Marx’s *Capital* presents a rigorous scientific analysis of the capitalist mode of production and capitalist society, and how they differ from earlier forms. Volume 1 delves into the heart of the problem. It directly clarifies the meaning of the generalization of commodity exchanges between private property owners (and this characteristic is unique to the modern world of capitalism, even if commodity exchanges had existed earlier), specifically the emergence and dominance of value and abstract social labor. From that foundation, Marx leads us to understand how the proletarian’s sale of his or her labor power to the “man with money” ensures the production of surplus value that the capitalist expropriates, and which, in turn, is the condition for the accumulation of capital. The dominance of value governs not only the reproduction of the economic system of capitalism; it governs every aspect of modern social and political life. The concept of alienation points to the ideological mechanism through which the overall unity of social reproduction is expressed.

Volume 2 demonstrates why and how capital accumulation functions, more specifically, why and how accumulation successfully integrates the exploitation of labor in its reproduction and overcomes the effects of the social contradiction that it represents. The suitable division of social labor between production of the means of production and production of consumption goods ensures the overall balance of supply and demand for goods and services produced exclusively within the context of the capitalist system of social relations. For my part, I have argued more specifically that: (1) the mechanism of accumulation requires an advance of credit the volume of which can be calculated on the basis of the rates of progress in the productivity of social labor for each of the two departments of production in question (and that was my response to Rosa Luxemburg’s poorly posed question concerning the realization of surplus value); (2) the realization of a dynamic balance of growth requires the real wage (the value of labor power) itself to increase at a rate that can be

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calculated on the basis of growth in productivity; and (3) consequently, the model presented in volume 2 does not allow us to say anything about the tendency of the rate of profit to fall (Law of Worldwide Value, Chapter 1).

Taken together, volumes 1 and 2 of Capital do not provide specific information on the history of the emergence of the capitalism that they analyze. As Marx himself says, his aim is to offer an analysis of the essence of capitalism, its “ideal average.” He does not consider, then, the relations between the space controlled by this capitalist mode (the only space analyzed in these two volumes) and other spaces of social production, prior to or even contemporary with the existence of concrete historical capitalism, in England or elsewhere.

This focus on the capitalist mode of production allows Marx to show how that mode is the basis for an “economic science” that proposes to outline the conditions for a general equilibrium between supply and demand in capitalist commodities, and how the capitalist mode advances that science as the newly dominant form of social thought. Commodity alienation is the secret of this triumph. It reverses the relations between the economic instance, which becomes dominant, and the political and ideological instances, which consequently lose the characteristic dominance they had in earlier societies. This is the meaning of my reading of the subtitle of Capital (“Critique of Political Economy”): a reading that reveals the status of economic science in modern social thought.

Volume 3 of Capital is different. Here Marx moves from the analysis of capitalism in its fundamental aspects (its “ideal average”) to that of the historical reality of capitalism. He does so only partially by dealing with three sets of questions. The first set concerns ground rent, that is, the right of landowners to a fraction of the surplus value produced by the capitalist exploitation of labor. We are here plunged into the heart of the question concerning the history of the emergence of historical capitalism. Capitalism did not fall from the sky onto a virgin earth. It was forged through its conflict with the feudal society of the ancien régime—in England, France, and a few other places in Europe. Traces of this conflict can be found in the capitalist formations (as distinct from the capitalist mode of production) that existed in Marx’s era.

The second set concerns questions about the functioning of money (commodity money—the general equivalent of exchange—and credit, of which commodity money is the support). The distinction between interest on money (and its rate) and profit on capital emerges from this analysis. This is both an inseparable complement to the analysis of the capitalist mode of production (i.e., a complement to what volumes 1 and 2 contribute to this analysis) and an opening to historical considerations.
In this connection, Marx offers several observations on the management of money by the Banks of England and France and on the theories advanced in this area by others.

The third set focuses on the cycles and crises of accumulation, examined within the context of the concrete history of England and Europe of that period. Here I refer the reader to what I have written about Marx’s analysis of these questions, both their general theoretical dimension and their concrete historical expressions (Law, Chapters 2 and 3). Further, note that there is no systematic analysis in volume 3 of two sets of major questions: first, the class struggles characteristic of the capitalist mode of production and of historical capitalisms, as well as the interaction of those struggles with the process of accumulation; and second, the new international relations distinctive of historical capitalisms, including capitalism’s tendency towards globalization, and the interaction of these distinctive international relations with class struggles and the accumulation process. Marx provides only scattered observations on this subject.

2

To move from the reading of Capital (and particularly of volumes 1 and 2) to that of historical capitalisms at successive moments of their deployment has its own requirements, even beyond reading all of Marx and Engels. Marxist theoreticians and activists have always expressed their admiration for Marx and Engels’s writings, made their reading of these writings recognizable, either explicitly or implicitly, and wanted to be inspired by them as part of their response to the challenges facing them in their struggles. I have no intention here of reviewing these diverse readings, but only to formulate what, in my reading of historical capitalisms, should be retained and discussed by all those—Marxist or not—who believe that “another, better world is necessary.”

