitalist and Anti-Imperialist Struggle

The classic view of the Marxist/socialist left was that the proletariat, defined as waged workers deprived of access to or ownership of the means of production, was the key agent of historical change. The central contradiction was between capital and labour in and around the point of production. The primary instruments of working-class organization were trade unions and political parties whose aim was to procure state power in order either to regulate or to supplant capitalist class domination. The focus was, therefore, on class relations and class struggles within the

field of capital accumulation understood as expanded reproduction. All other forms of struggle were viewed as subsidiary, secondary, or even dismissed as peripheral or irrelevant. There were, of course, many nuances and variations on this theme but at the heart of it all the view prevailed that the proletariat was the unique agent of historical transformation. Struggles waged according to this prescription bore remarkable fruit for much of the twentieth century, particularly in the advanced capitalist countries. While revolutionary transformations did not occur, the growing power of working-class organizations and political parties achieved remarkable improvements in material living standards coupled with the institutionalization of a wide range of social protections. The social democratic welfare states that emerged, particularly in western Europe and Scandinavia, could be viewed, in spite of their inherent problems and difficulties, as models of progressive development. And they would not have come about had it not been for fairly single-minded proletarian organization within the framework of expanded reproduction as experienced within the nation-state. I think it important to acknowledge the significance of this achievement.

While the single-mindedness was productive, it was bought at the cost of innumerable exclusions. Attempts, for example, to incorporate urban social movements into the agenda of the left broadly failed, except, of course, in those parts of the world where communitarian politics prevailed. The politics deriving from the workplace and the point of production dominated the politics of the living space. Social movements such as feminism and environmentalism remained outside the purview of the

traditional left. And the relation of internal struggles for social betterment to external displacements characteristic of imperialism tended to be ignored (with the result that much of the labour movement in the advanced capitalist countries fell into the trap of acting as an aristocracy of labour out to preserve its own privileges, by imperialism if necessary). Struggles against accumulation by dispossession were considered irrelevant. This single-minded concentration of much of the Marxist- and communist-inspired left on proletarian struggles to the exclusion of all else was a fatal mistake. For if the two forms of struggle are organically linked within the historical geography of capitalism, then the left was not only disempowering itself but was also crippling its analytical and programmatic powers by totally ignoring one side of this duality.

In the long-drawn-out dynamic of class struggle after the crisis of 1973, working-class movements were everywhere put on the defensive. While there was considerable unevenness in how these struggles unfolded (depending upon the strength of resistance), the effect was generally to diminish the power of these movements to affect the trajectory of global capitalist development. The rapid expansion of production in East and South-East Asia occurred in a world where, with the single exception of South Korea, independent (as opposed to corporatist) trade-union movements were either non-existent or vigorously repressed and where communism and socialism as political movements were violently put down (the Indonesian bloodbath of 1965, when Suharto overthrew Sukarno and maybe as many as a million people were killed, was the most brutal case). Elsewhere, throughout Latin America as well as in Europe and North America,

the rise of finance capital, freer trade, and the disciplining of the state by cross-border flows in liberalized capital markets made traditional forms of labour organization less appropriate and, as a consequence, less successful. Revolutionary and even reformist movements (as in Chile under Allende) were violently repressed by military power.

But the intense difficulty of sustaining expanded reproduction was also generating a much greater emphasis upon a politics of accumulation by dispossession. The forms of organization developed to combat the former did not translate well when it came to confronting the latter. Generalizing crudely, the forms of left-wing political organization established in the period 1945–73, when expanded reproduction was in the ascendant, were inappropriate to the post-1973 world, where accumulation by dispossession moved to the fore as the primary contradiction within the imperialist organization of capital accumulation.

The result was the emergence of a different kind of politics of resistance, armed, eventually, with a different kind of alternative vision to that of socialism or communism. This distinction was early recognized by, for example, Samir Amin, specifically with respect to struggles in what he termed the peripheral zones of capitalism:

the unequal development immanent in capitalist expansion has placed on the agenda of history another type of revolution, that of the peoples (i.e. not specific classes) of the periphery. This revolution is anti-capitalist in the sense that it is against capitalist development as it actually exists because it is intolerable for these peoples. But that does not mean that these anti-capitalist revolutions are socialist. . . . By force of circumstances, they

have a complex nature. The expression of their specific and new contradictions, which was not imagined in the classical perspective of the socialist transition as conceived by Marx, gives post-capitalist regimes their real content, which is that of a popular national construction in which the three tendencies of socialism, capitalism and statism combine and conflict.

