A Crisis of Humanity

All men will see what you seem to be; only a few will know what you are.

Machiavelli¹

Our world is burning. We face a global crisis that is unprecedented in terms of its magnitude, its global reach, the extent of ecological degradation and social deterioration, and the scale of the means of violence. This is a time of great upheavals, momentous changes, and uncertain outcomes; fraught with dangers, including the very real possibility of collapse as well as the growing threat of repressive social control systems that serve to contain the explosive contradictions of a global capitalism in crisis. Certainly the stakes bound up in the raging conflicts of our day are too high for the usual academic complacency. I believe that the most urgent task of any intellectual who considers him or herself organic or politically engaged is to address this crisis. If nothing else, we will all agree that global capitalism is a highly unstable and crisis-ridden system. If we are to avert disastrous outcomes we must understand both the nature of the new global capitalism and the nature of its crisis. This book is an attempt to contribute to such an understanding.

In this book I aspire to analyze and theorize the global crisis from the perspective of global capitalism theory. Wide-ranging debate continues on the nature of the twenty-first-century global order and its contemporary crises. I have been centrally concerned with these matters for over two decades, seeking above all to construct a theoretical framework for situating them – specifically, a theory of global capitalism.² The world in which Karl Marx analyzed capital

¹ Niccolo Machiavelli, *The Prince* (New York: Bantam Books, 1981 [1513]), 63–64. To understand this quote is to understand the distinction between the inner sanctum of power and the outward appearance of power.

² See, in particular, William I. Robinson, *A Theory of Global Capitalism* (Baltimore: Johns Hopkins University Press, 2004), William I. Robinson, *Latin America and Global Capitalism* (Baltimore: Johns Hopkins University Press, 2008), Chapter 1.

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has radically changed. The global capitalism perspective offers a powerful explanatory framework for making sense of the crisis. Analysis of capitalist globalization not only says something about the nature of the crisis but is also a template for probing a wide range of social, political, cultural, and ideological processes in this twenty-first century. Following Marx, we want to focus on the internal dynamics of capitalism in order to understand the crisis. And following the global capitalism perspective, we want to see how capitalism has qualitatively evolved in recent decades. The systemwide crisis we face is not a repeat of earlier such episodes such as that of the the 1930s or the 1970s precisely because world capitalism is fundamentally different in the twenty-first century.

How, specifically, is world capitalism different now than during previous episodes of crisis? In my view globalization constitutes a qualitatively new epoch in the ongoing and open-ended evolution of world capitalism, marked by a number of qualitative shifts in the capitalist system and by novel articulations of social power. I have highlighted four aspects unique to this epoch. First is the rise of truly transnational capital and a new global production and financial system into which all nations and much of humanity have been integrated, either directly or indirectly. We have gone from a *world economy*, in which countries and regions were linked to each other via trade and financial flows in an integrated international market, to a *global economy*, in which nations are linked to each other more organically through the transnationalization of the production process, of finance, and of the circuits of capital accumulation. No single nation-state can remain insulated from the global economy or prevent the penetration of the social, political, and cultural superstructure of global capitalism.

Second is the rise of a Transnational Capitalist Class (TCC), a class group that has drawn in contingents from most countries around the world, North and South, and has attempted to position itself as a global ruling class. This TCC is the *hegemonic fraction* of capital on a world scale. I will have more to say about the TCC in Chapter 1. Third is the rise of Transnational State (TNS) apparatuses. The TNS is constituted as a loose network made up of trans- and supranational organizations together with national states that functions to organize the conditions for transnational accumulation and through which the TCC attempts to organize and institutionally exercise its class power. I will have more to say about the TNS in Chapters 2 and 3. Fourth are novel relations of inequality, domination, and exploitation in global society, including an increasing importance of transnational social and class inequalities relative to North-South inequalities that are geographically or territorially conceived. I discuss these novel relations in several chapters.

Capitalist globalization is an ongoing, unfinished, and open-ended *process*, one that is contradictory and conflict-ridden, driven by social forces in struggle; it is *structure in motion, emergent*, with no consummated end state. In the dialectic, *emergent* means there is never a finished state, only open-ended process driven by contradictions, in this case by ongoing struggles among contradictory

social forces worldwide. If we are to understand global capitalism and its crisis we must in the first instance train our focus on configurations of these contradictory social forces; such a focus must be analytically prior to focusing on the ways in which they become institutionalized and expressed in political, cultural, and ideological processes.

