US unilateralism, transnational elite formation and the global state.

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Abstract
It has become commonplace to relate causally the apparent frailty of neoliberal hegemony and the decline of the United States of America, while the neo-realist metaphor of a re-emerging multipolar balance of power has regained its temporarily lost ideological clout. This article questions the validity of state-centric explanations of the global struggle for and against the restructuring of social relations of production since the 1970s, and locates itself firmly within neo-Gramscian scholarship in order to shift our focus towards the agency of an emergent ‘transnational historic bloc’ in the transformation of production relations. It expounds the inter-related economic, ideological and institutional forms taken by the global process of restructuring, and theorises the state as a fluid, contradictory organisation of subjection to suggest that institutional restructuring involved the embryonic formation of a global state in the latest phase of capital globalisation.

Introduction
Are we entering a new age of world disorder in the early twenty-first century, in neo-Gramscian terms, a ‘non-hegemonic’ era of capitalist development?¹ A large body of opinion in mainstream ‘Western’ academia and information media argues that it is the case, referring to the irresolvable rift growing between the United States of America (US) and the European Union (EU), and to the unprecedented ‘imperial’, unilateral stance of the Bush administration in its foreign policy as a sign of the inevitable relative, if not absolute decline of the US state sur fond de ‘Clash of Civilizations’.² In critical academia, the flow of ideological production on this issue is obscuring and contradictory, but the supremacy of the US in the world hierarchy of national states is generally perceived to be increasingly under challenge just as the hegemony of neoliberalism is undermined from below. The causal association of these two large-scale political processes, however, has become commonplace: neoliberalism is unravelling because the US superpower is suffering from ‘imperial overstretch’,³ and US imperialism is failing because of the lack of legitimacy of the neoliberal
restructuring that it has imposed in its expansive sphere of influence. The image of
the US ‘unilaterally’ imposing ‘free markets’ in hitherto Keynesian and state-led
developmental societies since the incumbency of US President Reagan and UK Prime
Minister Thatcher has become the left-wing doxa. Scholars, activists and journalists
all too commonly argue that the US ‘hegemon’ instrumentalised International
Financial Institutions (IMF and World Bank) and multilateral regulatory institutions
(WTO, United Nations) to impose global ‘neoliberal’ restructuring, and that these
institutions’ recent misfortunes indicate the causal relation between US decline and
the crisis of neoliberalism. It has become commonplace to illustrate the decline of US
power via the temporary ‘failure’ of the Doha round of trade negotiations within the
World Trade Organisation (WTO), the contemporary rejection in Latin America of
International Monetary Fund (IMF) recipes for adjustment and restructuring, the
current expansion of ‘Third World’ (particularly Chinese, Indian, Brazilian and
Russian) capital as ‘retribution’ against Americanisation, and the re-emergence of
inter-imperialistic competition between US and EU blocs. Equally, the ‘war on terror’
is perceived as the US’s latest (and perhaps last) attempt to reassert, via military
means, its supremacy in international relations.

Endless debates on the ‘decline’ of the US superpower focus on reifying sets of
questions couched in the ‘anarchy problématique’: What are the causes of US
decline? Can it be reverted and how (‘The Project for the New American Century’)?
Should and how can it be accelerated (altermondialistes)? What will be the form of
the emerging multi-polar world? What should be the position of US allies (EU, Japan,
India) within it? These research questions, which assume the essential, unchanging
attributes of the inter-state independent variable inform inadequate and potentially
destructive normative assumptions, sets of explanations and research designs. They
are most often predictive, in positivistic fashion, and their state-centrism arguably
misses the essential explanatory processes that have led to current global conditions.

This article contests state-centric understandings of international relations prevalent in
both mainstream and critical perspectives by suggesting an alternative, neo-
Gramscian (NG) approach to the global process of restructuring unfolding since the
1970s. NG researchers argue that the protracted struggle for the restructuring of
global social relations of production can be more adequately understood by focusing
upon the agency of the loose and competitive ‘transnational historic bloc’ of elite
forces owning the means of production, managing production relations, and shaping the ‘common sense’ of global society. NG scholars have thus focused their research projects on the emergence of a global, transnationally integrated elite bloc of social forces as the dominant political agency in the global decomposition and frailty of organised labour, socialist and other progressive movements since the 1970s. Emphasising the central role of transnational elites in the restructuring of the global political economy is not a superfluous academic exercise but provides the empirical means to identify agents involved in change, to understand how (i.e. through which institutional, ideological and economic mechanisms) this involvement unfolded, and to grasp where structural power lies locally, nationally, regionally and globally.