Unfortunately, Amin went on to argue, many contemporary movements

feed on the spontaneous popular revolt against the unacceptable conditions created by peripheral capitalism; they have so far, however, fallen short of making the demand for the double revolution by which modernization and popular enfranchisement must come together; as a result, their fundamental dimension, feeding on the backward-looking myth, continues to express itself in a language in which the metaphysical concern remains exclusive in the whole social vision.²⁵

While I do not think that accumulation by dispossession is exclusively to the periphery, it is certainly the case that some of its most vicious and inhumane manifestations are in the most vulnerable and degraded regions within uneven geographical development.

Struggles over dispossession occur, however, on a variety of scales. Many are local, others regional, and still others global, so that command of the state apparatus—the primary objective of traditional socialist and communist movements—seems less and less relevant. When this shift is coupled with a growing sense of disillusion with what socialist developmentalism has been able to accomplish, then the grounds for seeking an alternative politics appear even stronger. The targets and objectives of such struggles are also, as Amin remarks, diffuse, very much a

function of the inchoate, fragmentary, and contingent forms taken by accumulation by dispossession. Destruction of habitat here, privatization of services there, expulsions from the land somewhere else, biopiracy in yet another realm—each creates its own dynamic. The trend is, therefore, to look to the ad hoc but more flexible organizational forms that can be built within civil society to respond to such struggles. The whole field of anti-capitalist, anti-imperialist, and anti-globalization struggle has consequently been reconfigured and a very different political dynamic has been set in motion.

For many commentators, these new movements with their special qualities earned the appellation 'postmodern'. This was how the Zapatista rebellion was often characterized. While the descriptions of such movements were undoubtedly apt, the appellation 'postmodern' is unfortunate. It may seem silly to quarrel about a word, but the substantive connotations are important. There is, to begin with, a certain difficulty that arises out of the inherent periodization and historicism that inevitably attaches to the prefix 'post'. There have been, as I have already indicated, many episodes of primitive accumulation and accumulation by dispossession within the historical geography of capitalism. Eric Wolf's study *Peasant Wars of the Twentieth Century* puts one dimension of such struggles in a comparative perspective without in any way resorting to the idea of postmodernity. It is therefore somewhat surprising to find June Nash, whose depictions of the changing state of things in Chiapas provides an evidentiary document of an exemplary sort, agreeing to the appellation of 'postmodern' for what the Zapatistas were and are about, when it surely makes more sense to

see that struggle against the background of a long lineage of such struggles on the part of indigenous and peasant populations against the encroachments of capitalist imperialism and the constant threat of dispossession of whatever assets they do control by state-led actions. In the Zapatista case it is, I think, particularly significant that the struggle first emerged in the lowland forests, where displaced indigenous elements constructed an alliance with *mestizos* based upon their parallel impoverishment and their systematic exclusion from any of the benefits to be had from resource extraction (primarily of oil and timber) from the region they inhabited. The subsequent depiction of this movement as being purely about 'indigenous peoples' may have had more to do with claiming legitimacy with respect to the Mexican Constitution's provision protecting indigenous rights than with an actual description of origins.²⁶

But in the same way that dismissal of the 'organic link' between accumulation by dispossession and expanded reproduction disempowered and limited the vision of the traditional left, so resort to the conception of postmodern struggle has the same impact upon the newly emerging movements against accumulation by dispossession. Hostility between the two trains of thought and style of organizing is already much in evidence within the anti-globalization movement. A whole wing of it sees the struggle to command the state apparatus as not only irrelevant but an illusory diversion. The answer lies, they say, in localization of everything.²⁷ That wing likewise tends to dismiss the union movement as a closed modernist, reactionary, and oppressive form of organization that needs to be superseded by the more fluid and open

postmodern forms of social movement. The nascent union movements in, say, Indonesia and Thailand, which are struggling against exactly the same neo-liberal forces of oppression as the Zapatistas, though under very different circumstances and from a very different social and cultural base, find themselves excluded. On the other hand, many traditional socialists regard the new movements as naive and self-destructive, as if there is nothing of interest to be learned from them. Cleavages of this sort are divisive, as some of the debates in the most recent World Social Forums at Porto Alegre have indicated. The accession of the Brazilian Workers' Party, which obviously has a 'workerist' base and seeks to command support in part by traditional leftist means, to state power renders the debate both more strident and more urgent.

