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Debate on capitalism and development: The theories of Samir Amin and Bill Warren

Capitalism and Imperialism

The relation between capitalism and development was, among other things, a central point of dispute in a recent debate between Samir Amin and the followers of Bill Warren (Smith, 1980; Smith, 1982; Schiffer, 1981; Amin, 1983; Smith & Sender, 1983). The question of whether or not capitalism promotes development has, in fact, implicitly or explicitly, occupied much of the *marxist* literature that deals with the contemporary world system, dependency and related problems of development. However it is a wrongly-posed question, as it seems to be based on a confusion. For the fact that *capitalism*, as a mode of production, has advanced the forces of production to an unprecedented extent is quite different from the question of whether or not *imperialism* spreads capitalism on a world scale.¹

To clarify from the outset the terms of the discussion in this article, *capitalism* means a mode of production based on the exploitation of labour by capital and *imperialism* means the process whereby an international division of labour is created through the extension of the conditions of capitalist accumulation on a world scale. Thus the fact that capitalism is a progressive mode of production does not necessarily exclude the possibility of imperialism causing underdevelopment. Imperialism may bring about underdevelopment precisely by hindering the develop-

Disputes, in recent years, over the significance of capitalist development in the Third World have ranged between those holding to the dependency theories of Frank and Amin and the proponents of the argument, associated with Warren, that capitalism provides the dynamic thrust of development. This dispute has often been referred to as the dialogue of the deaf because different meanings have been attached to the idea of development. Haldun Gülap, however, argues here that the ideal of development is common to both schools and that developmentalism has subsumed Marxist analyses of class and change in the world division of labour. He shows why capitalism has been conflated with imperialism, in the case of Warren, and why socialism, for Amin, is nothing other than some ideal model of auto-centric capitalism. 139

ment of *capitalism* in certain parts of the world and/or in certain periods of history. Therefore what is necessary, in order to understand the relation between capitalism and development on the one hand and imperialism and development on the other, is a concrete form of historical analysis that takes class struggle as its focal point. For capitalism itself does not have an *abstract* quality that brings about the advancement of productive forces; the latter is precisely the outcome of class structure which determines the specific mechanism of capital accumulation. Likewise, the effects of imperialism can only be understood by analysing the evolution of the international division of labour through its changing forms of national and international class conflicts and alliances. Generalisation and theorisation which emerges from such an analysis should, in turn, involve an attempt to periodise the phases of the evolution of the international division of labour.

The conflation of imperialism with capitalism, however, seems to flow from an abstract vision which in fact goes back to the notion of the *historical mission* of capitalism. The classical Marxist perspective on the historical role of capitalism is the view that capitalism has a mission to develop the productive forces and pave the way for socialist transformation. What is known as the neo-Marxist approach to underdevelopment has reversed this perspective to argue that if there is any historical mission of capitalism, it is to underdevelop the world at large. The political implication of this latter perspective has been that the forces which lead to socialist transformation are not those developed by the advancement of productive forces. Hence, it is not the industrial proletariat of the advanced centres but rather the underprivileged of the other parts of the world who are victims of the process of underdevelopment brought about by capitalism. The conclusion that the contradictions of capitalism and thus the centre of revolution reside in the periphery of the world capitalist system is based on a conflation of capitalism with imperialism. It results in confusing the struggle against underdevelopment with that against capitalism, and thus a confusion between anti-imperialism (nationalism) and anti-capitalism (socialism).²

This last point is precisely the point of departure in Warren's (1980) critique of the neo-Marxist views on underdevelopment. However, in an attempt to revive the classical Marxist perspective on the historical mission of capitalism, Warren seems to have reproduced the above confusion in reverse form. By attributing an abstract mission of development to capitalism through imperialism, which Warren considers to be the agent of diffusing capitalism on a world scale, he has failed, despite his rigorous opposition to neo-Marxism, to transcend the ground of neo-Marxist analysis.³

This paper will argue that this common ground manifests itself in three interrelated problems and that they appear in the works of the two prominent writers on either side of the debate: Amin and Warren. The first problem is that capitalism, socialism, and revolution have been analysed and debated in what may be called a *developmentalist* framework. In other words, capitalism has been analysed, and moreover politically evaluated, from the point of view of its capability of bringing about development. Secondly, as a result of this, the question has been trapped in an 'all or nothing' framework leading to a unitary vision of continuity, whether it is the existence of development or underdevelopment that is attempted to be proven. Consequently it has been impossible to theorise on a periodisation of the historical development of capitalism and its world-wide effects through imperialism. Thirdly, this abstract concern about development in an 'all or nothing' framework has led the analysis, and trapped the debate, onto a terrain which entirely excludes an appreciation of class struggle. I attempt to substantiate these points by examining the works of Amin and Warren.