This paper begins by explaining its rejection of the conventional correlation between global neoliberal restructuring and US imperialism, and shifts our focus towards the emergence of a global elite bloc as the dominant force in the struggle for and against restructuring since the 1970s. It subsequently expounds the economic, ideological and institutional forms taken by global capital restructuring. Restructuring is understood here as an attempt to reconfigure the capital-labour relation in order to sustain global capital accumulation; in other words, it means a struggle to empower businesses by reforming economic, ideological and institutional relations in order to generate worldwide sustainable growth. Restructuring was manifested in the transformation of economy, hegemony and state, which constituted internally related social sites of intense class and intra-elite struggles. Economic change involved the transnational concentration of capital and the emergence of more flexible forms of economic organisation; ideological struggle was manifested in the substitution of neo-classical liberal (‘neoliberal’) hegemony for Keynesian and ‘state capitalist’ ideologies; and institutional restructuring ‘binding’ these processes involved the formation of an embryonic global state reproducing the contradictions of global society in its institutional midst. The global state is an emergent form of hierarchically defined social organisation, which has not been imposed ‘from above’ but has emerged out of the fundamental contradiction between the a-spatial, globally oriented capitalist space and the fragmented, territorialised form of the international system.
Neoliberalism as a tool of the US? The neglected role of transnational elite agency

Debates on the alleged unravelling of neoliberalism in the early 21st century and the decline of the US have suffered from one essential shortcoming: state-centrism. These approaches have tended to ascribe a ‘unilateral’ agency-driven power to ‘nations’, which pits nation against nation, or the metropolis against the rest, or (at best) national elite blocs against national elite blocs.14 Within this global metaphor, particularly prevalent in world-system and dependency theory but also in much NG thought,15 one national (or Triadic) ‘hegemon’ dominates or suppresses the rest through imperialistic means – most conspicuously through unfair trade relations or chains of exploitation from the nationally-based, metropolitan bourgeoisie, passing by peripheral ‘comprador lackeys’, to the worker and peasant in the periphery.16 Not only is this image neglecting the complex, constructed nature of global social relations, by implicitly reifying the national interest and national identity (in particular the world-system approach), but reification ‘estranges’ subjugated social movements worldwide by opening the conceptual door to the argument that US or ‘metropolitan’ emancipatory struggles (by organised labour, by women, by Hispanic and black movements) are fundamentally distinct from (and potentially contradictory to) liberation struggles by, for example, the invented ‘Bolivian’ or ‘Nigerian’ nations.17 Since the essential problem of peripheral ‘nations’ (and the states ‘protecting’ them) is the unfair exchange defining their relations with the core, the only viable and justifiable course to take for them is ‘national’ emancipation either through ‘delinking’, or through state capitalism involving import-substitution and industrial protectionism.18

State-centric images do not only prove counterproductive for struggles against domination, but they also overlook empirical evidence crucial to the understanding of the causes and developments of global ‘neoliberal’ restructuring. This evidence relates to global, transnationally integrated elite formation. After the Second World War, European ‘national’ elite forces sanctioned the dominance in inter-state relations of US capitalist elites and of the managerial stratum of their national state, because it provided security for European business interests by placing US policymakers at the forefront of struggles against the Soviet threat, reducing the military, economic and ideological costs of the dirty war against it for Europeans. Therefore, US elites
enjoyed a preponderant role in any resolution of social crises occurring outside of the US jurisdiction, including the global crisis of the late 1960s/early 1970s out of which ‘neoliberal’ restructuring developed.\textsuperscript{19}

However, new processes of transnational capital concentration on a transatlantic scale were under way by the late 1960s, which transformed both elite worldviews and their organisation, and directly affected their relationship to the international system and its territorial logic of power. Marx’s prophetic suggestion that capitalist competition and class struggle, mediated by escalating investment costs for increasingly sophisticated products, would drive the process of (local, national and potentially transnational) capital concentration has been occurring and is accelerating.\textsuperscript{20} Transnational concentration increased the mobility of capital but also blurred the ‘national’ boundaries dividing firms and hence their ‘national’ interests, undermining the conventional metaphor of a world system constituted by rival national state ‘entities’. Transnational capital concentration is embodied in the emergence of transnational productive and investment corporations (TNCs), struggling against each other through the incorporation of firms in distinct sectors – often unifying, for risk sharing purposes, banking, productive and commercial circuits of accumulation into single corporations. TNCs have expanded through transnational mergers and acquisitions, strategic alliances, interlocking and interpenetrating capital stock ownership and board directorates, which constitute the economic expression of an increasingly coherent and organised transnational capitalist elite.\textsuperscript{21} It is indeed the case that the early 1970s context of crisis in the metropolis conditioned the restructuring of the Bretton Woods System (BWS), which bolstered the political ascendancy of finance: the partial deregulation of exchange rates ‘liberated’ speculative money capital from international constraints, while technological revolutions and the emergence of financial offshore markets significantly enhanced its structural power vis-à-vis relatively immobile labour and other capital fractions (industry and commerce).\textsuperscript{22} Nevertheless, William Robinson has added two valid caveats to this ‘conventional’ neo-Gramscian argument: most TNCs are involved simultaneously in industry, finance and commerce; and money capital ‘must land in production, which … is increasingly impermanent and dispersed in mobile worldwide production sites exhibiting accelerated turnover (and hence decreased fixity) time’.\textsuperscript{23}
Transnational concentration, consolidated by an increasingly sticky complex of multilateral institutions, thus stimulated the emergence of a dominant transnational social bloc incorporating US, European and later Japanese and peripheral elites, organised in numerous informal institutions, and struggling for neoliberal restructuring and the construction of a global state. Stephen Gill has termed the constellation of social forces that has stimulated global neoliberal restructuring since the 1970s the ‘US-centred transnational historic bloc’. This bloc eventually incorporated an ‘inner circle’ of transnational capitalist elites, segments of the policymaking and bureaucratic elite of metropolitan and (later) peripheral national states, and the emergent managerial strata of TNCs and of the embryonic global state composed of multilayered supra- and sub-national ‘governance’ institutions, taking ‘international’, macro- and micro-regional forms. The notion of a ‘bloc’ may appear overly homogenous and devoid of internal contradictions (just as the idea that the US ‘nation’ exploits and generates the underdevelopment of Latin American and African ‘nations’); it nonetheless refers here to a highly contradictory constellation of elite social forces loosely organised and united by their common struggle against other forces. The development of a web of increasingly coherent ‘global’ formal and informal business organisations, think tanks and research institutes (Bildeberg foundation, Transatlantic Business Dialogue, Conference Board, European Round Table of Industrialists (ERT), World Economic Forum, Council on Foreign Relations, Trilateral Commission among others) is a corollary of transnational elite formation. This institutional network does not constitute a state per se, but serves the ideological purposes of strategically defining the consciousness of the transnational bloc (transforming a class-in-itself into a class-for-itself), of organically bolstering the legitimacy of capitalism at a global level (through neoliberal concepts of control) and the authority of multilateral organisations.