The reading of Capital that I have proposed above is certainly shared by others. But it is not the one prevalent in the dominant currents of the historical Marxisms of the Second and Third Internationals. The success of Marxism in revolutionary anti-capitalist circles of the modern world necessarily involved a dose of simplification and popularization. Kautsky produced the first of what could be called a handbook of Marxism, something that Soviet Marxism popularized even more. In contrast with these abridgements, some Marxological works restore what, in my opinion, is the rightful status of Capital. It remains the case, though, that Marxology almost always favors exegesis to the detriment of a confrontation between theory and reality.
The recognition of this two-fold weakness—popularization and exegesis—should make it easier to understand the reasons behind the abandonment of Marxism characteristic of our era. *Capital* analyzes nineteenth century English capitalism and a reading of it does not allow us to understand the nature of contemporary capitalism. Marx’s work is thus described as “outdated.” That is not my opinion—not because I make Marx into an infallible prophet, but simply because *Capital* allows us to grasp the essential foundations of capitalism beyond its historical forms and development. In this sense, reading *Capital* will continue to provide us with guidance to perceive the diversity of forms in which the history of capitalism is expressed, but nothing more. It is still necessary to interpret historical capitalism, something that is not found in *Capital*.

Will we find such an interpretation elsewhere in the other writings of Marx and Engels, perhaps partly in volume 3 of *Capital*? I believe the answer to this question is no. Certainly, Marx devoted many of his writings to analyses of the historical capitalisms of his era. He examined the complex political and social struggles that traversed them, without reducing them to the class struggle between the proletariat and bourgeoisie. He recognized the importance of the conflicts with the aristocracies of the *anciens régimes* of England and France, but also elsewhere in Europe (Germany, Russia, and others). He gave full meaning to peasant struggles and their position in the formation of historical capitalisms. He granted complete significance to the differences in the ways that political life was managed in the various nations and emphasized the nuances in their ideological expressions. He even recognized the conflicts between the emerging nations of capitalism and their colonial conquests.

In the same spirit, Marx tackled the origins and concrete historical emergence of capitalism in England, Western Europe, and the United States. Beyond that, he initiated the study of colonial capitalism in Eastern Europe and the Americas. It is precisely because he had understood better than anyone what defines the nature of capitalism (volumes 1 and 2 of *Capital*) that he was able to grasp the significance of changes in earlier societies, those that allowed the emergence of historical capitalism in some places and did not allow it in others.

Reading all of these penetrating writings is always refreshing and full of insights. But it is not sufficient for two reasons. First, because all of these propositions that can be defined as building blocks for the construction of a materialist reading of history remain—and will continue to remain—subject to successive critical readings in the light of advances in our knowledge of the past. Once again, Marx is not a prophet beyond all possible error. The second reason is even more important: historical
capitalism has continually developed and been transformed, beyond Marx. The new is not written in Marx; it must be discovered.

I am certainly not the first, or the only, one to have adopted this approach to pursuing the work begun by Marx. The Social Democrats, Lenin, Mao, and many Marxist theoreticians (like Baran or Sweezy) have shared this approach. I will not mention here non-Marxist or even anti-Marxist theoreticians who also have been devoted to the objective of analyzing contemporary reality, whether or not they describe it as capitalist. Once again, I will not review these various interpretations of the contemporary world, but will only express my point of view on the question.

The preceding analysis should allow the reader to place my reading of historical capitalism in relation to Marx and historical Marxisms. I intend to outline my interpretation in what follows, emphasizing contemporary capitalism, its systemic crisis, and possible responses to that crisis.

I think it is helpful here to summarize briefly my interpretation of the emergence of historical capitalism (in Europe) ([3]Class and Nation). I rejected the theory of the five stages of universal history (primitive communism, slavery, feudalism, capitalism, socialism) as well as the “Asiatic mode of production” supported by various schools of historical Marxism. Having defined feudalism as an incomplete (peripheral) form from the family of tributary modes of production, I based my explanation of the early emergence of European capitalism, which then imposed itself on the world, on the concept of unequal development (the way is paved more easily for new advances in the peripheries of a system than in its centers). The most advanced (central) tributary systems also included the pre-requisites for the emergence of capitalism (contrary to the Eurocentric prejudice). The failure of the first waves of the movement in this direction (China, Near East, Italian cities) appeared to me to be the expression of a general rule in human history: the new does not emerge suddenly and miraculously; the way to the new is paved with difficulty through successive advances and retreats. The same thing is true about the necessary and possible surpassing of capitalism. I do not believe that my contention on unequal development can be found in Marx, who appears to be continually indecisive on the issue. My reading of the Formen die der Kapitalistischen Produktion vorhergehen (Pre-Capitalist Economic Formations) left me unsatisfied. My general view of historical materialism (note that I say “view” and not “theory”) led me to clarify the meaning that I gave to “under-determination” and to propose, on this basis, an interpretation of modes of articulation between the instances of the particular reality of each historical
formation. The meaning that I give to the cultural instance is obviously not the same as that attributed to it by currently fashionable culturalist theories. I define communism, understood as a superior stage of civilization and not as “civilized” capitalism or capitalism without capitalist profiteers, precisely as the dominance of the cultural instance. The titles of the chapters in Specters of Capitalism demonstrate my intentions. Here I can only refer the reader to these analyses (Specters of Capitalism, Chapters 3, 4, 5).

