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A Tribute to Giovanni Arrighi

1. Giovanni Arrighi: a preeminent analyst of contemporary globalization

Born in Italy, died on June 18, 2009 at the age of 71, Giovanni Arrighi was one of the most eminent critical analysts of the contemporary world system. Faced with arrest due to his support of the liberation movement in colonial Rhodesia, Giovanni went on to deepen his analysis of Africa's dependency during his stay in Tanzania. He continued his work on the contemporary world system at the Fernand Braudel Center of SUNY-Binghamton in the United States, which was directed at that time by Immanuel Wallerstein, and then later at John Hopkins University in Baltimore.

At the end of 1970, Giovanni Arrighi – along with André Gunder Frank, Immanuel Wallerstein and myself – believed that capitalism had entered a phase of systemic crisis, marked by the fall in growth rates in its dominant cores (with, as a result, the system never again returning to its former rates). The early assumption that capital would react by undertaking massive relocations was confirmed shortly thereafter. Giovanni associated this crisis with the decline of US hegemony. His perspectives on these issues were published in two collective works (Amin et al. 1982, 1990). Analyzing the social movements associated with the reorganization of the global system, Giovanni focused on the upheavals of the labour movements, which were perhaps the social movements most implicated in the crisis.

Giovanni widened the breadth of his analyses in his two most recent works (Arrighi 1994, 2007). Giovanni, who did not confuse capitalism with the 'market economy', knew how to integrate the 'longue durée' in his concept of historical capitalism. Thus, he analyzed historical capitalism (of 'European origin') as being the product of a series of capitalist waves that

originated in China and finally arrived in Europe through the commercial towns of Renaissance Italy.

2. Some personal notes

I met Giovanni frequently in the early 1970s in Dar Es Salaam, Tanzania, which I visited often in that glorious time of the liberation movements, and where I organized a number of seminars (all of them enthusiastically attended by Giovanni) on what I described as ‘the awakening (or the revival) of the South’ (Bandung’s era for Asia and Africa). My views – which Giovanni shared – were that the major changes in the World (capitalist) system had been initiated by the peripheries, which no longer accepted their ‘fate’. Indeed, irrespective of the limits of the social and political systems of Asia and Africa, the peripheries were playing a decisive role in shaping the future. During the last few years of Giovanni’s life, I fortunately had the opportunity to discuss these issues with him again. We were not at all convinced by the dominant discourse of capitalism – that it symbolizes the end of history. In fact, we laughed at this idea and expected its breakdown.¹ After the period in Dar Es Salaam, I often met Giovanni in Italy during the time of the Cultural Revolution (CR).

Giovanni Arrighi (as well as Andre Gunder Frank and Immanuel Wallerstein) had the advantage of being able to read in languages other than English. As a result, Giovanni was aware of my earlier writings.² He knew – we discussed it at large – my views on *Accumulation on a World Scale*, written in 1955 (even if only published in English in the 1970s!) and he knew the *Summary* I wrote (in French) as a pamphlet for the events of 1968 (Amin 1974). The following is a translation of this *Summary*: “*Accumulation on a World Scale* offers a critique of the current theories of development. The author denies that the present ‘underdeveloped countries’ are similar to what the developed countries were at an earlier stage. The ‘underdevelopment’ of some and the development of others are intimately interconnected through their integration in the world system, which produces asymmetric relations between the dominating cores and the dominated peripheries. Instead of the current theory of development economics what is needed is a theory of accumulation on a world scale that relates the mech-

anisms of accumulation in the cores with that of the peripheries” (Amin 1968; translation S.A.)

What Giovanni very powerfully described as ‘accumulation by dispossession’, was at that time expressed as ‘continuous primitive accumulation’. I considered the possibility that this pattern was not only obvious in Southern Africa, but also in other parts of the continent in other forms (this was included in my thesis on the three patterns of capitalist expansion in Africa, presented in the early 1970s in Dar Es Salaam). The awakening of the South is based precisely on the rejection of this continuous ‘dispossession’. Giovanni and I had started discussing the probable outcomes of China’s revival and of the possibility of a new Southern front against imperialist globalisation. I am deeply saddened that this debate has come to an end.