I began writing about globalization in the early 1990s. My ideas have developed through a series of concrete, historical investigations involving much induction rather than more abstract, formalized methods of derivation. Informing my theory of global capitalism is the idea that we cannot understand this new epoch through extant nation-state-centric paradigms that purport to explain world political and economic dynamics as interactions among nationstates and competition among national classes in an interstate system. I have continued to debate with many colleagues and companions the merits of my theoretical claims, demonstrating their explanatory utility through two major empirical-historical studies, both on Latin America, and in diverse journal articles and commentaries focusing on the crisis-ridden nature of the global system.³

In 2008, when world capitalism lurched into its most severe recession since the 1930s depression – what some refer to as the Great Recession – I turned my attention more fully to the topic of global crisis, specifically, to the occurrence and significance of *accumulation* and *legitimation* crises in the global system – both of which will be explained in what follows. While the present study discusses my theory of global capitalism including the specific thesis of the TCC and the TNS, I would direct readers to my earlier works for a fuller exposition of this theory. My central objective in this book is to elaborate on and apply this theory in relation to the global crisis. The idea for this book grew out of three essays on the topic of global crisis. The first, published in 2007, *Beyond the Theory of Imperialism*, challenged the notion that resurgent U.S. interventionism in the wake of the September 11, 2001, attacks on the World Trade Center and the Pentagon could be explained as a "new U.S. imperialism" aimed at competing with rivals for Middle Eastern resources and restoring U.S. hegemony in the international system. Instead, I saw this interventionism as a

³ See, inter alia, William I. Robinson: *Transnational Conflicts: Central America, Social Change, and Globalization* (London: Verso, 2003); William I. Robinson, *Latin America and Global Capitalism*, Chapter 1; William I. Robinson, "The Crisis of Global Capitalism: Cyclical? Structural? Systemic?," in Martinj Konings, ed., *The Great Credit Crash* (London: Verso, 2010); William I. Robinson, "Beyond the Theory of Imperialism: Global Capitalism and the Transnational State," *Societies without Borders* (2007), 2: 5–26; William I. Robinson, "Aqui Estamos y No Nos Vamos!: Global Capitalism and the Struggle for Immigrant Rights, *Race and Class* (2006), 48(2): 4–29; William I. Robinson and Mario Barrera, "Global Capitalism and Twenty-First Century Fascism: A U.S. Case Study," *Race and Class* (2012), 53(3): 4–29; William I. Robinson, "Global Capital Leviathan," *Radical Philosophy* (2011), no. 165: 2–6; William I. Robinson, "Globalizacion, Crisis, y Escenarios de Futuro," *Estudios Centroamericanos* (2009), 63(715–716): 331–344; William I. Robinson, "What to Expect from U.S. 'Democracy Promotion' in Iraq," *New Political Science* (2004), 26(3): 441–447.

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response to the crisis of global capitalism – in particular, a drive to violently integrate new regions into the global capitalist system and to militarize accumulation in the face of stagnation tendencies. The second, *The Crisis of Global Capitalism: Cyclical, Structural, Systemic?*, published in 2010, argued that underneath the 2008 collapse was a structural crisis of overaccumulation that threatens to become systemic and that the TCC had turned to three mechanisms – militarized accumulation, the raiding and sacking of public finance, and frenzied financial speculation – as outlets to unload surplus as productive outlets dried up. The third, *Global Crisis and Twenty-First Century Fascism: A U.S. Case Study*, written together with Mario Barrera, was published in 2012. We identified three responses to the global crisis in the midst of rising political conflict and polarization worldwide: resurgent leftist, popular, and radical response from below; a reformist impulse from global elites; and a neo-fascist response.⁴ These are, stated in broad strokes, the themes I develop at greater length in this book.

The crisis is much talked about these days. Most commentators refer to the economic crisis that they date to the U.S. subprime loan debacle that began in mid-2007 and was followed by the global financial collapse of September 2008 and the Great Recession. The crisis that exploded in 2008 with the collapse of the global financial system springs from contradictions in global capitalism that are expressed in immanent crisis tendencies and in a series of displacements over the past three decades that had served to postpone a "day of reckoning."