In Amin's work one can find three different theories that explain underdevelopment: primitive accumulation, international specialisation, and inequality in the wage levels between countries. Although these converge at certain points, they are in fact separate and thus alternative explanations. When closely analysed, moreover, the third theory appears to be predominating, indeed determining and thus renders the others redundant. Amin links these three explanations in the following way when he mentions that:

Samir Amin

the different forms – past, present, and perhaps to come – of an unequal specialisation that always constitutes a mechanism of primitive accumulation to the advantage of the center. It is this mechanism that, finding expression in an increasing divergence in the rewards of labor, perpetuates and accentuates the underdevelopment of the periphery. (Amin, 1976: 190–91)

The argument about 'primitive accumulation' (by which, through a wrong usage of the concept, Amin means the transfer of surplus) is essentially a Frankian one. But as its effects on both the centre and the periphery are not discussed, its significance as a cause of underdevelopment is not made clear. More important however is not the effect but the case, or the mechanism, of primitive accumulation. Although it is not clear what this mechanism is, other than perhaps direct plunder, until the

monopoly phase of capitalism, from then onwards it is *unequal exchange* (Amin, 1976: 157). According to Amin, the rise of monopolies at the end of the nineteenth century created the conditions for wages in the centre to rise together with productivity while wages in the periphery remained low. Until then exchange was equal, i.e. products were exchanged at their values; but since then unequal exchange started due to the discrepancy in the wage levels (Amin, 1976: 187–88). Therefore, insofar as primitive accumulation through unequal exchange constitutes a cause of underdevelopment, it is ultimately an outcome of the difference in the behaviour of wages between the centre and the periphery.

The significance of ‘international specialisation’ in Amin’s theory is also not very clear. According to Amin, international specialisation began when capitalism became a world system and this was apparently the result of the Industrial Revolution (Amin, 1976: 157, 183). However, a peripheral situation is not related to specialisation in the export of certain products because the kind of products exchanged has evolved and therefore the initial form of specialisation has changed. But what has remained constant is the peripheral situation due to the discrepancy in the wage levels (159–60). In other words, the impact of specialisation on the periphery has essentially been the same: it has led to a ‘blocking of development’ and it has led to a variety of ‘distortions’ (189, 288). But in order to understand why this has come about, one should refer back to the difference in the wage levels. In Amin’s words: ‘Inequality in wages, due to historical reasons (the difference between social formations), constitutes the basis of a specialisation and a system of international prices that perpetuate this inequality’ (151).

Autocentric accumulation

Therefore, the ultimate theory that explains both ‘primitive accumulation’ and ‘international specialisation’ is inequality in the wage levels and in Amin’s framework this theory is sufficient in itself to explain the difference between the centre and the periphery. To make this point clear it is necessary to analyse the main concept of Amin’s theoretical framework: the existence of *autocentric accumulation* characterises the economies of the centre and its absence characterises those of the periphery. Through an analysis of this concept, it can be firstly shown that it is riddled with inconsistencies and therefore fails to serve the purpose of distinguishing between the centre and the periphery. Secondly, the actual purpose of distinguishing between the centre and the

periphery through using such a concept will be discussed, by tracing its implications with reference to the general framework of neo-Marxism.

According to Amin, the main problem in the process of capitalist accumulation is the contradiction between the capacity to produce and the capacity to consume (72–8). Therefore the essential relation in the system is that between the production of capital goods and the production of consumer goods, which in turn is provided by the extent of the internal market. The crucial variable here is the level of wages: ‘autocentric accumulation, that is, accumulation without external expansion of the system, is theoretically possible if real wages increase at a given, calculable rate’ (76). Otherwise the basic contradiction in the system would manifest itself in the form of crises. There is, however, an inherent tendency in the system to keep real wages constant and in this case ‘accumulation requires, as compensation, a steady *external* expansion of the market’ (76). This has been the case throughout the nineteenth century until the 1880s. Since the beginning of the monopoly phase in the final decades of the century, however, it has become possible to ‘plan’ the system out of crises and hence real wages have begun to rise together with productivity.

While central capitalism is characterised by autocentric accumulation, in the periphery ‘the principal articulation characteristic of the process of accumulation at the center – the existence of an objective relation between the rewarding of labor and the level of development of the productive forces – is completely absent’ (192). This not only defines the difference between the periphery and the centre, but also assigns it certain functions from the viewpoint of capital accumulation at the centre. The first function, which was predominant until the monopoly phase, is the absorption of the surplus. Thus in the age of competition, the expansion of the capitalist system was essentially characterised by the export of commodities. The second function was to raise the rate of profit, which became predominant in the monopoly phase. The steady rise in real wages at the centre provided an internal solution to the problem of markets, but at the same time it increased the necessity to benefit from the low wages at the periphery in order to counteract the tendency of the profit rate to fall. Therefore, in the monopoly phase, the expansion of the system is essentially characterised by the export of capital (188).