3. Marxian economics or historical materialism?

The so-called ‘second Brenner debate’ offered a good opportunity to clarify the following fundamental question: does Marxian economics allow for an understanding of the development of actually existing capitalism? In this respect I am in total agreement with Giovanni’s comments on Brenner’s *Global Turbulence* and *The Boom and the Bubble* (Arrighi 2007; Brenner 2003, 2006). Had Brenner made clear that he was exclusively studying competition between the United States’, Japan’s and Germany’s manufacturing industries, and that this inter-capitalist competition represents only *one* of the elements constitutive of the history of post-World War II economic expansion, and had he briefly indicated the other elements (which are no less important) which he did not integrate in his study, I would have had no reservation with respect to his rich contribution. However, that is not the case, since Brenner intended to offer a full explanation of the global system’s move from expansion to crisis by focusing only on inter-capitalist competition, which he considered to be the major shaper of history.

I share Giovanni’s view that this is not the case. Inter-capitalist competition operates in a wider context that includes class struggles (not only in the three countries considered but everywhere) and North-South (core-periphery) as well as East-West conflicts. I believe that these factors have

been far more important in shaping the world economy than inter-capitalist competition; in fact, to a large extent they have defined the conditions under which inter-capitalist competition takes place. I do not need to repeat here Giovanni's strong and clearly developed arguments, which can be found elsewhere. Instead, I wish to go beyond Giovanni's conclusion and suggest that the frame of analysis needs to be widened even further in order to explain the past and present. Perhaps even more importantly, it needs to be widened in order to identify the system's contradictions and to find plausible political strategies that could 'change the world'. In light of this, Giovanni suggests:

"There are no credible aggressive new powers that can provoke the breakdown of the US-centred world system, but the US has even greater capabilities than Britain did a century ago to convert its declining hegemony into exploitative domination. If the system eventually breaks down, it will be primarily because of US resistance to adjustment and accommodation." (Arrighi/Silver 2001: 279)

I fully share Giovanni's identification of the real challenge. I arrived at the same conclusion, as did quite a number of others, at least two decades ago. My reading of the *political strategy* chosen by the US ruling class in the 1980s (when the decline of Soviet power clearly appeared irreversible) was that it had *decided* to turn the world system into an exploitative system of domination (plunder, in fact) to its almost exclusive benefit (i.e. there was minimal sharing with the partners of the triad). Thus, the US chose not to 'adjust and accommodate'; rather, it *chose* to militarize globalisation. This choice compels us to move out of the restricted analytical domain of 'the political economy of the system' into one that includes plain politics. In taking this perspective of the 'commanding heights' of the state, I qualified the 'new' global system as the 'empire of chaos' (Amin 1992), which, as it implies, is necessarily produced by the strategy of permanent war.

My point here is that we ought not to restrict 'historical materialism' to a mere 'political economy'. Moreover, I propose the concept of 'under-determination' (as opposed to overdetermination (Amin 1998: chapter 3), whereby the internal logics of the economic basis, the political culture, and the ideological vision do not necessarily support one another; indeed, they might be conflicting and, therefore, make the future 'unpredictable', even if, a posteriori, history can always be explained. Hitler had made, *mutatis*

mutandis, a similar choice: compensate the economic deficiencies and limits of Germany by enforcing exploitation through the use of war. Yet Hitler's choice cannot merely be explained by the tools of 'political economy' (inter-imperialist competition in this case). The political-cultural-ideological dimensions of pre-WWII Germany were also decisive. The same can be said in regards to the choices that have been made by the US ruling class over the past three decades: one cannot explain the policy choices of the 1980s up to the present without fully integrating what I call 'American ideology' into the analysis. The discourses of the US establishment show that the US ruling class has understood perfectly well that the political dimension is now dominant; it is on this ground that the successful pursuing of the criminal policy of imperialist globalization is endangered.

The choice of the US elite to militarize globalisation operates in the context of a global imperialist system which, I suggest, is qualitatively different from what it has been in the previous stages of its long history. Today, imperialist powers (the triad) constitute an integrated 'collective imperialism'. I have offered some hypotheses which can explain this change, focussing on the qualitative shift in capital's level of centralisation. If that assumption is not total nonsense, then the *economic* dimension of inter-capitalist competition has lost much of its vigour (but it surely never disappears altogether) and the main dimension of 'international' conflicts is now located elsewhere.³