A key focus in this book is on what I see as the underlying and causal socialeconomic (or material) elements in the crisis, or what in Marxist lexicon we call the internal contradictions of the capitalist system. Moreover, because the system is now global, crisis in any one place tends to represent crisis for the system as a whole. I attempt in this work to analyze the causal origins of the global crisis in *overaccumulation* and also in contradictions of *state power*. The system cannot expand because the marginalization of a significant portion of humanity from direct productive participation, the downward pressure on wages and popular consumption worldwide, and the polarization of income have reduced the ability of the world market to absorb world output. At the same time, given the particular configuration of social and class forces and the correlation of these forces worldwide, national states are hard-pressed to regulate transnational circuits of accumulation and offset the explosive contradictions built into the system.

Yet I want to evoke here the concept of global crisis in a broader sense. There are multiple and mutually constitutive dimensions of global crisis – economic, social, political, cultural, ideological, and ecological, not to mention the existential crisis of our consciousness, our values, and even our very being. There is a crisis of social polarization, that is, of *social reproduction*. The system cannot meet the needs or assure the survival of millions of people, perhaps a majority of humanity. There are crises of state legitimacy and political authority, or of

⁴ See the previous note for full references to these articles.

hegemony and *domination*. National states face spiraling crises of legitimacy as they fail to meet the social grievances of local working and popular classes experiencing downward mobility, unemployment, heightened insecurity, and greater hardships. The legitimacy of the system has increasingly been called into question by millions, perhaps even billions, of people around the world and is facing expanded counter-hegemonic challenges. Global elites have been unable to counter this erosion of the system's authority in the face of worldwide pressures for a global moral economy. And as a canopy that envelops all these dimensions, there is a crisis of sustainability rooted in an ecological holocaust that has already begun, expressed in climate change, peak oil, and the impending collapse of centralized agricultural systems in several regions of the world, among other indicators. Beyond the economic situation we want to explore these different dimensions and to identify how they are interconnected. My notion of global crisis is best captured in the notion of a *crisis of humanity*, by which I mean a crisis that is approaching systemic proportions, threatens the ability of billions of people to survive, and raises the specter of a collapse of world civilization and degeneration into a new "Dark Ages."

GLOBAL CAPITALISM THEORY AND ITS CRITICS: A RESPONSE

There has been a great deal written from a critical and an historical materialist perspective about the crisis of world capitalism.⁵ What demarcates my arguments in this book is that they are advanced from the perspective of global capitalism theory as just summarized. Part of my aim here is to take issue with works on crisis that come from extant critical approaches. My propositions on global capitalism have met with debate and criticism from a range of theoretical and political quarters, among them traditional Marxists, world-system theorists, international relations scholars, and colleagues coming from my own critical globalization perspective. Critics have charged, among other things, that: I do away with the nation-state; I do not acknowledge uneven accumulation; I dismiss imperialism and its practice by the U.S. state; I ignore local, national, and regional variation by attributing everything causally to global capitalism and overstate the extent to which globalization has equalized the conditions for the production and exchange of value across space in the global system. These

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⁵ These works are too numerous to list here. Among those that I have found useful (despite my disagreement with their interpretations) are Konings, ed., *The Great Credit Crash*; Chris Harman, *Zombie Capitalism: Global Crisis and the Relevance of Marx* (Chicago: Haymarket Books, 2010); Michel Chossudovsky and Andrew Gavin Marshall, eds., *The Global Economic Crisis: The Great Depression of the XXI Century* (Quebec: Global Research Publishers, 2010); Christian Marazzi, *The Violence of Financial Capitalism* (Los Angeles: Semiotext(e), 2011); Istvan Meszaros and John Bellamy Foster, *The Structural Crisis of Capital* (New York: Monthly Review Press, 2010); David McNally, *Global Slump: The Economics and Politics of Crisis and Resistance* (Oakland, CA: PM Press, 2010); William K. Tabb, *The Restructuring of Capitalism in Our Time* (New York: Columbia University Press, 2012).