The difference between the centre and the periphery in terms of the behaviour of wages also has other implications. ‘Autocentric accumulation gives the capitalist mode at the centre of the system a tendency to become exclusive, that is, to destroy all the precapitalist modes’ (77). The same is not true for the

periphery which is not characterised by autocentric accumulation (202). Therefore while the central capitalist formations tend to be polarised into two classes, the bourgeoisie and the proletariat, the peripheral formations, by contrast, assume a hierarchical structuration of various modes and corresponding classes, dominated by central capitalism (294). Furthermore, this domination by central capitalism implies 'that the economies of the system's periphery . . . are without any internal dynamism of their own' (279). According to Amin, low wages in the periphery lead to a deficiency in demand as a result of which mass consumer goods industry is not sufficiently developed. This implies a 'distortion' in the economy and a lack of self-reliance. But Amin also tries to distance himself from a notion of 'dependency'. Thus, while Canada is obviously dependent on the United States, this does not mean that it is 'peripheral', because in Canada, as in the United States, wages and productivity go along with each other (Amin, 1983: 374).

Therefore, the concept of autocentric accumulation appears to be an explanation in itself to account for the difference between the centre and the periphery. This does not mean, however, that it is a satisfactory explanation. First of all, it is impossible to understand the relationship between the tendency of capitalism to be exclusive and the existence of autocentric accumulation, the determining feature of which is the steady rise of the wage level at a certain necessary rate. The effort on Amin's part to relate these two phenomena seems to originate from a vague but idealised concept of capitalism which functions properly in the central formations but not in the peripheral formations. Moreover, within this framework the 'properly functioning capitalism' is not seen as a *mode of production* but rather as an *economic system* which has managed to solve the basic contradiction between the capacity to produce and the capacity to consume. The implications of this will be discussed further below, but first I will indicate the inconsistencies which riddle the concept of autocentric accumulation.

Initially, Amin argues that 'autocentric accumulation is the condition necessary for the manifestation of the tendency of the rate of profit to fall' (77) and that the export of capital which essentially started in the monopoly phase is a means of countering this tendency through benefitting from the low wages in the periphery (161, 178, 185). But, at a later stage of his argument he says the following:

Imperialism, in Lenin's sense of the word, made its appearance when the possibilities of capitalist development on the old basis had been exhausted . . . A fresh

geographical extension of capitalism's domain then became necessary. (187)

However, it was earlier seen that according to his concept of autocentric accumulation, central capitalism could only become exclusive in the monopoly phase. Therefore, the export of capital, which makes its appearance in the monopoly phase, could not be due to the prior exhaustion of capitalist expansion in the centre. In fact, it is based on this relationship between the monopoly phase and autocentric accumulation that the tendency of the profit rate to fall, as a result of which export of capital gains momentum, can be understood. Since in this phase wages rise together with productivity, the rate of surplus value tends to be stabilised. The latter, together with the continuing tendency of the organic composition of capital to rise, leads to a tendency in the rate of profit to fall (178).

The reason for the low level of wages in the periphery, on the other hand, is the fact that here capitalism is not exclusively present. According to Amin, this is the result of a number of mechanisms leading to 'distortions' in the economy such as the 'marginalisation' of the masses and the persistence of precapitalist forms while ensuing unemployment and underemployment drives down wages (194). In fact, central capitalism seems to spend a deliberate effort to set these mechanisms in operation: 'It is because central capitalism holds the initiative in this extension [of the sphere embraced by capitalism] that relations between center and periphery continue to be asymmetrical – indeed, that is why a periphery exists and is continually being renewed' (287). The metropolitan economies, in Amin's framework, are free of these problems, due to the exclusiveness of capitalism. But the condition for an exclusive capitalism is autocentric accumulation which appears in the monopoly phase. How, then, could these economies have 'developed' in the first place?

The same difficulty arises when Amin tries to distinguish his concept of autocentric accumulation from the concept of autarchy:

Autocentric accumulation does not mean autarchy. On the contrary, we have seen the decisive role played by external trade, not only in the origin of the capitalist mode of production, in the age of mercantilism, but also after the Industrial Revolution. (191)

However, this is in conflict with his own argument. For by his own reasoning, since central capitalism was not autocentric until the monopoly phase is reached, external trade was necessary to overcome the contradiction between the capacities to produce and to consume. Furthermore, a further difficulty is that the

concept of autocentric accumulation necessarily rules out the concept of the *world system* (Bernstein, 1979: 91–92). Notwithstanding his, whether for external trade or the export of capital, metropolitan capitalism in Amin's framework requires the existence of the periphery.

All these inconsistencies point to the same problem: Amin *cannot* distinguish between the centre and the periphery through the concept of autocentric accumulation. This concept, which is supposed to define metropolitan capitalism, is only applicable for the monopoly phase of capitalism. This, in turn, means that it is impossible both to distinguish between peripheral and metropolitan capitalism in its competitive phase and to explain the development of metropolitan economies, in the competitive phase, which theoretically cannot be distinguished from the peripheral economies.