This highly contradictory bloc, driven by competition in the global market, has struggled on two fronts: first and foremost against labour, but also against national/local capital. This struggle has occurred in the global market – for profit and shares – and in production sites themselves (i.e. in the workplace), but also in the form of ideological debates between neoliberal and ‘heterodox’ ideologies (nationalist developmental, Keynesian, socialist and populist), and in numerous institutional loci,
such as ruling political parties, multilateral institutions and national state institutions, as well as business associations.\(^{30}\)

Our refutation of state-centrism is, then, founded on the contention that what is considered as a ‘US-controlled’ process should rather be viewed as a struggle by emergent transnational capitalist elites against global labour and other elite forces. State forms have been constituted by, hence causally related to this global struggle. Shifting our emphasis on transnational elite formation begs the question: why and how did global struggles over neoliberal restructuring develop since the early 1970s? Restructuring is rooted in the highly unstable global social conditions of the late 1960s and early 1970s, manifested in widespread recessions and high inflation, the ‘Mai 1968’ student and black ‘Civil Rights’ movements of the late 1960s, the increasing financial and ideological cost for US elites of the Vietnam war, the Chinese Cultural Revolution and the 1969 border war between the Soviet Union and China, the early 1970s wave of nationalisations of oil industries by OPEC member states, and the 1973 energy crisis triggered by Arab states’ oil embargo against metropolitan complexes due to the latter’s active support for Israel in the Six-Day and Yom Kippur wars of 1967 and 1973. As saliently pointed out by Wallerstein, these large-scale events were compounded by a multiplicity of short-lived rebellions by subaltern social forces throughout the globe, cutting across the socialist and capitalist geopolitical blocs.\(^{31}\) Crisis-as-rupture (Wallerstein’s perhaps inflated notion of ‘world revolution’) conditioned the restructuring of increasingly unviable Keynesian and Soviet forms of international social organisation.\(^{32}\) An understanding of the process of restructuring since the 1970s, in which the transnational bloc played a preponderant political role, requires an analysis of its concrete economic, ideological and institutional forms.

‘Globalisation’ and economic restructuring

‘Globalisation’ has been on the lips of many International Relations theorists since the collapse of the Soviet Union. It is conventionally understood either to mean worldwide Americanisation – i.e. the global imposition, by US administrations and US-based multi-national corporations (MNCs), of (neoliberal) capitalism (and
epiphenomenally American ‘culture’); or is interpreted as the ‘unprecedented’ world-wide extension of an impersonal force (an ‘independent’ economic ‘variable’ or a ‘relatively autonomous’ structure) undermining and impoverishing hitherto autonomous, well-protected national social economies. While the first is fundamentally state-centric, the second reproduces Adam Smith’s understanding of market forces as an ‘invisible hand’ enjoying magical qualities that cannot be comprehended. Against Smithian liberalism, one can understand the underlying mechanism of the world market by historicising the globalisation of capitalist relations of production.

Social relations have always been constituted transnationally: the ‘transnational’ must not be analysed as a ‘new’ phenomenon; rather it is as old as, and has been dialectically inter-related to ‘international’ relations since the dawn of ‘civilization’ in Mesopotamia 6,000 years ago. The complete circuits of capital (articulating industrial, financial and commercial circuits) themselves were constituted transnationally as a structure essentially distinct from and contradictory to international relations and their territorial logic. The a-spatial and expansionary existence of capital since the eighteenth century from its transnational ‘Lockean’ heartland (defined by a form of social regulation based on the ‘rule of law’ and the protection of private property, and in which political power has tended to operate consensually rather than through direct coercion) has gradually accentuated the historical contradiction between transnational and international relations. From that perspective ‘globalisation’ accompanied the birth of capital, and capital determines the global essence of contemporary ‘society’. The transformations occurring since the early 1970s have not constituted a ‘new’ transnational market structure, but rather express emerging political relationships in which a dominant, transnationally organised elite bloc struggled to restructure economic, ideological and institutional relations through its appropriation of revolutionary technological developments (chiefly in transport and information technologies).

