

Copyright is owned by the Author of the thesis. Permission is given for a copy to be downloaded by an individual for the purpose of research and private study only. The thesis may not be reproduced elsewhere without the permission of the Author.

Marxist Development Theory and State Formation:

A Theoretical and Empirical Assessment.

**A thesis presented in partial fulfilment
of the requirements**

for the degree of Master of Philosophy

in Development Studies

at

Massey University

By

Huntley Lloyd Rayne Wright

1995

320.5322
Wri

DC20

CONTENT:

Abstract	i
Preface	iv
Introduction	x

Part 1: Marxist Development Theory: Crisis or Misinterpretation?

1. Prologue: the impasse.	2
i. Historical and transhistorical categories.	2
ii. The impasse in development sociology.	22
2. Capitalism and capitalist development.	41
i. Ideal-typical forms of capitalist development.	44
ii. The desocialization the economic base.	57

Part 2: Beyond the Debate?

3. Elements in Marx's Materialism.	75
i. Marx's object domain.	79
ii. Science, Ideology and Critique.	89
4. "The political state and the dissolution of civil society".	113
i. The State as a Relation of Production.	115
ii. Capitalism's Estranged 'Logic of Essence'.	132

Part 3: Capital and State Formation.

5. Commodities, labour and the state: Toward a point of departure.	148
i. Commodities and labour.	153
ii. Abstract labour and the isolated individual.	176
iii. The circulation of money and commodities.	185

6. "Liberty, Equality, Property, and Jeremy Bentham".	202
i. Capital and the state.	202
7. Conclusion.	236
8. Bibliography.	266

Abstract

First and foremost, it is argued that contrary to traditional interpretations of Marx's work, his sociology does not provide a recipe for advancing a putative set of universal categories. The categories of the forces and social relations of production and the ideal superstructures are transhistorical categories. Taken alone, these categories are independent of any particular society and as such, have almost no explanatory value. This means, that to equate the productive forces with 'things', the social relations with economic relations and the superstructure with a 'relatively autonomous' level, irrespective of their particular mode of production, is at the same time to fetishize them.

In terms of state formation, Marxism's failure to grasp this point reflects an inability to develop a mode of abstraction which is able to avoid arriving at a generic, dualistic notion of the state 'in general'. The result is a dehistoricizing one: since conventional historical materialism takes the appearance of an isolated 'economic' sphere and an isolated 'political' sphere as a characteristic common to all human productive forms, this specifically capitalist form of appearance is transposed from a determinant historical form to a property political forms 'possess' transhistorically.

The task which Marx set himself was to explain what definite form of labour organizes surplus value, capital, private property and the state as its outcome? In terms of the state, Marx was never to answering this question in anything like the detail in which he traced the development of surplus value and capital. Nonetheless, what we have in Marx's writing is a unity between object and method. Thus, while it is true that comparatively little attention is paid to bourgeois society as an effective phenomenal form, the analytic foundations for such a critique is clearly articulated.

Thus, while part one of the present thesis is concerned with the impasse in Marxist development theory, parts two and three focus on Marx's theories of circulation, the labour theory of value and the law of equivalence in exchange. It is argued that the foregoing moments are organically linked via the category of abstract labour. However, because Marxists' have failed to grasp the originality of this category, they have also failed to identify the object of Marx's work. Furthermore, it is only through the category of abstract labour that we are able to develop a theory of state formation which can encompass the differences presented by the modern state in relation to all antecedent forms, and which does not, therefore, arrive at a generic notion of the state 'in general' (Colletti, 1972:8).

This thesis is thus a study of Marx's ideas. It draws on a variety of texts, ranging from such early works as 'The Holy Family' (1844) through to the 'Marginal Notes of Adolf Wagner' (1880). How I interpret and link these ideas is by no means original, but is greatly influenced by the writings of Derek Sayer, Lucio Colletti, Ben Fine and Henry Bernstein.

Huntley Wright

25 May, 1995

Preface

"That there is a crisis and a sense of impasse in the sociology of development field is generally accepted. There is less argument, however, concerning the precise nature of the crisis and how to go beyond it" (Mouzelis, 1988:23).

"If the evolution of capitalism is viewed as a process in which an 'economic' sphere is differentiated from the political, it follows that an explanation of that evolution entails a theory of the state and its development" (Wood, 1981:82-83).

The above quotes define the scope of this thesis. The first conveys the sense of crisis in Marxist development theory. The second defines the specific area the present thesis is concerned with: state formation, broadly conceived as the evolution of what Perry Anderson (1974:11) has called "the intricate machinery of [capitalist] class domination".