Developmentalism

I suggested earlier that Amin's specific argument also has more general implications for the whole framework of neo-Marxism. In taking the 'nation' as the element of analysis, and in trying to define 'underdevelopment' as the object of inquiry, a reference to the concept of a 'developed society' has to be made in order to theorise the difference between underdevelopment and development. In fact, the point of departure, from the inception of the study of dependency, has been to conceptualise the contrast between developed and underdeveloped societies (Girvan, 1973: 10). But, it is precisely the way in which a developed society is analysed that betrays the ideological nature of neo-Marxism in relation to a developmentist problematic (Bernstein, 1979; Phillips, 1977). Within this framework, the conception of a developed society is at once idealised and vague. It is idealised because, when development is the main concern, the developed countries provide a 'model' by which the difference is to be judged. Hence, with metropolitan capitalism setting the standard, the periphery is supposed to display certain *distortions* (Smith, 1980: 14; Smith, 1982: 13). This conception is also vague because, although the developed capitalist countries are taken as a point of reference, the view that the same experience cannot be repeated by the underdeveloped countries, within the world capitalist system, leads to the rejection of the entire system. It is clear that the developed countries have achieved development precisely in a capitalist system. Therefore, how the 'system' in the developed capitalist societies is to be evaluated politically necessarily remains vague with the result that the political conclusion of anti-capitalism originates in and gets confused with the *ideal* of development.

This framework is devoid of the means for politically evaluating capitalism. In Amin's work, as in other examples of neo-Marxist analysis (Gülalp, 1981), despite the lip service which is paid to class struggle, classes and their struggles are not integral elements of the analytical framework. This is because the analysis is situated in demand rather than production conditions. As Elson (1977) argues, Amin's is not a materialistic analysis since it takes wages rather than accumulation as its starting point. In fact, this whole framework dates back to the work of Prebisch (1959) which was, on the one hand, a continuation of the thirties Latin American writing on development and nationalism (Hirschman, 1961) and, on the other hand, a source of inspiration (albeit an unacknowledged one) for the neo-Marxist theories of underdevelopment. It is possible to argue that both Frank's theory of the 'development of underdevelopment' (Frank, 1967, 1969), and Emmanuel's theory of 'unequal exchange' involve the extension, to their logical limits, of the two elements in Prebisch's theory (Gülalp, 1981: 120–23, 129–31); both theories are embraced in Amin's conclusions. Thus, Emmanuel reproduces Prebisch's analysis in 'value' terms and also argues that an increase in the wage level is a direct cause of development by widening the internal market as well as by forcing capital to increase labour productivity. Frank, on the other hand, through a vulgarisation of Prebisch's analysis of surplus transfer, turns his policy proposal of import-substitution towards the conclusion of autarchy. Although the required extent of protectionism and import-substitution, in Prebisch's analysis, are specified and based on the specification of the surplus transfer mechanism, in Frank's theory this mechanism is not specified. The logical solution to the loss of surplus, which is supposed to be the outcome of participation in the world economy, becomes complete autarchy. It will be seen below that, although not posed in the same terms, both of these 'proposals' are embraced in Amin's political conclusions.

It was suggested above that the *developmentist* perspective and the *class-less* vision of capitalism are reflected in Amin's political conclusions. This becomes clear in the significance which is attached to autocentric accumulation. By using this concept, capitalism ceases to be a mode of production: 'For Amin, the central contradiction is one of *imbalance* – and not of contradiction between capital and labour' (Phillips, 1977: 10). The concept of autocentric accumulation implies that the formula for development is the resolution of this contradiction and Amin poses the case for socialism thus:

This theory asserts that there is a fundamental difference

between the model of self-reliant accumulation and the model that describes the peripheral capitalist system . . . It excludes the prospect of a mature, autonomous capitalism in the periphery. It asserts that a socialist break with this system is here objectively necessary. (Amin, 1977: 2–3)

In other words, socialism is necessary to achieve development. It is clearly the preoccupation with development that informs the political conclusion,⁴ namely that socialism is regarded as a means of achieving autocentric accumulation.

The essential link in autocentric accumulation was seen to be the steady rise in wages; this leads Amin to his first policy proposal:

This link has been a feature of the historical development of capitalism at the center of the system, in Europe, North America, and Japan . . . It could be shown that the process of development of the USSR and also of China, are also based upon this link . . . (73)

Secondly, he refers to the necessity of autarchy:

Our political conclusion . . . is that ‘de-linking’ is one of the necessary conditions in any serious attempt to develop the productive forces better and otherwise than by compradorised capitalism. (Amin, 1983: 375)

Therefore, socialism is seen as an alternative not to ‘capitalism’ but to *compradorised* or peripheral capitalism. This being the case, there is not much left to distinguish between an autocentric capitalist system and socialism.

This leads the discussion to a more general conclusion. The developmentist critique of capitalism is not only wrong, but it is also *impossible* because it is inconsistent within its own framework. It is wrong because, in terms of developing the productive forces, capitalism is a ‘progressive’ system – whatever may have been the effects of imperialism on different parts of the world. Also, it is a non-critique because it is not the existence or otherwise of capitalism that determines the existence or otherwise of development but rather whether autocentric accumulation exists or not. This is so because what is being criticised is not capitalism; metropolitan economies are seen as models of development and the necessity of ‘socialism’ arises from the impossibility of repeating that experience.