The most manifest expression of post-1970s economic restructuring constitutive of transnational elite integration has been the emergence of a flexible organisation of economic relations – deepened in the 1990s thanks to the collapse of the Soviet Union and its socio-political challenge to the capitalist world market society. It involves, on
one hand, a new form of organisation founded on microelectronics and flexible working conditions (longer hours, new management practices, constant linkages with the workplace via mobile phones and internet at home) pioneered by Anglo-Saxon TNCs, and denotes, on the other, the emergence of entirely new sectors of production based upon technological revolutions (informatics, cybernetics, biotechnology, nanotechnology), often in new (and hitherto peripheral) geographical locations. The emergence of a flexible form of organisation does not negate nor supersede the Fordist form (nor primitive capitalist forms), but rather incorporates it, displacing it towards so-called semi-peripheral social formations (temporarily fixing mass-production factories on territories in the ‘middle’ of the global hierarchy of national states) as an integral element of the global process of capital accumulation.

The establishment by TNCs of Fordist industrial organisation in the emerging semi-periphery is induced by four interrelated factors: 1) an underdeveloped ‘civil society’ legally separated from the state, permitting the perpetuation of a directly coercive management of labour; 2) the inefficient organisation and structural weakness of labour movements; 3) the inexistence of a ‘welfare’ state partially decommodifying labour; and 4) mass unemployment and underemployment, enhancing competition between individual workers for lowly-remunerated jobs. The reorganisation of the firm in the core and the displacement of ‘Fordist-type’ firms in the semi-periphery combine to reduce real wages of un-/semi-skilled labour in the former while sustaining low wages in the latter. The spatial diffusion of production permitted by the technological revolutions (transport, information technologies) has significantly enhanced the mobility, and hence structural power of the transnational elite bloc vis-à-vis nationally or locally organised labour, and renewed the basis for global capital accumulation. From that perspective, flexible organisation is not merely a new economic structure but a protracted struggle by increasingly mobile transnational elite forces to undermine well-organised (yet relatively immobile) labour movements in Europe and the US in order to re-activate global capital accumulation in the face of recurring resistance and crisis.

However, flexible and ‘Fordist’ forms of industrial organisation do not directly apply to ‘peripheral’ social formations at the bottom of the global hierarchy, which remain essentially tied to the (necessary) global extraction of raw materials for the production
of advanced commodities and consumption in the core. In most peripheral ‘complexes’, extractive industries (mining and hydrocarbons), agriculture and the construction sector continue to form the backbone of their economic activity, and Fordist ‘factory’ production remains quasi-inexistent. The global division of labour therefore significantly impedes infrastructural development in peripheral formations, although the fluidity of social relations does not confine them to a static ‘underdeveloped’ condition pre-determined by capitalism, as the growth and enrichment of ‘semi-peripheral’ complexes amply demonstrates. However, the ownership of extractive industries has shifted towards transnational capital, thereby deepening the integration of peripheral societies in global capital circuits through Foreign Direct Investment, and generating reactive social upheavals (various amalgams of classism, nationalism, religious fundamentalism and racism), of which the idealisation of state capitalism is one expression.

**Neoliberalism and ideological restructuring**

The post-Second World War BWS was ideologically buttressed by Keynesianism, a powerful humanist liberal hegemonic alternative to classical liberalism defining the national state as a welfare provider ‘de-commodifying’ labour and participating actively in the process of capital accumulation through state ownership of strategic (energy, transport, communications, military) national industries. Politicised Keynesian regulation in metropolitan state-society complexes came to pervade the popular common sense, bolstered by three decades of growth and full employment. In the capitalist periphery, the constant lack of capital (hence of a reliable tax base), the quasi-inexistence of a remunerated technocratic stratum administering the ‘national’ social space, and the superficial penetration of state institutions in rural areas (due to backward transportation and communication systems) perpetuated a lack of state cohesion and efficiency in regulating invented ‘nations’. The ‘peripheral’ derivation of advanced Keynesianism therefore took the form of ‘state capitalism’ in which the state attempted to overcome its relative disadvantage in the world price system and protected its overwhelmingly agricultural but also extractive sectors of production, while defending the emergent local capitalist class when it could (by adopting a mercantilist trade policy and subsidising industry sectors deemed ‘vital’, if not
directly restructuring capital by nationalising key – extractive – sectors). Needless to say, ‘welfare’ de-commodification and demand-side management were quasi-inexistent elements of state regulation in the periphery, intensifying significantly social conflict.

In the metropolis of global society, the welfare state apparatus was perceived by labour to be a legitimate mediator of entrepreneurial, labouring and dependent social forces, despite the alienating nature of Fordist-Taylorist assembly lines. Nevertheless, the 1970s ideological climate, generated by the manifest failure of Keynesianism in the face of inflation, recession and rising unemployment, and buttressed by the long incumbency of Conservative/‘New Right’ governments in Anglo-Saxon complexes (the Thatcher and Reagan administrations), provided the space for a vast political onslaught on liberal humanism and its legitimising expression, the ‘welfare state’. This onslaught had its intellectual roots in classical liberal ideology but was expressed in a vicious ‘neo’ form (‘the unemployed and marginalised are lazy’ – and hence do not deserve public support for their sustenance and reproduction, or ‘state ownership and welfare is costly, inefficient and subject to abuses’, hence taxes should be low, accumulation privatised and the competitive market ‘free’). The ‘neo’ attribute of neoliberalism must be used with caution and always with reference to the re-emergence of classical liberalism adapted to new historic conditions (a ‘neo-classical’ form of liberalism), acknowledging the continuity in liberal thought since Adam Smith’s foundational ‘Wealth of Nations’, yet emphasising the new formal conditions in which Hayek, Friedman et al.’s work became dominant after the intense social crises of the late 1960s-early 1970s. ‘Neoliberalism’ is therefore interpreted here as a shift in the hegemony of capital in its ideological relations with formerly hegemonic and counter-hegemonic discourses, which reasserts classical liberal economic theory (‘anti-inflationary’ monetary policy, fiscal ‘austerity’, the privatisation of production and welfare provision, free trade and competition, financial openness).