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critiques and my responses have been published as exchanges in several journal symposia.⁶

Some critiques cannot be taken seriously, given their misrepresentation and even ignorance of my work, the ideological nature of the criticism, or the zeal to defend paradigms into which critics are deeply invested irrespective of historical and empirical evidence.⁷ Some critics, moreover, base their objections on the very conceptual categories and frameworks whose assumptions I challenge, so that the critique remains tautological. Nonetheless, others have put forward important concerns that I attempt to address in the present study. In Chapter 1, I revisit some general themes with regard to global capitalism and transnational capitalists. In Chapter 2 I revisit the topic of TNS apparatuses. These first two chapters are not meant to reiterate the theory of the TCC and the TNS but to serve as complements to what I have previously written on these themes. Chapter 3 takes up the matter of imperialism and the U.S. state as well as that of uneven accumulation. Chapter 4 analyzes the 2008 collapse and its aftermath from a global capitalism perspective. Chapter 5 explores evolving twenty-firstcentury modalities of domination and social control in the face of challenges to global capitalism from below. Chapter 6 draws some general conclusions and prospects for the future. Readers will find that there are several themes that at the risk of redundancy I have interwoven throughout the book: the transnationalization of capital; the importance of the concept of the TNS; the uneven accumulation of capital; imperialism and the U.S. state; the pitfalls of a nationstate-centric framework of analysis; and the *historical* nature of the world capitalist system. While the reader who wants the full story must read the book from beginning to end, I have designed each chapter so that profit may be gained by reading any one of them on its own.

⁶ See symposia in the following journals: *Theory and Society*, (2001), 30(2); *Science and Society* (2001–02), 65(4); *Critical Sociology* (2012), 38(3); *Historical Materialism* (2007), 15; *Cambridge Review of International Affairs* (2006), 19(3).

⁷ See, e.g., my exchange with the international relations scholar Paul Cammack in *Geopolitics, History and International Relations* (2009), 1(2) (more on this exchange below); my exchange with the political scientist Ellen M. Wood in *Historical Materialism* (2007), 15 (William I. Robinson, "The Pitfall of Realist Analysis of Global Capitalism," 71–93, and Ellen M. Wood, "A Reply to Critics," 143–170); or the sociologist Juan Corradi's ideologically driven discussion of my work, "Review of Latin America and Global Capitalism," *Contemporary Sociology* (2009), 28(5): 396–398. Diane Barahona observes in her review-essay of my *oeuvre* that many of my critics may have read some of my theoretical essays but not my empirical works. "His methodology," she writes, "is to study historical facts, filtering them for their significance through the lens of Marx and Gramsci, and formulate inductive theory from them. Once the theory has been universalized, he goes back and does more research to test how well the theory works, 'unpacking' the theory to see if it 'fits' new sets of facts. In the process of reading these books the reader is confronted with much information to support Robinson's theoretical arguments. The main problem with critics of Robinson's theory is that they have failed to address his supporting case studies." Diane Barahona "The Capitalist Globalization of Latin America," *Critical Sociology* (2011), 37(6): 889–895, quote from p. 892.

In what remains of this introduction I will dispense with several of the more common criticisms of my work and address some methodological and epistemological issues. Those readers wanting to jump right to the topic of crisis with may wish to proceed at this point directly to Chapter 1.

END OF THE NATION-STATE?

Perhaps the most most frequently raised criticism of my work is that I view the nation-state as fading away or as irrelevant to global capitalism. Typical of this charge is the position of British political scientist Paul Cammack, who in one diatribe says that my theory posits "the end of the state," "the end of the national state altogether," "the demise of national states," and that the nation-state is "fated to depart the historic stage at this particular point in time."⁸ He advises that I "accept that national states have a changing but continuing role in the global capitalist system" and abandon the idea that capital has become "extraterrestrial rather than spread across numerous territories" (emphasis in original). I have never used the term "extra-terrestrial." In fact, my argument is precisely that as capital has transnationalized it has become spread across numerous national territories through globalized circuits of production. The phrase "supranational space" that I have often evoked refers not to the supersession of space but to supranational space as accumulation across many national territories. Hence, the relation between transnationalizing capital and particular national territories needs to be reconceived. More generally, we need to rethink the spatiality of capital. In previous epochs capitalists were largely based in particular national territories and turned to "their own" national states in pursing their class interests. These interests were as much in organizing the conditions for accumulation within their respective national territories and disciplining labor within these territories as in competition with national capitalists from other countries for markets and resources around the world. As capital has gone global the leading groups among national capitalist classes have interpenetrated across national borders through an array of mechanisms and arrangements. This emergent TCC operates across borders in numerous countries and has attempted to convert the whole world into a single unified field for global accumulation.