In returning to the earlier suggestion, the effort to define underdevelopment by reference to an idealised notion of development starts from the initial question of the developmentist framework. It is the result of posing underdevelopment as a

unitary process, whatever changes may have taken place in the evolution of the world economy (Phillips, 1977: 13; Bernstein, 1979: 89). Therefore, the developmentist evaluation of capitalism necessarily results in an ahistorical framework that excludes a theoretically meaningful periodisation of the world economy and the international division of labour, based on the concept of class struggle.

Warren's work, perhaps in a paradoxical sense, does not constitute a critique of neo-Marxism, as it fails to break with the same 'developmentist' framework. While for Amin the question is one of repeating the experience of the centre through 'socialism', which is otherwise impossible for the periphery, Warren's reply to this is that imperialism must, and actually does, carry out the task of development. While Amin tries to establish the difference between the centre and the periphery without success, Warren does not seem to acknowledge any such difference.⁵ Therefore, while Amin's argument is a developmentist critique of capitalism, Warren's is a developmentist *defence* which at certain points tends to become an apology for capitalism.

Bill Warren

Warren's main objective is to revive the classical Marxist perspective on capitalism, i.e. the latter's historical mission to develop the forces of production. However the pre-occupation with the *mission* leads Warren to an abstract vision of capitalism and, further, to an extension of this vision to that of imperialism. His arguments are couched within a framework that excludes the actual mechanisms of conflict between classes, as well as capitals, through the functioning of capitalism as a mode of production and in its impact through imperialism.

In fact, Warren's work is a formidable attack on the nationalist tendency in neo-Marxism (Warren, 1980). The allegation that neo-Marxism is based on a confusion between *anti-imperialism* and *anti-capitalism* is a constant theme in his critique. Moreover, Warren traces the origin of this tendency to Lenin's theory of imperialism. These arguments constitute the most significant aspect of Warren's contribution to the debate but they are not themselves altogether free of difficulties.⁶ Warren's critique seems to be fraught with ambiguity and what he proposes as an alternative vision, through this critique, carries within itself the same problems that are found in neo-Marxism.

The ambiguity in Warren's critique lies in his failure to distinguish between the arguments, within Marxism, in favour of a national-bourgeois revolution against imperialism and those in favour of a socialist revolution against the alleged retarding effects of imperialism/capitalism. Warren seems to lump them

together under the general heading of *nationalism*. This is in turn related to, but not identical with, another distinction that he fails to make, namely the distinction between the prospect of national liberation led by the national bourgeoisie and that led by the proletariat of the third world.

This distinction comes out most clearly in the Comintern debate between Lenin and Roy, to which Warren refers (Warren, 1980: 98–101). Lenin's argument about an alliance with the bourgeois-led national liberation movements is in fact the outcome of the theory of historical stages that all societies must go through – a point which Warren must agree with. But this is precisely what the dependency (or neo-Marxist) theory criticises in classical Marxism. Therefore, Roy's argument about proletarian leadership in national liberation is more representative of the neo-Marxist view.⁷ In this sense it seems rather ironic that Warren (1980: 101) attributes an anti-nationalist stance to Roy despite the common premise of Lenin's and Roy's arguments which puts them in the same category: both uphold the view that the survival of metropolitan capitalism depends on the 'exploitation' of the colonies. For Lenin, this view is the result of his theory of monopoly capitalism and imperialism, which Warren rightly criticises (1980: 48ff). The neo-Marxist theory, on the other hand, has generalised this argument to be applicable for all times since the inception of capitalism. It is argued that by locating the dynamic of capitalism in the exploitation of the periphery by the centre, rather than in its class structure and the exploitation of capital by labour, the essence of all the nationalist currents in Marxism can be constituted.

Warren's failure to make these distinctions leads to a failure to establish the relation between Lenin's theory of imperialism on the one hand, and dependency theory on the other. At one point in his critique, Warren says the following:

The idea that the world market is the root of international exploitation tends to dissolve any distinctive *imperialist* aspects of such exploitation and to equate it merely with the extension of specifically capitalist relationships across international boundaries. In turn, this blurs the demarcation between the negative effects of the growth of capitalism as an indigenous phenomenon and the negative effects of the impact of advanced capitalist countries (imperialism). (1980: 115–16)

This point is precisely in line with the point that was argued in the preceding section and is entirely different from the prevailing tone of Warren's arguments. He argues that 'the bulk of current Marxist analyses and propaganda about imperialism actually

reverses the views of the founders of Marxism, who held that the expansion of capitalism into pre-capitalist areas of the world was desirable and progressive'. He then goes on to argue that the 'theoretical fulcrum of this reversal of the Marxist view is the theory of the advent of a new and degenerate stage of capitalism (monopoly capitalism) that can no longer perform any positive social function' (1980: 3-4). Of course, this is Lenin's theory of imperialism, but what was already implicit in Lenin's theory was later, according to Warren, turned into dogma: imperialism came to be regarded as the major obstacle to development. The theory was then generalised and capitalism began to be regarded as a retrogressive system; this shift in Marxist theory was completed and fully spelt out in the 1928 Congress of the Comintern: 'The resolutions of this Congress formalised the surrender of the Marxist analysis of imperialism to the requirements of bourgeois anti-imperialist propaganda' (1980: 107). This was so, because 'the inherent logic of anti-imperialist nationalism was [that] the more rapid and extensive development of capitalism throughout the world was not necessarily or always understood by the nationalists themselves, let alone the Marxists' (1980: 5). However, if the spread of capitalism is 'desirable and progressive', then Warren should have no difficulty with nationalism.