‘Neo’-liberalism was articulated by liberal intellectuals in Economics departments, think tanks, and research institutes. The emerging global elite formation, organised informally (through elite institutions) and formally (through ‘official’ lobbies directed at supranational and national regulatory institutions), but also increasingly influential
in information media corporations (through direct ownership and shareholding) and through the financing of neoliberal institutes, was the key social force struggling to entrench the hegemony of the ‘Chicago school’ version of the old liberal orthodoxy. In peripheral complexes the new ‘wave of democratisation’ from the early 1980s was buttressed ideologically by neoliberalism – hence the influence in Latin American policy-making of the so-called ‘Chicago Boys’ and equivalents at Harvard and other universities (in Chile, Mexico, Argentina, Bolivia).48

In the context of global mobility and transnational concentration, neoliberal norms became increasingly congruent, from the 1980s onwards, with the economic interests of powerful segments of national elites, in core and (semi-) periphery. Economic congruence permitted the internalisation of neoliberal ideology by hitherto ‘heterodox’ national regulatory models, but economic developments were consolidated by elite consciousness of common ‘global’ interests, indeed by a common ‘deterritorialised’ identity and language (English) of elites educated in Anglo-Saxon universities and united by transnational production and finance networks.49 Neoliberal restructuring was therefore a process internalised by transnationally integrated elites, because capital accumulation had become endangered globally in the early 1970s. The intense social crises of the late 1960s and early 1970s in US and Western Europe had ruptured the Keynesian-Fordist organisation of social relations. Having reached breaking-point, the structure required reform, a fact on which increasingly class-conscious transnational elites were in agreement.50

**Global unravelling of neoliberalism?**

Neoliberal ideology has, without a doubt, been under challenge from the very moment it became the mantra of right-wing political parties and business elites in the US, Europe and Latin America in the late 1970s and early 1980s. The hegemony of ‘pure’ neoliberalism (its efficiency in generating consent and order) has proven increasingly fragile because it has advocated policies in manifest contradiction to labour’s interest, for instance the re-commodification of welfare rights and the reduction of real wages. Increasing economic competition in the ‘cosmopolitan’ context of (never perfectly) free trade and floating exchange rates has increased the instability of the world market by accelerating the demise of uncompetitive, unprotected industrial sectors, producing
national recessions, unemployment and hence impacting negatively on ‘national cohesion’. In the meantime, conflicting nationalist and transnational elite fractions are attempting to ‘re-regulate’ the global economy through supranational institutions and multilateral treaties constraining national states to implement ‘stabilising’ (anti-inflationary) policies such as rigid monetarism, fiscal austerity, and the legal ‘emancipation’ of national central banks in order to lock-in ‘sound’ and ‘balanced’ macro-economic policies. The policy expressions of neoliberalism are therefore perceived rightly to actively de-stabilise production relations.

However, the critiques of neoliberalism have produced a dynamic adaptation of many of its premises, especially in the regulation of the exchange relations between core capitalist states and their periphery (the concepts of ‘fair and/or free trade’ and ‘zero-debt’ incorporated in the dominant neoliberal discourse effectively undermine cries against global ‘injustice’, just as the notion of the ‘free market’ has been complemented by that of ‘good governance’ and the ‘empowerment’ of national states). Criticisms have thus been absorbed and co-opted effectively by the proponents of a neoliberal project losing the ‘purity’ of its ‘Thatcherite’ ideal (there is ‘no society’ nor any ‘alternative’) but keeping on course its core ‘foundations’: fiscal solvency and monetarism, central bank independence, competitive flexibility in the labour market and privatised accumulation, multilateral regulation, and whenever possible the co-optation and/or marginalisation of potentially dangerous labour movements.

In the capitalist metropolis, and despite the French ‘aberration’ of large-scale worker, student and underclass rebellions obstructing ‘necessary’ reforms for the past ten years, the hegemony of the neoliberal nucleus seems currently assured, provided that growth prevails – the ultimate legitimising tool for capitalist rule, because growth, it is argued, tends to generate employment, and the augmented wealth appropriated by elites ultimately ‘trickles down’ the social pyramid to reach even the working poor (it is more doubtful in the case of the socially marginalised). Despite superficial variations in discourses, the cardinal laws of neoliberalism are implicitly or explicitly embraced by mainstream (‘Social Democratic’ or Conservative) political parties sharing the formal control of the legislative and executive organs of national states.
In the global periphery, resistance to neoliberalism has seriously undermined the sustained implementation of its most unpalatable principles, after more than two decades of restructuring. In Latin America and East Asia, access by rural and urban workers and marginalised social strata to critical information has remained uneven but has risen in magnitude, because of increases in literacy rates and the use of new means of communication (internet, mobile phones). The socio-political repercussions of a more global consciousness among peripheral subaltern movements, combined with the partial disintegration – wage reductions and lay-offs – of the so-called middle-classes (intellectual, managerial and ‘professional’ labour) in the context of neoliberal restructuring are far-reaching, because it has expanded the disaffection for the neoliberal order to social groups that are indispensable to its stability. In Latin America ‘state capitalism’ (embodied most conspicuously by the re-nationalisation of extractive industries) and mercantilism (through expanded tariffs on trade) are again brandished as the tools either for growth-generation and surplus redistribution (Argentina, Brazil), or as a transitional platform towards socialism (Bolivia, Venezuela).