But the differences cannot be buried under some nebulous concept of 'the multitude' in motion either. They must be confronted politically as well as analytically. On the latter plane, Luxemburg's formulation stands as extremely helpful. Capital accumulation indeed has a dual character. But the two aspects of expanded reproduction and accumulation by dispossession are organically linked, dialectically intertwined. It therefore follows that the struggles within the field of expanded reproduction (that the traditional left placed so much emphasis upon) have to be seen in a dialectical relation with the struggles against accumulation by dispossession that the social movements coalescing within the anti- and alternative globalization movements are primarily focusing upon. If the current period has seen a shift in emphasis from accumulation through expanded reproduction to accumulation through dispossession, and if the latter lies at the heart of imperi-

alist practices, then it follows that the balance of interest within the anti- and alternative globalization movement must acknowledge accumulation by dispossession as the primary contradiction to be confronted. But it ought never to do so by ignoring the dialectical relation to struggles in the field of expanded reproduction.

But this then re-poses the problem that not all struggles against dispossession are equally progressive. Just consider the militia movement in the United States, or anti-immigrant sentiments in ethnic enclaves fighting against 'foreign' incursions on what they regard as ancient and venerable land rights. The danger lurks that a politics of nostalgia for that which has been lost will supersede the search for ways to better meet the material needs of impoverished and repressed populations; that the exclusionary politics of the local will dominate the need to build an alternative globalization at a variety of geographical scales; that reversion to older patterns of social relations and systems of production will be posited as a solution in a world that has moved on. There appear to be no easy answers to such questions.

Yet it is often relatively easy to effect some level of reconciliation. Consider, for example, Roy's arguments against the massive investments in dam construction in the Narmada valley in India. Roy favours the provision of cheap electricity to impoverished rural populations. She is not an anti-modernist. Her argument against the dams is: (a) the electricity is expensive relative to other forms of generation while the agricultural benefits (rarely measured) from irrigation appear to be minimal; (b) the environmental costs appear to be huge (again, there is no serious attempt to assess let alone measure them); (c) the

vast amount of money flowing into the project benefits a small elite of consultants, engineers, construction companies, turbine producers, etc. (many of which are foreign, including the infamous Enron), and that this money could be much better spent elsewhere; (d) all the risk is borne by the state since the participating companies are guaranteed a rate of return; and (e) that the hundreds of thousands of people displaced from their lands, their histories, and their livelihoods are mostly either indigenous or marginalized (*dalit*) populations that receive absolutely no compensation and no benefits from the projects. They were not even consulted or informed, and ended up standing waist-deep in water in their villages as the government suddenly filled the dam in one monsoon season. While this is, clearly, a specific war in a particular place that needs to be fought in specific ways, its general class character is clear enough, as is the 'barbaric' process of dispossession.²⁸ That as many as 30 million people have been displaced by dam projects in India alone over the last fifty years testifies to both the extent and brutality of the process. But the reconciliation depends crucially on recognizing the fundamental political role of accumulation by dispossession as a fulcrum of what class struggle is and should be construed to be about.

My own view, for what it is worth, is that the political movements, if they are to have any macro and long-run impact, must rise above nostalgia for that which has been lost and likewise be prepared to recognize the positive gains to be had from the transfers of assets that can be achieved through limited forms of dispossession (as, for example, through land reform or new structures of decision-making such as joint forest management). They

must likewise seek to discriminate between progressive and regressive aspects of accumulation by dispossession and seek to guide the former towards a more generalized political goal that has more universal valency than the many local movements, which often refuse to abandon their own particularity. In so doing, however, ways must be found to acknowledge the significance of the multiple identifications (based on class, gender, locality, culture, etc.) that exist within populations, the traces of history and tradition that arise from the ways in which they made themselves in response to capitalist incursions, as they see themselves as social beings with distinctive and often contradictory qualities and aspirations. Otherwise there is the danger of re-creating the lacunae in Marx's account of primitive accumulation and failing to see the creative potential that resides in what some regard dismissively as 'traditional' and non-capitalistic social relations and systems of production. Some way must be found, both theoretically and politically, to move beyond the amorphous concept of 'the multitude' without falling into the trap of 'my community, locality, or social group right or wrong'. Above all, the connectivity between struggles within expanded reproduction and against accumulation by dispossession must assiduously be cultivated. Fortunately, in this, the umbilical cord between the two forms of struggle that lies in financial institutional arrangements backed by state powers (as embedded in and symbolized by the IMF and the WTO) has been clearly recognized. They have quite rightly become the main focus of the protest movements. With the core of the political problem so clearly recognized, it should be possible to build outwards into a broader politics of creative destruction mobilized against

the dominant regime of neo-liberal imperialism foisted upon the world by the hegemonic capitalist powers.