This is in fact closely linked to another question: the relation between national independence and capitalist development. It could be argued that these difficulties stem from Warren's ambiguities, regarding the relation between national independence and capitalist development, which are especially discernible in his earlier work (Warren, 1973). As it was pointed out in one of the critiques of his article (McMichael et al, 1974: 84), Warren's 'essay projects a mixture of hypotheses: the Third World countries are rapidly industrialising either *independently* of imperial centres, or *because* of imperial centres, or *despite* imperial domination.' In his later work Warren (1980) seems to have overcome this ambiguity, but the way he does so is through conflating imperialism with capitalism thereby extending the classical Marxist perspective on capitalism to imperialism. He is so preoccupied with the idea of the historical mission of capitalism that he defines imperialism as 'the penetration and spread of the capitalist system into non-capitalist or primitive capitalist areas of the world' (1980: 3); and he concludes that 'since Marx and Engels considered the role of capitalism in pre-capitalist societies progressive, it was entirely logical that they should have welcomed the extension of capitalism to non-European societies' (1980: 39).

In a sense, this line of reasoning is already implicit in the article where Warren's main point of reference is the develop-

ment performance of the third world in the post-war period. Instead of evaluating performance as a phase in the evolution of the international division of labour, he tends to reverse the neo-Marxist arguments, in his attempt to criticise them, and generalise from the post-war trends. For example, in his attempt to criticise the Frankian thesis, he argues that 'this industrialisation has been (and is) taking place in a period when neither war nor world depression have acted to "cut-off" the Third World from the advanced capitalist countries' (1973: 6). However, he spends no effort to inquire into the relationship between the inter-war period of the world economy and the post-war trends that he observes. To assert that there is indeed a relationship between the two is not a Frankian thesis because, for Frank, the unitary process of the 'development of underdevelopment' was resumed in the post-war period. Warren, on the other hand, reverses this to argue for the existence of a unitary process of imperialist-led development.

By carrying to its logical conclusion, in his later work, what is an implicit tendency in his earlier work forces Warren to make a number of substantial revisions. Thus, for instance, Warren's definition of development in the article involves a justified criticism of neo-Marxism's idealised conceptualisation: 'Successful capitalist development is here understood as that development which provides the appropriate economic, social and political conditions for the continuing reproduction of capital, as a social system' and not as 'the *adequacy* of "development" . . . as a process satisfying the needs of the masses' (1973: 4). In his book, however, capitalism is seen in an entirely different light. Among many other examples, I can cite his characterisation of monopoly capitalism, which is deemed to be 'far more responsive to the needs of the masses than nineteenth-century capitalism ever was.' He adds: 'In any reasonable historical perspective, capitalism has steadily devoted greater and greater proportions of its resources to public goods and amenities, with reasonably positive effects on the whole' (1980: 80–81). A similar change can also be observed in his views on colonialism from the article where he wrote that 'in certain dramatic cases, notably India, it appeared that imperialism, having initiated the process, was now using its political control to hold back the forces it had set in motion' (1973: 42). In the book, however, one finds a different evaluation: 'The colonial era, far from initiating a reinforcing process of underdevelopment, launched almost from its inception a process of development, understood here in terms of improvements in material welfare that also constituted conditions for the development of the productive forces' (1980: 129).

Herein, then, lies the connection that Warren finds between

Lenin's theory of imperialism and the post-war neo-Marxist theories of dependency/underdevelopment. According to Warren, both of these theories depict imperialism and capitalism as retrogressive, whereas they are progressive. This, he argues, signifies a reversal in the Marxist evaluation of capitalism which results from an extension of Lenin's views on imperialism as a certain stage of capitalism: 'It is now not the character of capitalism that determines the progressiveness (or otherwise) of imperialism, but the character of imperialism that determines the reactionary character of capitalism' (1980: 47). And, the 'Leninist assessment of imperialism as unable to modernize backward societies was thus extended to apply to capitalism in general' (Warren: 110). Thus Warren's argument against the Leninist and dependency versions of nationalism is that capitalism and imperialism are progressive. In reproducing the errors of the neo-Marxist argument in a reverse form, Warren emerges to defend imperialism, which is in fact the most aggressive version of nationalism.

That Warren's critique of neo-Marxism is a reversal of its arguments within the same problematic can be seen in the problems that emerge from this perspective.⁸ First of all, Warren evaluates capitalism and imperialism with reference to the productive forces, in similar fashion to the neo-Marxist frame of reference. It was shown that the neo-Marxist case for *socialism* is the view that capitalism does not develop the productive forces. Warren's counter-argument, on the other hand, is not limited to a refutation of this mistaken view, but rather he extends it further to provide a case for capitalism. Thus, in the words of Lipietz, Warren 'may have seemed to be telling us: Don't fight imperialism because it introduces *foreign* exploitation, just fight it as exploitation' (1982: 56). This would clearly be the anti-nationalist and anti-capitalist position. However, 'Warren precisely finds capitalist exploitation to be legitimate. In essence, he is saying: Don't fight imperialism, since it helps to spread capitalism, and capitalism itself is alright, "functional", "appropriate to economic growth".'