The unpopular notions of free trade, private welfare provision and ownership of strategic enterprises, and the flexibilisation of the labour market are being challenged and sometimes rolled back, if only partially – as in Venezuela and Bolivia. Interestingly however, much of the current leftwing resistance to ‘neoliberal globalisation’ – and its institutional expressions, the IMF and the World Bank – is a political expression of the rejection of the Monroe doctrine, rather than the rejection of the nuclear tenets of neoliberalism as such: monetarism, fiscal and price stability sustained by depoliticised Central Bank activities remain the norm in all Latin America (including the ‘radical’ Bolivian formation). FDI and capital accumulation is actively promoted by ‘red’ Latin American governments, but Chinese and Indian investments are preferred to European and US ones because of their perceived political ‘neutrality’. In his speech on Bolivia’s national day, President Evo Morales emphasised that IFIs are no longer imposing conditions for economic and state restructuring because Bolivia is already achieving the ‘responsible’ fiscal and monetary policies advocated by them. The core tenets of neoliberalism – capital accumulation and monetary discipline – therefore remain unscathed.
**Institutional restructuring and the embryonic global state**

**Defining the state**
The element of global restructuring that has institutionally ‘bounded’, so to speak, economic and ideological struggles, is the embryonic formation of a global state. This suggestion requires a definition of the state that overcomes the un-problematised attachment to its ‘territorial/national’ form informing assumptions in critical scholarship that ‘capitalism is a world system of states, and the form that the capitalist state takes is the national state’.\(^5\) Such territorial definitions of the state have lead to the contention that the US state has imposed neoliberalism unilaterally on other states.

A definition that tentatively seeks to provide an empirically viable and coherent path for historical materialist research is suggested here. The state is understood as a *contradictory organisation of subjection*, a necessary coercive and regulatory expression of relations of domination – which are the premise and result of production relations.\(^6\) Thus the state is a complex set of social relations embedded within broader relations;\(^7\) it reproduces and coercively expresses the power relations between the social forces constituting it and that it necessarily organises; hence it is the organisational and coercive constitution of domination itself.

All relations of domination exist through and as organised subjection. As such, whenever relations of domination have historically arisen, they have been organised by a distinct institution, or set of institutions monopolising authority and the means of coercion: in other words, a state. *Societies defined by domination are state societies.* The state is always a specific apparatus of coercive and regulatory institutions, of which the ‘government’, the legislative apparatus and the judiciary system in capitalist form are a part but not the whole.\(^8\) This approach permits to clearly delimitate the institutions constituting the state, hence to avoid the shortcomings of the Gramscian ‘integral state’, which unwittingly allows any institution in civil society – the information media, the Church, trade unions – to be considered part of the state if they sustain the legitimacy of existing class relations.\(^9\)
William Robinson (2005) emphasised that the state has historically taken many variegated forms. Hence ‘classical imperial’, ‘city’, ‘feudal’, ‘national’ pre-capitalist and capitalist, and the embryonic global state are different, empirically verifiable organisations. The state, which monopolises ‘legitimately’ coercive instruments of rule, has been an essential aspect of class societies since the emergence of ‘civilization’ (i.e. of class relations) in Mesopotamia six thousand years ago. State authority is thus elemental to global capitalism and entails the rejection of the liberal pluralist notion that state and market are interacting entities, which induces fallacious lines of reasoning concerning the dissolution (‘retreat’) of the state in the face of the ‘free market’ (advocated in neoliberal discourses and reproduced in Keynesian – and numerous ‘left-wing’ – refutations). This approach provides the theoretical space to explain the constant transformation and reconfiguration of the ‘state’, for instance in the latest phase of capitalist globalisation undermining both the organisational powers and legitimacy of national states and generating new sub- and supra-national forms of organisation. It is also explicitly set against atomism – which explains political developments simply by focusing on and justifying the analysis of ‘domestic’ national phenomena, and hence conceptualises the international system as the sum of nation-state entities and their unrelated (or at best analogically posited) political processes.

This definition, however, seeks to overcome the un-problematised attachment to its ‘territorial/national’ form informing assumptions in critical scholarship that ‘capitalism is a world system of states, and the form that the capitalist state takes is the national state’. Social relations necessarily exist and are temporarily ‘fixed’ on territories upon which states have been constructed and upon which social organisation occurs. Yet considering that this temporary fixity is expressed in highly fluid shifts in ‘national’ territories (from shifting boundaries, to the creation and erasure of states), the notion of a ‘national’ state as the necessary expression of global capital is highly problematic because it incidentally reifies the capitalist state as ‘national’ political form. The question is: why should the capitalist state necessarily be a ‘national’ organisation of subjection elemental to an international system? This question has not been answered adequately by any Marxist theorist.