I also suggest that the advantages ('monopolies') from which the core(s) benefit no longer stem from their monopoly of industry. Instead, monopolies have been transferred into other areas, or what I call the 'five monopolies': (1) reinforcing technological monopolies; (2) the plunder of the planet's natural resources; (3) the control of global finance; (4) the control of communications, and, (5) the monopoly of weapons of mass destruction. That explains what Giovanni very correctly noted: namely that, while a number of peripheries are industrializing at high speed, they do not 'catch up' in terms of income. This is also related to the question of 'the financialization of the system', which I analyse as a symptom of the crisis and not as a new possibly stable phase. My views on this problem, sharing to a large extent those expressed earlier by Giovanni, but with some reservations, have been expressed elsewhere in detail (Amin 1996). As a result of the logic of accumulation, I have always considered capitalist global expan-

sion, at any stage of its development, to be polarizing. I have argued that during its previous stage the global system was governed by the industrial ‘monopoly’ of the core. Since the peripheries have started to industrialize, the core’s monopoly has gradually been replaced by the ‘five new monopolies’, which effectively means that the industrialisation undertaken by the periphery does not allow them to ‘catch up’. My argument is based on the concept of the ‘globalized law of value’, which I derive but distinguish from the law of value ‘in general’, i.e. at its highest level of abstraction. This argument has been developed in *Capitalism in the age of globalization* (Amin 1997). My argument completes Giovanni’s.

4. The globalized law of value

The subtitle of *Capital* – “A Critique of Political Economy” – does not mean a critique of a ‘bad’ (Ricardian) political economy, with a view to replacing it with a ‘good’ (Marxist) one. Rather, it is a critique of so-called economic science. It is an exposure of its true nature (as that the bourgeoisie has to say about its own practice), and so a critique of its epistemological status. It is an exposure of its limitations and an invitation to realize that this alleged science, which is claimed independent from historical materialism, cannot possess such independence. Political economy is the outward form assumed by historical materialism (the class struggle) under capitalism. Logically, historical materialism is prior to economics, but class struggle under capitalism does not take place in a vacuum; rather, it operates on an economic basis and shapes laws that appear economic in character.

My thesis is: (a) that historical materialism constitutes the essence of Marxism and, therefore, (b) that the epistemological status of the economic laws of capitalism is such that they are subordinate to the laws of historical materialism; (c) that under the capitalist mode of production economic laws possess a theoretical status different from that which they possess under pre-capitalist modes, and even (d) that, strictly speaking, economic laws are to be found only under the capitalist mode; (e) that the economic laws of capitalism do indeed exist objectively; and, finally, (f) that these laws are governed, in the last analysis, by the law of value. Thus, in my view,

the class struggle under capitalism in general, and in the imperialist world system in particular, operates on a definite economic basis and, in its turn, changes that basis.

My readings in Marx certainly brought considerable intellectual fulfilment and convinced me of the power of his thought. Still, I was left unsatisfied, for I was questioning the ‘underdevelopment’ of contemporary Asian and African societies and I found no answer for this in Marx. Far from abandoning Marx and dismissing him as outdated, I came to the conclusion that his opus remained incomplete. Marx had not finished what he had set out to complete, and that included not integrating the global dimension of capitalism into his analysis. So I have tried to do so. The central axis of the conclusions reached by my efforts is defined by the formulation of a ‘law of globalized value’, coherent, on the one hand, with the basis of the law of value as discovered by Marx and, on the other, with the realities of unequal globalized development.

My major contribution concerns the *passage from the law of value to the law of globalized value*, based on the hierarchical structuring – itself globalized – of the prices given to labour-power’s value. Linked to management practices governing access to natural resources, this globalization of value constitutes the basis for *imperialist rent*. This, I claim, orders the unfolding of capitalism/imperialism’s contradictions and the conflicts linked to them, so that classes and nations are linked in their struggles and clashes, in all their complex, specific and concrete, articulations. I claim that our reading of the twentieth and twenty-first centuries can be nothing other than that of the emergence – or the reawakening – of peoples and nations at the periphery of the globalized capitalist/imperialist system.

My theoretical analysis of the globalized capitalist system starts from the law of value formulated by Marx in Book I of *Capital*. There is no other possible point of departure, because without the concept of value there is no meaning to the accumulation of capital and so we cannot skip over ‘value’ in favour of a direct grasp of reality – which is implied by a positivist/empiricist methodology, as achieved through observing prices.

The analysis that I am putting forward looks at the three stages in the transformation of value: (1) into ‘prices of production’; (2) into ‘market prices’ (oligopolistic prices, in contemporary capitalism); and, (3) into ‘globalized prices’ (in the globalized imperialist system). The first of these

transformations, taken up in the first chapters of Volume III of *Capital*, is indispensable to grasping the meaning of market alienation that governs economic and social life under capitalism and to giving the laws ruling its systemic reproduction their true stature.