It is in this context that Warren's arguments tend to become an apology for capitalism and imperialism. As Halliday points out, there is 'a curious absence in his writings of that moral outrage about capitalism which you will find, for instance, in the most pro-capitalist sections of the *Communist Manifesto*' (1983: 20). This is reflected in Warren's remark, among others, that the 'progressive bourgeois outlook of John Stuart Mill has been increasingly rejected by the Western intelligentsia in favour of the reactionary petty-bourgeois outlook of Proudhon' (1980: 2) and his related argument that a moral critique of capitalism is

reactionary (1980: 20ff).⁹ This stance becomes especially clear in Warren's evaluation of socialism:

In retrospect, the historical tendency of the socialist movement to draw a sharp dividing line between bourgeois and socialist morality and culture has obscured more than it has clarified. It is rather the case that the cultural and moral differences between modern industrial societies and pre-industrial societies and cultures are far more fundamental than those between industrial societies themselves. (1980: 23–24)

What leads Warren to such a statement that classifies social systems according to their levels of industrialisation is, of course, the significance he attaches to the development of the *productive forces* (1980: 24–25). It must be emphasised that even from the perspective of this logic, it is difficult to lump capitalism and socialism together because the nature of the development of the productive forces cannot be separated from the nature of the relations of production. In socialism the development of the productive forces would be a means of enhancing human control over nature while in capitalism it is a means of increasing the rate of exploitation.

The second problem that flows from Warren's perspective is that capitalism is seen as an abstract process rather than a specific mode of production. Through a unitary conceptualisation of the development process, as both cause and effect, the third problem to emerge is the lack of any reference to classes and their struggles. To regard capitalism as an abstract process of development is to produce a Hegelian rather than a Marxian vision of history (Howe, 1983; Pilkington, 1981). Warren leaves out the analysis of the most essential political issues like the extent of proletarianisation and the nature of the working class (Jenkins, 1984: 39). Finally, the abstract and unitary conceptualisation of the development process becomes the source of the ahistorical nature of the analysis: 'Warren's argument fails to periodise when capitalism does and does not transform particular societies, an essential task for historical analysis' (Halliday, 1983: 21). Similarly, it fails to account for the differentiation between, and the specificities of, the development experience of the third world countries (Lipietz, 1982: 49; Jenkins, 1984: 38).

Just as within the neo-Marxist framework, Warren's counter-argument is based on a developmentist evaluation of capitalism which results in an ahistorical framework, excluding a theoretically meaningful periodisation of the world economy and the international division of labour, based on the concept of class struggle.

The object in reviewing the two authors of opposite convictions was to show how the shortcomings of the debate originate from the plane on which it is carried out. The significance of this debate is centred on the political implications which derive from the premise of the debate. It has been argued that in terms of the questions asked, the two writers, Amin and Warren, share a common premise. This becomes clear when the three problems which were mentioned at the beginning of this article are considered.

First, it was seen that both authors discuss and evaluate capitalism by reference to the development of the productive forces. It is this frame of reference which informs their political conclusions. Thus capitalism and socialism are not regarded as modes of production that have class relevance, but rather as economic systems that allow for more or less development. No political conclusion can be sound and reliable without referring to the relations of production and to classes. Moreover, the terms of the debate are couched within a framework that idealises the experience of western capitalist development and asks whether or not the idealised experience is reproduced in the rest of the world. Such a perspective fails to see that development is not identical with the satisfaction of human needs.

Secondly, both authors, preoccupied with the relation between capitalism and development as an abstract process, reach a unitary vision of an 'all or nothing' polarity. Regarding development *or* underdevelopment as a unitary process is an outcome of the neglect of the evolution of class relations both within and across nations. This immediately lends itself to a common conception of development or underdevelopment as a centre-determined process. Blaming or praising the 'centre' results in two extreme positions of the same kind, respectively nationalism and euro-centrism.

The unitary vision which is bound up with the ahistorical nature of the analyses can be seen in the failure of both writers to take account of the historical specificities of the third world experience. Thus, each side in the debate criticises the other for failing to note the diversity of concrete historical situations (Smith, 1980: 12, 18–19; Smith, 1982: 12; Amin, 1983: 363). However, it is the framework of either side that does not allow for a historical perspective.