As a contradictory relation, the state is constantly torn, as is society, by social antagonisms: hence state policy is never perfectly implemented in the interest of the
dominant class, is always an expression of struggle (however silent, invisible and apparently ‘non-violent’) and hence is constantly subject to dissolution by social forces outside and within it.\textsuperscript{64} Equally, assuming that the national state is a paradoxical form and hence locus of struggle (as suggested by Cox), it may be temporarily dominated by fractions of capital (in particular, transnationalised capital fractions) or indeed by dominant fractions of labour unwittingly reproducing domination through their own organic appurtenance to the global hierarchy of social forces and states.\textsuperscript{65} State legislation itself reflects institutional struggles: the institutionalisation of organised labour induces political struggles generating legal compromise limiting the capital accumulation process and precluding ‘absolute’ subjugation by dominant social forces. The state necessarily expresses the social (economic, ideological, organisational, coercive) power of elite forces (whether ‘national’ or ‘transnational’) and/or organised labour at a particular moment of its history: in capitalism, it is therefore not ‘functionally’ related to the capital accumulation process, is not ‘relatively autonomous’ from the production relations that constitute it, and hence is not inevitably a ‘capitalist state’.\textsuperscript{66} State policies may not inevitably favour capital accumulation and may indeed generate fiscal and monetary crises; yet they may also change the production structure in a variety of ways, however ‘cataclysmic’ or counterproductive these may be – including Soviet-style central planning, or indeed (why not?) the ‘de-linked’ de-monetisation of the economy. The very establishment of the Soviet bloc and centralised accumulation shows that state policies are not simply devised to sustain the viability of private capital. It is indubitable that the difficulty for a national territory to be purely autarchic requires a continued integration in the global structure; and hence compels states to implement policies that condition capital accumulation. However, the formation of a global state potentially breaks down this apparent ‘structural inevitability’, because transforming global social organisation would entail the potential transformation of the global structure itself.

\textit{Capital globalisation and the international system}

Hannes Lacher has effectively refuted Marxists and world-system arguments that the capitalist structure and the international system arose in tandem, as two supportive yet contradictory processes.\textsuperscript{67} Such arguments are unfounded empirically and tend to reduce the international system to a functional prerequisite for the continuing
development of capitalism. Lacher convincingly demonstrated that capitalism as a complete structure of production integrating productive, financial and commercial circuits expanded from its British base within and through a pre-existing (European) fragmented international system of ‘modern’ absolutist states. The opening of America to European colonists and merchants opened the way for a world market of exchange dominated by state monopolies and extremely strict restrictions on private investment, in which capitalism found its necessary roots. Nevertheless such conditions did not ensure capital (i.e. money invested for profit) globalisation per se: conditions specific to Britain permitted the industrialisation of farming in which lords stopped coercing peasants using their own tools and land to serve them, but rather began to employ contractually ‘free labour’. The agricultural revolution in seventeenth and eighteenth century Britain sustained urbanisation, the destruction of artisan guilds and the emergence of a private, capitalist textile and (later) heavy industry. The international system preceded the emergence of capitalism and territorially constrained its development by hindering the mobility of capital. Yet the projection of military power sustained by the tremendous increase in the wealth of early capitalist societies (chief of all Britain and later the US, the two central components of the transnational Lockean heartland) originally conditioned the deepening of existing and generation of new circuits, through territorial control and coercion of colonised societies (often perpetuating pre-existing relations such as slavery and serfdom). With the geographical expansion of capital and the increasing political pre-dominance of capitalist forces in global society, pre-existing national states (of the absolutist type for instance) eventually became capitalist forms of organisation.

National states are therefore not ‘multiple political forms’ taken by globalising capitalism: their preceding historical existence as non-capitalist institutions precludes any necessary correlation with capital, and precludes the affirmation that the international system of territorialised states is the only and ultimate ‘imperialistic’ form taken by global capitalism, as suggested by state-centric approaches. The logic of capitalist relations is essentially distinct from, although it has historically overlapped with, the ‘territorial’ logic defining the international system. It may therefore be argued that the globalisation of capital, albeit congruent during a specific phase of its history with inter-state rivalries (the apparently long yet ephemeral era of
‘national imperialisms’ in which capital concentration had become relatively co-extensive with the boundaries of national states and required its coercive and protective apparatus to expand against other ‘national’ capitals), has increasingly become contradictory to territorial divisions. Therefore, just as the international system of modern absolutist states preceded the emergence of capital, the transnational concentration of capital has outgrown the fragmented logic of international territoriality and supra- and trans-nationally constrained its restructuring.\(^70\)

\textit{A global state?}

The latest phase of capital globalisation emerging since the worldwide crisis of the early 1970s has been defined by increasingly convergent interests between the most powerful (transnationalised) segments of national elites, in both core and periphery. The construction of a global state reproducing within its institutional midst the tensions of global society, and built upon pre-existing, yet internationalising national ‘organisations of subjection’ has been elemental to global struggles for and against the restructuring of capitalist forms in the latest era of globalisation.\(^71\) It must be emphasised that global state formation is a highly contradictory process and therefore cannot be assumed to inevitably achieve a ‘final’ or ‘complete’ form. It is distinct from ‘civil’ organisations such as lobbies, educational and research institutes; and built through multilateral institutions constituted by national states.