The globalized expansion of capitalism has always been polarizing at each stage of its development, in the sense that it has continually constructed the opposition between dominant imperialist centers and dominated peripheries. Primitive accumulation is continual. The dominant social thinking, which acts as an apologist for capitalism, is forced to ignore this reality so that it can promise to the peoples of the peripheries an impossible “catching-up” in and by means of capitalism. The currently fashionable thinking today has fostered the strong resurgence of this fatal illusion. Imperialism, which the currents of contemporary post-modernism claim is in the process of disappearing, is supposedly only a parenthesis in history, one that undertakes the real and homogenizing globalization of the advanced capitalist model. The emergent countries are allegedly proof of that possibility. I have rejected this naive, apologetic view and analyzed the emergent forms as a new stage of polarization (Implosion of Contemporary Capitalism, Chapter 2). I do not believe that Marx was ever absolutely convinced that the power of capitalist expansion would necessarily end up by homogenizing the planet, even if he seems to have suggested that view in a few scattered observations. On other occasions, he did not hesitate to denounce the impasse constructed by colonialism, outlining the possibility of socialism’s emergence from the peripheries of the globalized modern system, as shown by some of his writings on Russia.

The reality of the globalized and polarizing capitalist system forces us to take into consideration local social struggles as they are articulated with major international conflicts, both those between the imperialist centers and the peripheries struggling for their liberation and those among the dominant central powers. Marx had intended to deal with this question in the two volumes of Capital that, in the end, were not written. To formulate a critical economic theory of the world system is, in my opinion, inherently destined to failure. This is why I have argued that, at some point, Marx would have given up this project (Three Essays on Marx’s Value Theory, part I). Certainly, the economic science of globalized capitalism that is offered to us is nothing more than an apology for imperialist practices. Yet another merely economic theory of the world system
is just as impossible. Here we must place ourselves within the broader field of historical materialism. In this way, we can articulate classes, nations, and states in a whole that makes sense and allows us to understand how the modern world system functions through all its economic, political, and ideological dimensions. What I just said about the major conflict of our time (beginning in the twentieth century) is equally valid for the conflicts between the dominant central nations in the nineteenth and twentieth centuries. Since historical capitalism was formed on the basis of the emergence of central nations (the United Kingdom, France, Germany, the United States, and a few others), the conflict among these nations cannot be reduced to their competition in a market in the process of globalizing by economic means. Marx also proposed to deal systematically with the class struggle in a volume of Capital that he did not write. His scattered writings on this major subject do not fill the void.

In volume 2 of Capital, Marx demonstrates that the process of accumulation in a society reduced to the capitalist mode of production requires an increase in wages parallel to the increase in the productivity of social labor. Otherwise, general equilibrium is impossible. There would be an excess in the production of capital goods and consumption goods in relation to insufficient demand. Capitalism carries within itself this fatal contradiction: the dominant position of the bourgeoisie and the competition between capitalist companies makes it impossible for wages to increase at the necessary rate. Capitalism cannot, then, ever overcome this permanent crisis. And yet it has succeeded in substituting for this insufficient demand its horizontal expansion into forms of production that preceded it (small agricultural and artisanal production, small landed property, small trade, etc.). External colonial conquest has produced analogous effects. Sweezy quite accurately observes that it is not the crises of capitalism that are the problem, but the moments of prosperity in which these crises are overcome. To understand why that is so, we must place ourselves beyond the economic analysis of the capitalist mode of production and in the broader field of historical materialism. The moments of prosperity are explained by wars, German and Italian unity, waves of major innovations (textile machines, railroads, electricity, the automobile and airplane, information technology). This is why I do not see capitalism as the end of history, but rather as a short parenthesis (Ending the Crisis of Capitalism or Ending Capitalism?). For my part, I have attempted to place social struggles in this broader context, in particular the major class struggle between the proletariat and bourgeoisie, and have offered some systematic observations on the subject concerning the effects of this struggle on capital accumulation (Law, chapters 1,4; Three Essays, part I).
The interpretation of contemporary capitalism that I propose begins with Baran and Sweezy’s observations on the necessity for a third department to absorb the surplus produced by capitalism’s fatal contradiction. I have already said that this was, for me, a decisive contribution that has enriched Marx’s analyses of historical capitalism (*Three Essays*, part II). I shall summarize my central contentions on the transformations of contemporary imperialist capitalism in the following two points.

1. We have moved from monopoly capitalism as developed between 1890 and 1970 to a new stage characterized by a qualitatively higher level of centralization of control over capital. Consequently, all forms of production have been reduced to sub-contract status, thereby allowing the monopolies (which I call “generalized” for this reason) to appropriate an always increasing fraction of the surplus value in the form of monopoly rent (*Implosion*, Chapter 1). This qualitative leap, which was effected in a relatively brief period of time between 1975 and 1990, is expressed by the power assumed by an oligarchy (several thousand individuals) that monopolizes all economic and political power. We thus move from historical forms of “concrete” capitalisms (the description that I propose to designate the operational system of a bourgeois class made up of numerous private property owners of segments of national capital) to what I will call “abstract capitalism.” I refer here to my analysis in these terms of the transformation of the law of value and, with this development, the separation of the system of prices from that of values (*Implosion*, Chapter 1, and *Three Essays*, part I).

2. This transformation has led to the decline in the old conflict among the imperialist powers and its replacement by a new collective imperialism of the triad (United States, Europe, Japan). The imperialist powers no longer have another way to continue their domination over the immense peripheries of the system (85 percent of the world’s population), which have become zones of permanent unrest. The emergence of this collective imperialism in no way means that there has been the concomitant emergence of a “world bourgeoisie” (even at the level of the triad or of Europe) and a “world state” that would manage a globalized capitalism, as suggested by certain theories I have criticized (*Pambazuka*). State and bourgeoisie remain national: American, British, Japanese, German, etc. There is no necessary agreement between the requirements for the functioning of the economic base of the system and those for the political and ideological instances that carry out its management functions. There is no over-determination of the instances. It is, on the contrary, their under-determination that characterizes the development of social life. The concept
of over-determination implies a linear and determinist view of history. Under-determination—which appears much closer to Marx’s view—allows us to understand possible obstacles in the evolution of societies and the various alternative responses to those challenges. A good example of this contradiction is the current crisis of the European system, which is incapable of overcoming the reality of national governments, and the foreseeable implosion of the European Union (Implosion, Chapter 3).