Although Amin mentions the competitive and monopoly phases that capitalism goes through, as well as the corresponding phases of its relation with the periphery, namely the export of commodities and the export of capital, these have very little theoretical significance. This is because the periodisation conflicts with his theorisation of metropolitan capitalism through the

concept of autocentric accumulation. It was shown earlier that in order to be consistent with Amin's definition, the concept of autocentricity could only be applicable to the monopoly phase, while Amin generalises this concept to embrace a unitary definition of development. His definition of the periphery, on the other hand, unless based on the non-existence of autocentric accumulation, is limited to an empirical and therefore static definition. The 'distortions' which he takes to characterise peripheral economies cannot be considered to be valid for the whole history of the periphery. Any change in the 'form' of the peripheral economy would imply that his description of the distortions collapses, but does not necessarily challenge his concept of distortions unless the centre and the periphery become identical. To allow for such a change, Amin is forced into his conception of underdevelopment as a unitary process of continuity.

Warren's framework, on the other hand, necessarily rules out any reference to phases of capitalism. While in his early work he dismisses the issue by generalising from the post-war trends, in his later work the question itself becomes impossible to ask. However, as Halliday (1983: 23) points out, this becomes especially significant in the present conjuncture, which may undermine the empirical arguments of Warren (and, one may add, those of Schiffer, 1981), when the world economy is entering a new phase. In other words, even in the post-war period, from which Warren seems to generalise, it is difficult to speak of a unilinear process of development. In order to understand the changes in the patterns of development, it is necessary to understand the conditions under which the post-war boom, for both the developed and the underdeveloped countries, took place and how the end of the boom is forcing a new international division of labour. Warren's framework does not allow room for such an evaluation.

Finally, the lack of attention to classes and their struggles, in the analytical frameworks of the two authors, is reflected in their political conclusions. Trapped within the framework of assessing capitalism by reference to the productive forces alone, they reach two opposite positions of a common kind: voluntarism, in the case of Amin, and what may be called inevitabilism, in the case of Warren. In either case, there does not seem to be much room left for class struggle.

This, then, brings us back to our first point: capitalism is a mode of production that advances the productive forces by its nature of a specific class-relation; and imperialism, on the other hand, is neither an agent of diffusing the capitalist mode nor that of creating underdevelopment as an abstract process with a singular outcome. It is rather the process of creating an international

division of labour with different outcomes in different parts of the world as well as in different phases of the development of capitalism on a world scale. To grasp this process, it is necessary to carry out a concrete and historical analysis of class conflicts and alliances at the national and international levels. Only through historical analysis can the phases of the world economy be theorised.¹⁰

1. The confusion between capitalism as a mode of production and imperialism, in terms of its effects on the spread of capitalism, seems to have gone unnoticed, since one can still come across observations like the following in a recent survey of the theories of imperialism:

Marxist theories of the development of capitalism on a world scale tend to fall into two groups. There are those that concentrate on the progressive role of capitalism in developing the forces of production, and conversely those that present capitalism as a system of exploitation of one area by another, so that development in a few places is at the expense of the 'development of underdevelopment' in most of the world. (Brewer, 1980: 15–16)

2. For an elaboration of this theme, see Gülalp (1978).

3. In this context, one can refer to Brenner (1977) whose emphasis on the class structure of capitalism, as the source of its dynamism, distinguishes him from Warren, despite the superficial similarity in their critiques of the dependency approach and the associated efforts to revive the classical Marxist approach. As Jenkins (1984: 53) neatly puts it, if dependency is to be characterised as neo-Smithian, Warren himself is squarely Smithian.

4. Smith and Sender (1983: 655): 'So Amin's justification for socialism is a negative one, it is built upon inevitable inadequacies of capitalism. It is clearly *anti*-imperialist, but what is it *pro*?'

5. The point is, of course, that there are indeed differences between national economies that form part of the international division of labour. The problem is based on a notion of polarity between centre and periphery, and defining the differences by reference to an idealised concept of development.

6. It could also be argued that they are not entirely new points. The point about Lenin being the 'founding father' of the nationalist currents in Marxism can also be found in, for example, d'Encausse & Schram (1969), a work which Warren seems to quote rather extensively.

7. See, for instance, Alavi (1972).

8. How far Warren has been trapped within the terms of the debate set by dependency theory is also apparent in the argument of his article about the relation between independence and development. To argue for the existence of development he argues for the existence of growing independence. This limiting framework has long been transcended by the concept of dependent development. For this specific criticism of Warren's work, see Bernstein (1982: 229) and Phillips (1977: 8). This point does not, of course, apply to his book.

9. This argument has recently been further developed by Kitching (1982). Although this is not the place to discuss Kitching's work, it may be pointed out that apart from the difficulties in his definition of 'populism' (see Bernstein, 1984), his main argument is oblivious of the Marxist

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critique of capitalism. Marx does not reject the 'early socialist' critique but instead furthers it by providing it with a 'scientific' substance, resulting in an argument for transcending capitalism. Without a moral critique of capitalism there cannot be a case for socialism.

10. The prime example of this kind of work is Cardoso and Faletto (1979). However, one must also be aware of the difficulties involved in Cardoso's own presentation of his approach (Cardoso, 1977). The impression one gets of Cardoso's position in his article is that he is against any kind of generalisation and theorisation for the purpose of analysing concrete situations to be able to guide social and political struggles. But the whole essence of generalisation and theorisation lies in prediction, without which it is impossible to conduct any kind of struggle.

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