Another charge frequently raised by my critics is that I believe that transnational capitalists "have no interest in the *local* state in any territory in which they are active."⁹ What I have argued is that as transnational capitalists operate in numerous countries they turn to local (national) states of the countries in which they operate. Just as in previous epochs, they require that these local (national) states provide the conditions for accumulation within

⁸ Paul Cammack, "Forget the Transnational State," *Geopolitics, History and International Relations* (2009), 1(2): 85–98.

⁹ See, e.g., Cammack, "Forget the Transnational State."

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their respective territories, including disciplining labor. Reciprocally, local managers of the national capitalist state are compelled, just as they were in the past, by the structural power of the capitalist system. The legitimacy of these states and the reproduction of the status of state elites as privileged strata depend on their ability to attract and retain now-globalized accumulation to the territories over which they exercise political authority. Competition among national states to attract transnationally mobile capital becomes functional to global capital and to its ability to exercise a structural power over the direct power of states – that is, over the policymaking process of national states, in the same way that national capital previously exercised what some referred to as the "veto power" of capital over the state. In this way, the continued existence of the nation-state and the interstate system appear to be a central condition for the class power of transnational capital and for the reproduction of global capitalism. Transnational corporations during the early 1990s, for example, were able to utilize the institutions of different nation-states in order to continuously dismantle regulatory structures and other state restrictions on the operation of transnational capital in a process of "mutual deregulation." These are topics that I take up later on; they are central to an understanding of the global crisis, which in part involves the disjuncture between a globalizing economy and a nation-state-based system of political authority.

William Carroll, a sociologist who studies the transnational interlocking of corporate boards of directors, echoes another frequent criticism of my theory. He charges that in my theory locality is transcended and that I do away with place. I advance, he says, an "abstract dualism" between the global and the national/local; I see the global and the national/local as "mutually exclusive."¹⁰ Yet I have harshly criticized global-national/local dualisms and insisted that the global emerges out of contradictions arising within the local/national and the system of nation-states, that it is nested in the national. "Far from the 'global' and 'national' as mutually-exclusive fields," I have asserted, "the global becomes incarnated in local social structures and processes."^{II} I have shown how the global and the local/national are interpenetrated and mutually constitutive, how trajectories of integration into global capitalism are conditioned by and emerge from particular local, national, and regional histories and by contingency, and how local agents and processes shape the trajectory of global processes in dialectic interplay as much as the global affects the local or the national. Regarding local variation in the global system, I stated in my 2003 study of Central America, among other places:

The transition from the nation-state to the transnational phase of capitalism involves changes that take place in each individual country and region *reciprocal* [emphasis in original] to, and in dialectical interplay with, changes of systemic importance at the

¹⁰ William Carrol, "Global, Transnational, Regional, National: The Need for Nuance in Theorizing Global Capitalism," *Critical Sociology* (2012), 38(3): 365–373.

¹¹ Robinson, A Theory of Global Capitalism, 110.

level of the global system. A critical focus of a renewed transnational studies should be exploration into the dynamic of change at the local, national, and regional levels in tandem with movement at the level of the global whole. The concern should be about how movement and change in the global whole are manifest in particular countries or regions, but with the focus on the dialectical reciprocity between the two levels.... [G]lobalization is characterized by related, contingent and unequal transformations. To evoke globalization as an explanation for historic changes and contemporary dynamics does not mean that the *particular* [emphasis in original] events or changes identified with the process are happening all over the world, much less in the same way.... It does mean that events or changes are understood as a consequence of globalized power relations and social structures. [I]n the study of development and social change in Central America ... the locus of analysis is the mediation of distinct social forces in the dialectic of transformations taking place at the level of the global system and transformations in particular nations and regions. It is not possible to understand anything about global society without studying a concrete region and its particular circumstances; a part of a totality, in its relation to that totality. All knowledge is historically situated and ... requires a synthesis of nomothetic and ideographic. The general is always (and only) manifested in the specific; the universal in the particular.¹²