The changes that I have described here entail extremely important consequences for the forms of political management of all national systems. In the centers (the triad), the monopoly of power exercised by the new oligarchies (which are not exclusively Russian, as Western propaganda would like us to believe!) has already emptied representative electoral democracy of any relatively positive meaning that it had acquired in the past. The alignment of social democracy, which has become social liberalism, with the positions of the classical right—in other words, the contamination of everything by the liberal virus—has already undermined the credibility of and delegitimized this democracy. This tragic evolution opens the way to the rebirth of fascism in societies that are increasingly in total disarray. The absolute power of the contemporary oligarchy is a new reality in the history of capitalism. Its dictatorship has in effect even abolished the very existence of both right and left political parties, condemned trade unions to powerlessness, and enslaved a media reduced to nothing more than a clergy dedicated to serving the oligarchy exclusively. Unfortunately, this dictatorship is quite effective, at least up to now. In these conditions, the grandiloquent discourse on the emergence of “civil society” is laughable. The civil society in question is tolerated—even encouraged—quite simply because it leaves people helpless and powerless (Implosion, Chapter 1).

In the peripheries, in general, the government is hardly more than the tool of local servants of domination by the imperialist monopolies of the triad. This new subaltern oligarchy, which has replaced the earlier national historical blocs, does not have sufficient legitimacy on which to base its power and can resort only to the permanent exercise of violence. This general observation, however, does not accurately describe the situation in several emergent countries (China in particular) and in countries still resisting imperialist domination (Cuba, Vietnam, some Latin American countries). It is clear that collective imperialism does not tolerate any refusal to submit completely to the requirements of the form of globalization it has constructed. The ambition of any government that wants to assert itself on the world stage as a national capitalism (I am not talking about socialist projects that want to go beyond capitalism) and become
an active participant in fashioning the world system encounters the firm determination of the triad to deny it this right, as we can see in the fierce hostility towards Russia. Another globalization, based on multipolarity, is simply unacceptable for the triad. Consequently, the powers of the triad are involved in a permanent war against the rest of the world because no nation can indefinitely tolerate the unconditional submission demanded.

The current system of liberal globalization is not viable. The extreme centralization of power to the exclusive benefit of the oligarchies is manifested in the endless increase in the unequal distribution of income and wealth functioning on a stagnant economic base in the historical centers and, of course, it is also manifested in the over-exploitation of labor in the dominated peripheries and the pillage of their natural resources. This contradiction is only overcome by the endless headlong rush into more financialization of economic life. One might think that such a system is irrational. In this vein, reformers such as Joseph Stiglitz, Amartya Sen, and others claim that it would just be necessary to control financialization to get out of the impasse. They quite simply forget that the oligarchy draws its privileges from this system, which might be absurd for everyone else, but is beneficial for it.

The current crisis, then, involves centralization of control over capital. It is thus a systemic crisis. In ordinary crises, characterized by a U-shaped curve, the same economic logic that produces the recession functions, in turn, to foster the recovery after a relatively short interval of a few years during which adjustments are made through the devalorization of capital and the liquidation of uncompetitive companies. By contrast, in a systemic crisis, characterized by an L-shaped curve, the possible recovery would require major structural transformations. In the present context, this would be precisely decentralization of economic control both at the national level in the centers and at the level of the world system. Faced with the determined opposition of the oligarchy, an effective reform necessarily implies the formulation of a radical project, one that opens the way to a challenge to capitalism itself (Implosion, Chapter 4). Since there is nothing to indicate that such a radicalization is on the agenda, the systemic crisis, which began in the 1970s, is far from having reached its end.

The modern world experienced its first systemic crisis beginning exactly one century before the second. Capital responded to that by a leap forward in the concentration of capital (the first monopolies at the end of the nineteenth century), the deepening of colonial globalization, and financialization managed by the City of that era, exactly as it has done to deal with the current systemic crisis, and with results just as unconvincing (Ending the Crisis, Introduction). The belle époque (for capital!) of
illusions (1900–1914) was quite short. The response that history gave to this first systemic crisis was: the First World War, the Russian Revolution, the 1929 crisis, Nazism, the Second World War, the Chinese Revolution, and the reconquest of independence by the people of Asia and Africa. Nothing less! These responses were thus spread out over a wide spectrum: socialist revolution, fascism, consistent reformism, and national independence. Why, then, would this second crisis we are now living through not call for responses just as varied: a second wave of socialist revolutions, but also a second wave of fascisms?

As always, it is impossible to give any definite response to the question of the future, which is always open. But we can—should, even—attempt to outline possible responses by continually analyzing current social, political, and ideological struggles and their articulation with international conflicts, particularly with the major conflict between the collective imperialism of the triad and the rest of the world. We may begin by examining the gigantic transformations in the social composition of countries in the North, South, and East. Here I shall outline what I believe are the most essential points.