Imperialism as Accumulation by Dispossession

When Joseph Chamberlain led Britain into the Boer War through the annexation of the Witwatersrand at the beginning of the twentieth century, it was clear that the gold and diamond resources were the prime motivation. Yet, as we earlier saw, his conversion to an imperialist logic arose out of the inability to find any internal solutions to the chronic problem of overaccumulation of capital within Britain. This inability had everything to do with the internal class structure that blocked any large-scale application of surplus capitals towards social reform and infrastructural investments at home. The drive of the Bush administration to intervene militarily in the Middle East likewise has much to do with procuring firmer control over Middle Eastern oil resources. The need to exert that control had ratcheted steadily upwards since President Carter first enunciated the doctrine that the United States was prepared to use military means to ensure the uninterrupted flow of Middle Eastern oil into the global economy. Since recessions in the global economy correlate with oil price hikes, so the general lowering of oil prices can be seen as one tactic in seeking to confront the chronic problems of overaccumulation that have arisen over the past three decades. As occurred in Britain at the end of the preceding century, the blockage of internal reform and infrastructural investment by the configuration of class

interests during these years has also played a crucial role in the conversion of US politics towards a more and more overt embrace of imperialism. It is tempting, therefore, to see the US invasion of Iraq as the equivalent of Britain's engagement in the Boer War, both occurring at the beginning of the end of hegemony.

But military interventions are the tip of the imperialist iceberg. Hegemonic state power is typically deployed to ensure and promote those external and international institutional arrangements through which the asymmetries of exchange relations can so work as to benefit the hegemonic power. It is through such means that tribute is in effect extracted from the rest of the world. Free trade and open capital markets have become primary means through which to advantage the monopoly powers based in the advanced capitalist countries that already dominate trade, production, services, and finance within the capitalist world. The primary vehicle for accumulation by dispossession, therefore, has been the forcing open of markets throughout the world by institutional pressures exercised through the IMF and the WTO, backed by the power of the United States (and to a lesser extent Europe) to deny access to its own vast market to those countries that refuse to dismantle their protections.

None of this, however, would have assumed the importance it currently does if there had not emerged chronic problems of overaccumulation of capital through expanded reproduction coupled with a political refusal to attempt any solution to these problems by internal reform. The rise in importance of accumulation by dispossession as an answer, symbolized by the rise of an internationalist politics of neo-liberalism and privatization, correlates with the visitation

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of periodic bouts of predatory devaluation of assets in one part of the world or another. And this seems to be the heart of what contemporary imperialist practice is about. The American bourgeoisie has, in short, rediscovered what the British bourgeoisie discovered in the last three decades of the nineteenth century, that, as Arendt has it, 'the original sin of simple robbery' which made possible the original accumulation of capital 'had eventually to be repeated lest the motor of accumulation suddenly die down'.²⁹ If this is so, then the 'new imperialism' appears as nothing more than the revisiting of the old, though in a different place and time. Whether or not this is an adequate conceptualization of matters remains to be evaluated.

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Consent to Coercion

Imperialism of the capitalist sort arises out of a dialectical relation between territorial and capitalistic logics of power. The two logics are distinctive and in no way reducible to each other, but they are tightly interwoven. They may be construed as internal relations of each other. But outcomes can vary substantially over space and time. Each logic throws up contradictions that have to be contained by the other. The endless accumulation of capital, for example, produces periodic crises within the territorial logic because of the need to create a parallel accumulation of political/military power. When political control shifts within the territorial logic, flows of capital must likewise shift to accommodate. States regulate their affairs according to their own distinctive rules and traditions and so produce distinctive styles of governance. A basis is here created for uneven geographical developments, geopolitical struggles, and different forms of imperialist politics. Imperialism cannot be understood, therefore, without first grappling with the theory of the capitalist state in all its diversity. Different states produce different imperialisms, as was obviously so with the British, French, Dutch, Belgian, etc.