The charge that I dismiss the nation-state is usually reactive - a response to my critique of nation-state centrism or a nation-state framework of analysis. Nation-state centrism refers to both a mode of analysis and a conceptual ontology of world capitalism. In this ontology, which dominates the disciplines of international relations and political science, world-systems theory, and most Marxist approaches to world dynamics, world capitalism is made up of national classes and national states existing in a flux of competition and cooperation in shifting alliances. These nation-state paradigms see nations as discrete units within a larger system - the world-system or the international system - characterized by external exchanges among these units. The key units of analysis are the nation(al) state and the international or interstate system. Nation-state/ interstate paradigms place a particular template over complex reality. Everything has to fall into place within the template - its logic, the picture it portrays. Explanations cannot be outside the template. In this sense, nationstate-centric paradigms are blinders. Facts, we know, don't "speak for themselves." These blinders prevent us from interpreting facts in new ways that provide greater explanatory power with regard to novel developments in the late twentieth- and early twenty-first-century world.

The template also organizes how we collect and interpret data. Most data on the global economy, for instance, comes from national data collection agencies and has been disaggregated from a larger totality (the global economy) and then reaggregated into nation-state boxes. This is precisely the mistake made by Hirst and Thompson in their oft-cited study, *Globalization in Question* (they also

¹² William I. Robinson, *Transnational Conflicts: Central America and Global Change* (London: Verso, 2003), 55-56.

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make the mistake of defining globalization in terms of trade rather than production relations).¹³ As Dicken observes:

The conventional unit of analysis of the global economy is the country. Virtually all the statistical data on production, trade, investment and the like are aggregated into national 'boxes.' Indeed, the word 'statistics' originally denoted facts collected about the 'state.' However, such a level of statistical aggregation is less and less useful in light of the changes occurring in the organization of economic activity.... [B]ecause national boundaries no longer 'contain' production processes in the way they once did, we need to find ways of getting both below and above the national scale – to break out of the constraints of the 'national boxes' – in order to understand what is really going on in the world. One way is to think in terms of production circuits and networks. These cut through, and across, all geographic scales, including the bounded territory of the state.¹⁴

The critique of nation-state-centrism does not refer to evocation of the evident political organization of world capitalism into discrete nation-states that engage with each other in the interstate system. What is the nature or meaning of these discrete units and of their engagement, and has the meaning of that engagement changed? To say that globalization involves the supersession of the nation-state as the organizing principle of capitalist development does not mean the end of the nation-state or that the state is now irrelevant. What it does mean is that we need to return to an understanding of the nation-state as an *historical* rather than an immanent category, an institution that came about as a result of the particular form in which capitalism as an historical system developed. The kind of categorical thinking that plagues nation-state paradigms ends up reifying the nationstate, so that, for instance, the categories of core and periphery, as the opposite ends of polarized accumulation, must necessarily correspond to territorially defined nation-states. Nation-state paradigms are unable to grasp the transnational character of many contemporary processes and events such as world trade, international conflicts, and uneven development - processes that I analyze in this volume from a global capitalist perspective - because they box transnational phenomena into the nation-state/interstate framework.

These paradigms face the pitfall of *theoreticism*. What I mean by theoreticism is developing analyses and propositions to fit theoretical assumptions. Since received nation-state paradigms establish as their frame an interstate system made up of competing national states, economies, and capitals, twenty-first-century reality must then be interpreted so that it fits into this frame one way or another. As I will discuss in Chapter 3, such theoreticism in the study of global-ization has forced many, at best, to follow Harvey's schizophrenic dualism of economic and political logics: capital is economic and globalizes, while states are political and pursue territorially based political-state logic.¹⁵ Theory needs to

¹³ Paul Hirst and Graheme Thompson, *Globalization in Question*, 3rd ed. (Cambridge: Polity, 2009).

¹⁴ Peter Dicken, *Global Shift*, 5th ed. (New York: Guilford, 2007), 13.

¹⁵ See David Harvey, The New Imperialism 2nd ed. (New York: Oxford University Press, 2005).