In the developed centers, it is said that the working class—reduced to that fraction concentrated in the large factories of the Fordist era—is in numerical and political decline. Yet at the same time, proletarian status—defined as the situation of a worker who has nothing to sell but his or her labor power—is becoming more widespread. Already more than 80 percent of workers are wage earners, among which I think it is useful to distinguish those who produce surplus value (the great majority) from those who do not (a minority) or are even (a small minority) direct servants of the managers of capital (Three Essays, part III). Independent workers are also sellers of labor power. Their independence is only an appearance because, in fact, they sell their services as sub-contractors to capital.

But simultaneous with the rise in proletarianization is its extreme segmentation based on numerous criteria (women, youth, immigrants, the precariously employed and unemployed, etc.) (Implosion, Chapter 1). The immediate consequence of this segmentation, systematically implemented by current policies, is that the proletarianized population encounters great difficulties in its struggles to move from defending its gains to the formulation of radical reforms, which is complicated by their disinvolvement in discredited political parties. This situation results in the spread of illusions, the most serious of which encourage the rebirth of various kinds of fascism. But it also results in the naive idea advanced by postmodernist currents that civil society is capable of “changing life,” while it is not even able to “change the government”! The center of gravity of struggles,
then, is displaced towards fields of action viewed as critical for certain aspects of social life, particularly gender and ecological challenges. Let me be clear that I do not believe that these are minor problems, far from it. Marx already included in his critique the disequilibrium produced by the logic of capitalism in the metabolism between nature and human beings, a disequilibrium that has since become extremely dangerous. What many contemporary ecologists do not understand, unfortunately, is that re-establishing the equilibrium is impossible without a radical break with the logic of capital. Furthermore, it is unfortunately true historically that socialist movements have rarely acknowledged the central importance of relations between men and women. “First make the revolution, then deal with this problem.” No, struggles on these two fronts are inseparable. No social advance is possible without a simultaneous advance in gender relations, at each stage of humanity’s movement towards emancipation. No solid advance will be possible without an articulation of all struggles in a conscious, overall movement that would then be capable of attacking and destroying the fortress of generalized monopoly capitalism.

Unfortunately, it is clear that the current struggles in the West are occurring without any interest in what is happening elsewhere in the world. Anti-imperialist solidarity has disappeared. Wars launched by the imperialist oligarchies are even supported and there is little awareness of the lie that hides the reality of the objectives of such wars. This is not the least of the successes of the dictatorship of the oligarchies and the use they make of their media clergy.

The changes that have affected the societies of the South and the formerly socialist East in recent decades have been equally large. Although these social transformations appear to be different from one country to another, they all follow the same logic, imposed by neoliberal imperialist globalization. Consequently, these changes have been much more dramatic in their social, political, and economic effects than in the dominant centers.

The dominant major tendency has been to accelerate the processes that destroy the peasant societies that previously encompassed a large majority of the population in Asia and Africa. The peasant question immediately raises, with violent clarity, the related question of unequal relations between men and women because the destruction of rural societies always ends in more poverty and oppression of women. I have analyzed the forms taken by this accelerated and extremely brutal destruction elsewhere (Ending the Crisis, Chapter 5). This destruction is not compensated by the necessary rate of increase in urban employment to alleviate the resulting human tragedy—and cannot be. Historical imperialist capitalism has nothing to offer other than the construction of
a planet of slums. Obviously, desperate migratory pressures are also a consequence of this process of large-scale pauperization. In urban areas, pauperization is expressed in the very rapid growth of survival activities, which are described as informal employment. The systematic policies of planned exclusion that are implemented make possible the over-exploitation of subcontract labor to the benefit of monopoly capital.

Concomitant with these tragic developments that affect the vast majority of the people in these countries—60 to 80 percent of the population—the process of liberal globalization encourages the rapid growth of new middle classes composed of the minority that is integrated into the system of production. This minority—most often of negligible numbers 50 years ago—today sometimes encompasses around a fifth of the population in these countries. This minority is clearly aware that it is the sole beneficiary of the system. The indiscriminate praise lavished by pro-imperialist propaganda instruments (World Bank and others) on the rise of this new middle class quite simply ignores that its price is nothing less than the pauperization of the majority.

This specific form of proletarianization or pauperization creates a political situation that is difficult to manage. The dictatorship of local oligarchies subjected to the commands of the imperialist triad has, consequently, become the only way to manage this permanent crisis. The political personnel who had carried out responsibility for the national popular governments in the earlier stage—the era of Bandung and Nonalignment, between 1960-1980—often subsequently aligned themselves with the new globalization in the hope of remaining in power and of being tolerated by the masters of the triad, as we can see with the U-turn by Nasser’s successors in Egypt, Hafez al-Assad in Syria, and Boumediene in Algeria, or the changes in the ANC in South Africa, in the Brazilian PT, and others. But the power of the local oligarchies, even when they are supported by the middle classes that benefit from the system, remain illegitimate in the eyes of the pauperized majority, as demonstrated by the explosion of unrest in the Arab world and elsewhere. Yet these movements have not yet succeeded in going beyond the stage of angry outbursts. The viscous character of the class structure produced by the model of lumpendevelopment in question certainly explains the structural weaknesses of the revolts. Thus the way is easily opened to the short-term triumph of backward-looking false alternatives, based on religion or ethnicity.

I have attempted to outline in the analyses above my interpretation of the two-fold character of the current systemic crisis: a crisis in thepower
of the oligarchy tied to an unviable economic model and a crisis of the majority of people who are victims, but incapable of formulating a coherent alternative. This two-fold character of the crisis eliminates for the foreseeable future the possibility of revolutionary advances that would open the way to the surpassing of obsolescent capitalism. I have presented some propositions concerning the first possible steps for a movement that wishes to go beyond capitalism (Implosion, Chapter 4).