The second of these transformations, that of prices of production into 'market prices', was partially treated by Marx, also in Volume III of *Capital*, in the passage, among others, when he came to consider the distribution of surplus-value in regard to agrarian landownership. We have next to consider the deformations of the price system linked to the emergence of oligopolies/monopolies and, above all, to fully take into account the gigantic transformation of the system of expanded equilibrium resulting, after the First, but above all after the Second World War, from the accelerated expansion of a third department – that of the absorption of surplus-value. With their concept of surplus, Baran and Sweezy (1966) replied to the challenge and unhesitatingly extended and enriched Marxist theory. I claim that those Marxists who still refuse to recognize the central importance of Baran and Sweezy's contribution lack the means to put forth an effective critique of contemporary capitalism. Their Marxism thus remains confined to mere exegeses of Marx's texts.

The central object of my reflections has been the third transformation, which allows us to go from the law of value, taken at its highest level of abstraction (the capitalist mode of production), to what I have called the law of globalized value, which is operative on the scale of the extant and polarizing system of capitalism/imperialism. It is this transformation alone that allows us to take measure of imperialist rent, which is at the origin of the polarization that is deepened and reproduced by the unfolding of global capitalism.

It is impossible to understand today's globalized capitalism without including these transformations of value into the analysis. Equally, a feasible strategy for changing the world can only be based on these analytical foundations. The positivist/empiricist method of vulgar economics allows us neither to understand the world, and grasp the nature of the challenges confronting workers and peoples, nor, *a fortiori*, does it allow for changes. Furthermore, it does not seek to go beyond capitalism, which it sees as the end of history; it seeks only to legitimize the basic principles of capitalism and to show how it can be managed. The current crisis

revolves around different possible developments of the social and international relationships that govern the law of value, under the combined effects of popular struggles in the central and peripheral societies of contemporary capitalism and of struggles between dominant imperialist societies and those of the dominated periphery. These struggles call into question the continued dominance of what I call ‘the late capitalism of the generalized, financialized, and globalized oligopolies’ (Amin 2011).

- 1 I wrote in 2004 that financialization was the Achilles’ heel of globalisation and that a financial breakdown would occur ‘within the next ten years’, an opinion which Giovanni and I discussed.
- 2 I am six years older than him, and while age differences lose meaning the older we get, earlier on it ‘counts’.
- 3 I suggest that it is located in the domain of political culture – not ‘culture’ as the term commonly suggests, but rather one which includes perspectives of class struggles.

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Abstracts

The article offers an overview of Arrighi's opus and describes the author's personal friendship and professional collaboration with him, as well as Arrighi's important contribution to the understanding of contemporary capitalism. It is argued that it is worthwhile to further develop Arrighi's analysis of capitalism by reflecting on core-periphery conflicts and class struggles. To explain the enduring dominance of the core states, the concept of the 'five new monopolies' is proposed, which replaces the old industrial monopoly of the core. Moreover, the article introduces the 'law of globalized value' as a completion of the (incomplete) Marxist laws of the transformation of value: In the globalized capitalist system, imperialist rent may be measured by globalized prices. This further transformation has to be taken into account in order to achieve a more sophisticated analysis as well as feasible political perspectives.

Der Artikel gibt einen Überblick über Arrighis Lebenswerk und beschreibt die persönliche und fachliche Beziehung des Autors zu ihm sowie seinen bedeutenden Beitrag zum Verständnis des gegenwärtigen Kapitalismus. Amin spricht sich dafür aus, Arrighis Kapitalismusanalyse fortzusetzen, die insbesondere auf die Konflikte zwischen Zentrum und Peripherie sowie Klassenkämpfe fokussiert. Um die andauernde Dominanz des Zentrums zu erklären, wird das Konzept der „fünf neuen Monopole“ eingeführt, die das alte industrielle Monopol der Zentrumsstaaten ersetzen. Überdies wird das „Gesetz des globalisierten Wertes“ als Vervollständigung der (unvollständigen) Marx'schen Werttheorie vorgestellt: Im globalisierten kapitalistischen System kann die „imperialistische Rente“

durch globalisierte Preise gemessen werden. Diese weitere Transformation muss berücksichtigt werden, um zu analytisch befriedigenderen Analysen sowie realisierbaren politischen Perspektiven zu gelangen.

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