As noted by Philip Corrigan and Derek Sayer (1985:1-13), sociology, since its beginning, has recognized a unifying logic between modern state formation and capitalist development. For Max Weber (1961:249), "it ... [was] the closed nation state which afforded to capitalism

its chance of development", while for Karl Marx, bourgeois society "must assert itself in external relations as nationality and internally it must organize itself as state" (Marx and Engels, 1846:98; see also Corrigan and Sayer, 1985:1).

However, despite both theorists indicating a definite "organic unity" between the state and capitalist development, mainstream Marxist political theory, taking Frederick Engels' "political testament" ('Anti-Duhring', 1894:306-308) as its point of departure, is characterized by the "transposition" of the historical content of the modern capitalist state to the state 'in general' (Colletti, 1972:105-106). As a result, Marxist political theory has tended to allow an *a priori* "determination of the essence" to transcend its discussions on the state, in so far as the "specific autonomy of the political and economic" enters into the equation as an undiscussed assumption (see Poulantzas, 1973:130-137). Within this framework, the crucial question of why, in this particular society does political power assume the form of a centralized state power (?), is superseded by the arbitrary question of the degree of independence enjoyed by the state.

No concept of the state 'in general' can be exhaustive of the empirical features which define its particular form. It is impossible, in logic, to specify the individual

members of a class of phenomena from what they have in common. If we are to assume therefore, that the essential function of the modern capitalist state is contained within the category of the state 'in general', then the social relations not specified within the generic category of the state - i.e. what distinguishes the modern state from all antecedent forms - is excluded from our analysis by conceptual fiat. Furthermore, there remains only one way out of this methodological trap: to add another category of 'essential being', that of a class state, as the final (i.e. "in the last instance") function for all forms of political power, irrespective of the social organization of production underlying it. For example, according to Nico Poulantzas (1973:43), this 'final function' was the maintenance of a "formations unity". This means that irrespective of the actual form political power takes - i.e. feudal or capitalist - it's final function is to maintain the unity of a social formation.

If the characteristics which define the members of a particular class of phenomena are pushed beyond their legitimate parameters, and are presented as "inviolable natural laws on which society in the abstract is founded" (Marx, 1858:258), then there can be no basis for a qualitative historical distinction between the members this class of phenomena (Fine, 1984:148; see also, Marx, 1858:258). The specific social character of political power, is that which accords to it a definite historical

characterization. By transposing the social character of the modern capitalist state - its appearance of separation - to the generic category of the state 'in general', this historically specific form of appearance is not only regarded as a necessary condition of the bourgeois polity, but it acquires the fixity of a necessary condition for all antecedent manifestations of political power. Otherwise put, once we conflate the social and historical with that which is abstract and transhistorical, we lose sight of the specificity of the various forms of political power, and hence the "essential difference" between them. In short the state becomes "something altogether unhistorical" (Marx, 1858:258).

The present thesis attempts to break with this 'tradition' by demonstrating that for Marx the modern state form is an emphatically historical category and not a synonym for any and all forms of political power. Drawing on a variety of text's, I endeavour to show that for Marx, modern state formation is in fact essential to, and inseparable from, the actual configuration of capitalist development, and is not a 'superstructure' in the normal sense of this theoretically over burdened term.

The following is a lengthy, holistic, examination of the canons of historical materialism. The aim of this essentially textual and reflective discussion is to address the current impasse in Marxist development theory and to

present some tentative suggestion as to how an analysis of state formation in developing societies may proceed. Importantly, I attempt to address both problems in a manner that is in direct contrast to the current, 'post-Marxist', framework of debate, which, as I understand it, not only threatens to exclude Marx from its terms of reference, but also from the range of theoretical possibilities.

By focusing on Marx's text's I do not seek to substantiate any definitive "reading" of him, nor is any particular text assumed to occupy a privileged position. Rather, recognizing that the current crisis is as much a reflection of changing circumstances as it is a fault of any particular tradition, I focus on the works of Marx in order to shed some light on our current circumstances. It acknowledges, that the concerns of the present-day development specialist differ markedly from those which preoccupied the pioneering work of Paul Baran, Andre Gunder Frank and Immanuel Wallerstein. Now we are confronted by different manifestations of capitalism's social relations, which take different phenomenal forms, and which require different historical categories for their analysis.

This practice of rereading Marx in the light of 'new' anomalies is not new. It is well-known, for example, that in order to prepare himself for the task of writing 'Imperialism, the Highest Stage of Capitalism' (1916), Lenin found it necessary not only to revisit Marx's

'Capital', but in order to appreciate the pivotal "first chapter" he also found it necessary "to understand the whole of Hegel's logic" (Lenin, 1915:180), from which his 'Philosophical Notebook' (1915) emerged. With this in mind, and taking into account the 'post-Marxist' framework of the current debate, retracing this well-charted path would appear to be a legitimate and worthwhile enterprise.