Some time ago, I was struck by the analogy between our situation and that of the fall of the Western Roman Empire. I gave an evocative title to the conclusion of my book Class and Nation (1979): “Revolution or Decadence?” This book dates back to the beginning of the still ongoing long systemic crisis. The Roman Empire established a system that centralized the draining and use of the tributary surplus it drew from the exploitation of the peoples who made up the empire, a surplus that surpassed the requirements for reproducing and advancing the productive forces of that time period: everything went to Rome and its Italian provinces. This over-centralized drain of surplus eliminated the possibilities for progress in the empire’s provinces (Rome’s “peripheries”). To overcome this blocked progress, then, it was necessary to make the empire explode, that is, for the provinces to “delink.” Simultaneously, the partial redistribution of the surplus to the Roman plebeians, corrupted by “bread and circuses,” eliminated any revolutionary prospect at the center of the system. The Roman Empire thus collapsed into chaos.

The feudal system, characterized precisely by the decentralization of the draining and use of the surplus, had the way paved for it only “by force of circumstances,” with barbarian invasions and political chaos occurring for centuries. This is why we do not refer to a “feudal revolution,” but to Roman decadence. It was nearly ten centuries before the new decentralized system gave rise to a renaissance of civilization in feudal clothes, based on progress disseminated across Europe.

The contemporary system also suffers from an excessive centralization of the surplus, now drained in the forms of globalized capitalism. This over-centralization weakens the aspirations of people in the imperialist centers for a radical transformation of the system and simultaneously condemns people in the peripheries to a lumpendevelopment with no prospects. Meeting the challenge requires the peripheries to delink and substitute sovereign national projects for unending adjustment to the impasse entailed in the exigencies of imperialist globalization.

The analogy inspired me to work out two possible forms of transition from one system to a higher stage of civilization. The higher form, which could be called revolutionary, is produced when, faced with a mode of
production that has exhausted its historical potential, the societies in question consciously and intentionally construct a possible and effective alternative. To varying degrees, the bourgeois revolutions and the first wave of socialist revolutions may be viewed in this way and thus merit their description as revolutions. But history obliges us to take the other form of transition into account, which occurs without the active and conscious intervention of social actors. The passage to European feudalism provides a good example. It is precisely the real historical existence of these two forms of possible social evolution that caused me to reject the determinist interpretation of some historical Marxist schools and emphasize the under-determination of instances.

Certainly, feudal decentralization was not the “end of history” any more than is the one I am proposing today through a deconstruction of the current form of globalization. Feudal deconstruction was itself gradually surpassed by a reconstruction of a centralized surplus. This reconstruction occurred in two stages. In the first one, the absolute monarchies of the ancien régime imposed a new national centralization in close relation with the European mercantilist system, itself really a transition to complete historical capitalism. In the second stage, in the nineteenth and twentieth centuries, the construction of capitalist/imperialist globalization completed the centralization, now operating on a world scale. In a similar way, we could imagine the long transition to communism, viewed as a higher stage of civilization, occurring in two steps: first, through the deconstruction of imperialist globalization followed by the reconstruction of a truly alternate globalization based on the fundamental principle of the solidarity of individuals and peoples in place of the principle of competition between capitals and nations. I will not venture any further in a vain attempt to describe a better future and specify what would be uniform on a world scale and what would fortunately not be so. The future is open and will be what people make it. I am satisfied with tackling issues related to what the immediate, necessary, and possible responses are to the challenge, in other words, strategies for the initial steps in a possible advance in the desired direction.

Unfortunately, there is no reason to exclude the alternative of “civilization’s suicide.” History is cluttered with the corpses of societies that were not able to overcome their contradictions, which then became fatal. Marx already made that observation, resolutely choosing a non-determinist view of history. A mismatch among the instances can become fatal. This is expressed through the continual renewal of alienations that are superimposed on one another. The commodity alienation characteristic of
capitalism and the alienations from earlier history mutually reinforce one another. Clarity of awareness, that is, the capacity to understand the nature of the system’s contradictions and issues and on that basis formulate a coherent alternative and effective strategies of action, seems to be absent from contemporary history. The lucid social actor has disappeared. This is what happened in the Roman Empire. The people of that time paid the price by sinking into barbarism for centuries. But while Europe of that time succeeded in surviving the disaster, would the same thing happen in our era when the established governments have incomparable means of destruction?

Perhaps between the two extreme situations outlined here (the highest possible revolutionary awareness or its total absence) there are other “intermediate” possibilities: partial awareness emerges from particular struggles, for example, from the struggles of peasants or women for the defense of human commons or the struggle for respect of popular sovereignty. The progress of the convergence of these particular types of awareness would make it possible to advance towards the formulation of new ways to surpass capitalism. But note: it is not a question of simply evading a forced optimism. Increased awareness will not happen through successive adaptations to the requirements of capitalist accumulation, but through awareness of the necessity of breaking with those requirements. The most enlightened segments of the movement should not isolate themselves by brandishing their disdain for others. Rather, they should involve themselves in all struggles in order to help the others to advance their understanding.

Postscript

The attentive reader will have quickly seen that this article owes much to the line of thinking to which Paul Baran, Paul Sweezy, and Harry Magdoff made decisive contributions. The text mentions them only in passing, but always in connection with points of prime importance. As I have noted elsewhere, I have closely read and re-read Capital four times during my life. It was in the 1960s that I first read Baran and Sweezy’s works and then met them personally. As a result, new light was shed on my second reading of Capital. Since then, all of my major works have followed the line of thinking pioneered by Baran and Sweezy in Monopoly Capital. Like them, I understood that it was necessary to move on from reading Capital and Marx more generally to studying capitalism; that we had to leave behind exegesis and dare to go beyond the founding texts. Here I would like to note some salient points concerning our community of thought.
(1) Examination of an abstract model of “pure” capitalism demonstrates that this system is not viable. Expanded reproduction of capital requires a growth in real wages commensurate with the increase in productivity. The subjection of workers to the diktat of capital does not allow for that. That is why Sweezy was right to say (as I recall) that it is not crises that are the problem requiring an explanation, but the existence of periods of prosperity. The discovery of the reality of the surplus and its conceptualization are essential for anyone who wants to interpret reality in its historical development, i.e., to interpret capitalism. Yet this way of interpreting the history of capitalism’s development is still a minority position within the variety of historical Marxisms.

(2) The interpretation of historical capitalism can only be that of globalized capitalism and not that of its different (national) segments examined in isolation. In the debate on the origins of capitalism, Sweezy had already clearly adopted this position, also a minority view in the schools of historical Marxism.

(3) The propositions that I have made to conceptualize a law of globalized value attempt to specify the conditions for absorption of the surplus on the global scale. In this view, imperialist rent is a decisive aspect of the monopoly rent operational in the law of globalized value. I refer to this briefly in the preceding analysis and in more detail in some of my other analyses published in Monthly Review.

This essay should then be read as the contribution that I wished to make to the homage organized by the editors of Monthly Review for this issue of the magazine. I am honored and pleased to be counted among the continuators of Baran and Sweezy's work.

Amin’s Works Referenced in Text

Class and Nation, Historically and in the Current Crisis (Monthly Review Press, 1980)


(Introduction; Chapter 5: Peasant Agriculture and Modern Family Agriculture)


(Chapter 3: Is Social History Marked by Over-Determination or Under-Determination; Chapter 4: Social Revolution and Cultural Revolution; Chapter 5: From the Dominance of Economics to the Dominance of Culture: The Withering Away of the Law of Value and the Transition to Communism).


the University of Pennsylvania), he had two Nobel-prize-winning uncles, one on each side of his family: Samuelson and Arrow. Today Summers is attracting enormous intellectual attention for having brought back the notion of “secular stagnation,” hearkening back to Hansen’s ideas in the 1930s. All of this though makes us wonder: Did Summers, then an economics major at MIT, read the two columns written by his two uncles, criticizing Sweezy in the *New York Times*? Was he aware of Leonard Silk’s widely circulated *Capitalism: The Moving Target*, which included all three of these protagonists and where Sweezy once again popped the stagnation question? Did Summers attend Sweezy’s “Why Stagnation?” lecture at the Harvard Economics Club in March 1982? (We previously asked him and his initial answer was that he might have; later we were told by his representatives that it was unlikely.) Had Summers read Samuelson’s report in *Newsweek* in 1970 on the Sweezy-Schumpeter debate on stagnation at Harvard in the 1940s? (See John Bellamy Foster, “On the Laws of Capitalism: Insights from the Sweezy-Schumpeter Debate,” *Monthly Review*, May 2011.)

No straightforward answers to these questions are likely to be forthcoming. Nevertheless, all of this highlights that *Monthly Review* and *Monthly Review Press* were the main outlets for serious discussion of secular stagnation in the 1970s—and in the decades since. What Summers himself knew of all of this is uncertain—to us anyway. But his two uncles were part of the debate on the question of stagnation that reemerged, however briefly, in the early 1970s, and were adamant in opposing Sweezy on that score. Summers, if he is aware of this at all, now believes his famous uncles were wrong, and Sweezy was right.

*Monthly Review* and *Monthly Review Press* had a major presence at Left Forum, held May 20–22 at John Jay College of Criminal Justice in New York. Editors and friends of the magazine led panels on “Imperialism in the Twenty-First Century” (John Bellamy Foster, Hannah Holleman, Roxanne Dunbar-Ortiz, John Smith, and Intan Suwandi); “Ecosocialism: What Is It and How Do We Get There?” (Hannah Holleman, Fred Magdoff, and Chris Williams); “Richard Levins and the Dialectics of Nature and Society” (Brett Clark, John Bellamy Foster, Tamara Awerbuch Friedlander, and Martha Livingston); and two panels on the work of István Mészáros (Irv Kurki, Kim Koo, Anne Pomeroy, and Mario Rendon). John Smith presented ideas from his book *Imperialism in the Twenty-First Century*, the first winner of the Paul M. Sweezy-Paul A. Baran Memorial Award. We enjoyed reconnecting with many *MR* associates and subscribers.

On May 5, both climate activist Naomi Klein and *MR* editor John Bellamy Foster were in Dublin, speaking at different venues on the environmental crisis. Foster delivered the Burns Sisters Lecture, sponsored by Maynooth University and named after Mary Burns and Lizzie Burns, partners of Engels and devoted Fenians. The *Irish Times* published a report on the two talks, under the headline “Naomi Klein Argues that Climate Change Is a Battle Between Capitalism and the Planet,” which may interest *MR* readers: http://irishtimes.com.
On March 26, the *New York Times* published another of its “Capitalism, for Better or Worse” articles, again criticizing Sweezy—this time one by Kenneth J. Arrow, hardly less distinguished than Samuelson (they had both won the Bank of Sweden’s memorial Nobel Prize in economics, then a recent supplement, introduced by the banking community, to the original Nobel Prizes established by Alfred Nobel). Arrow wrote:

The new economic ideas of Keynes and his disciples have been translated into policy with almost unprecedented speed.... In every advanced country the post-World War II economic record is like that of a new economy. Sophisticated radical economists, such as Paul Baran and Paul Sweezy, quickly recognized that the Keynesian solution would work but argued that in a capitalist system the government could spend enough to insure full employment only on socially wasteful and destructive ends, such as war and preparation for war. Socially constructive spending would necessarily compete with and eventually undermine the private sector.... [Yet] it has been found possible, over the last decade, to achieve a much higher level of government spending on social purposes and to decrease defense spending at least relatively.... There is little reason, therefore, to accept the Baran-Sweezy version of the unemployment contradiction though perhaps it is too soon to regard it as definitely controverted.

The following year, Leonard Silk, a member of the board of editors of the *New York Times* and its main economic columnist, brought out a book entitled *Capitalism: The Moving Target*, consisting of the articles in the “Capitalism, for Better or Worse” series, and a few other pieces, including one by Sweezy. Silk here acknowledged the *New York Times*’s refusal to allow Sweezy to reply, and offered him the opportunity for a rebuttal here. Sweezy’s contribution to the book, entitled “Capitalism, for Worse,” also appeared in *Monthly Review* in February 1974.

Sweezy responded to those he referred to as his “Keynesian friends” (Sweezy had been on good terms with Samuelson when they were both at Harvard in the 1930s, and was well acquainted with Arrow) by pointing out—based on research that he had conducted with Harry Magdoff—that if the increase in the share of military-related employment in 1970 compared with 1938 were eliminated, the U.S. economy would have real unemployment (including underemployment) levels equal to those of the Great Depression. The much celebrated successes of Keynesian economics had been heavily dependent on military spending. Confronted with Samuelson’s contention that the next century would be one of unmitigated prosperity, and that secular stagnation would be as unknown in 2013 as it was irrelevant in 1973—together with Arrow’s contention that Keynesianism had largely overcome the specter of unemployment—Sweezy begged to differ. “The real question,” he wrote, “to which economists ought to address themselves, but consistently refuse to do so, is why capitalism in the twentieth century has such a powerful tendency to stagnation that it requires increasingly massive forms of public and private waste to keep itself going at all.” Here again, Sweezy urged a return to the question of secular stagnation.

Fast forward to the present day. Much of the mystique that has always surrounded former U.S. Treasury Secretary Larry Summers, within the economics profession, has to do with the fact that in addition to having two economists as parents (Robert and Anita Summers, both professors of economics at
particularly among the younger generation of economists for whom Baran and Sweezy’s *Monopoly Capital* (1966), which had declared that “the normal state of the monopoly capitalist economy is stagnation,” was a major inspiration (108).

A couple of months after the publication of Sweezy’s article, in March 1973, the *New York Times*, seeking to quiet the widening anti-capitalist protests, ran a series of articles on its op-ed page under the general heading of “Capitalism, for Better or Worse.” The series concentrated on the two phenomena of the weakening of economic prosperity and the decline of military spending resulting from the drawing down of the Vietnam War. One of these articles, misleadingly entitled “Taking Stock of War,” appearing on March 14, was written by Paul Samuelson, then considered to be the leading neoclassical economist in the United States. Sweezy was twice singled out for criticism in Samuelson’s article—first, as a “revolutionary critic” of an extinct “Victorian capitalism,” now completely surpassed in the Keynesian era, and, second, for refusing to acknowledge that Keynesianism had solved the problems of the business cycle and unemployment. As Samuelson wrote,

We are almost forty years into the Age of Keynes. I believe that Luxemburg and Lenin (and Hobson and Alvin Hansen) were right to worry about the sustainability of full employment in William McKinley’s balanced-budget laissez-faire. However, not a single mixed economy has had any problem these last thirty years with chronic insufficiency of purchasing power. (Go down the list: the United States, Britain, France, Japan, Germany, little Belgium).

Nor in the century to come—1973–2073—will the ancient scourge of intermittent-shortage-of-purchasing power reoccur in the old form.

(“What about recession and stagflation, professor? Don’t deny they still happen!” Of course they do. And in 1983 or 2013 they may still occur to plague the mixed economy. But Sweezy and Bowles know what Lenin and Luxemburg couldn’t know—that the disease of cost-push inflation which is involved in stagflation has nought to do with insufficiency of domestic markets, and cold- or hot-war escapades can do nothing to make it better).

Samuelson went on to argue that military spending and wars were no longer needed to stimulate the economy, as Keynesian economists knew how to manage it on a peacetime basis, virtually guaranteeing rapid economic growth.

Sweezy soon after wrote a letter to Herbert Mitgang, a member of the editorial board of the *New York Times*, asking to be allowed to write an op-ed in response to Samuelson, in which he would present his own views, since they had been misrepresented in Samuelson’s piece—including Samuelson’s statement that Sweezy would agree that economic problems no longer had anything to do with a shortage of effective demand. Mitgang refused to offer Sweezy the requested space in which to reply, telling him he could write a letter to the editor instead, which Sweezy declined to do (Paul M. Sweezy, “Op-Ed Liberalism,” *Monthly Review*, May

(continued from inside front cover)