Cox has tended to abstractly equate state and government: hence his acquiescence to the non-Marxist notion of ‘governance without government’ (the \textit{nébuleuse}), meaning without ‘state’.\(^72\) Against this view, I analyse\textit{ governance as a form of state, if only embryonic}, because the state is logically prior to, and a precondition of, the government, the legislature, the judiciary, the bureaucracy, indeed any institution enforcing the organisation of subjection. The emergent form taken by the state is global, and does not necessarily have to mirror exactly the historical form taken by national states. National states themselves have taken highly incongruous, fluid and ever-changing historical forms (from the ‘absolutist’ form of the \textit{Ancien Régime} to the highly sophisticated liberal-democratic capitalist forms of the twentieth century).\(^73\) The global state cannot be considered as a state in the conventional sense: it does not enjoy the monopoly of the military, police and surveillance apparatuses, through
which its constituent national states continue to manage ‘national’ labour components of the global production structure. And yet the interlocking of systems of surveillance and coercion among administrations appertaining to the expanding Lockean core is increasingly well documented and suggests institutional congealment through coordinated activities.\(^{74}\)

Bob Jessop and Peter Burnham have argued convincingly that a ‘broadening’ of the regulatory institutional form beyond inter-state capitalism, concurrently to a ‘hollowing out’ of the national state towards sub-, trans- and supra-national levels of governance are occurring.\(^ {75}\) Burnham suggests that ‘the moves to regional coordination evident across the globe (EU, NAFTA, APEC) represent an attenuation of the tension between national states and the global economy as the crisis of the class relation is simultaneously expressed as a crisis of the international state system’.\(^ {76}\) This essay argues, following Cox, Gill and Robinson that institutional ‘broadening’ and ‘attenuation’ is reaching an embryonic global form.\(^ {77}\) The global state consists of a multilayered complex of interconnected multilateral institutions created by, financed by, and constituted by national states, yet becoming increasingly essential to global capital accumulation by bolstering the collaborative behaviour of ‘public’ bureaucratic elites through supranational legislation sustaining transnational economic organisation. State managers, as effective owners of ‘public’ corporations, have necessarily been drawn in the global process of restructuring since the 1970s but perpetuate competitive relations. Nevertheless, the partial or complete privatisation of hitherto public national ‘champions’ interfacing transnational capital concentration, and the increasing inter-meshing of ‘public’ and ‘private’ ownership of such corporations (Robinson uses the example of Deutsche Telecom) effectively ‘denationalises’ the interest of state managers, thereby facilitating the internationalisation of the national state as part of an embryonic global yet fragmented state.

The global state is constituted by various levels of management, yet authority is increasingly centralised into particular multilateral institutions. At the apex of the embryonic global state currently stand the Group of 8 (G8), the Development Committee (DC) – constituted by the International Monetary Fund (IMF) and World Bank (WB) –, the World Trade Organisation (WTO) and the Development Assistance
Committee (DAC) of the Organisation for Economic Cooperation and Development (OECD). These multilateral institutions were formed by the geo-economic ‘great powers’ of the mid-to-late twentieth century yet flexibly incorporate ‘dynamic’ elite forces in emergent ‘great powers’ but also peripheral countries: constituted by governing/managerial elements of the transnational bloc, these institutions continue to reproduce contradictory national ‘interests’ yet transcend them through transnational interconnections and common global regulatory objectives. The DC in particular has demonstrated admirably effective coordination between the IMF and the WB; and systematically adapts its strategic decision-making in a holistic and reflexive form. However, against Robinson’s view that the transnational state is instrumentalised by the ‘political wing’ of the transnational fraction in its interest, I would argue that, since it is constituted by national states, which are necessarily an institutionalisation of social struggles, the global state itself cannot but be twisted by the contradictions defining it.

MDIs have demonstrated a holistic, long-term and sustainable approach to global accumulation and to the social contradictions generated by accumulation, which involved a profound understanding of global processes of social (i.e. economic, ideological and institutional) change, while effectively interconnecting the ‘macro’ – through regular high-level meetings leading to policy strategy documents – and the ‘micro’ – through regular MDI missions, workshops, roundtables, and delegations in member-states. This holistic approach to social organisation explains why a relatively thin supranational administrative stratum has proved admirably effective in articulating its activities with national administrations in order to sustain social stability – unwaveringly supporting the systematic use of coercion as an underpinning of ‘consensus-building’ with domestically-oriented and subaltern social forces in both core and peripheral complexes. Its effectiveness is buttressed by the national roots of its leadership: rotating governors of the DAC, DC, the IMF and the WB are conventionally Finance Ministers or Central Bank governors or their respective national states, and MDIs staff has privileged access to confidential government information, remains in close contact, and engages in systematic ‘dialogue’ with key government Ministers and staff.
Global social organisation indubitably continues to rely on ‘national’ coercive divisions and migratory controls, but the loci of authority and power have been deterritorialised and shifted to a set of global regulatory agencies. The global state is ‘deterritorialised’ in two senses: firstly, it is no longer tied to a specific territory that it institutionally binds, but acts within the bounds of the world as a whole; secondly, multilateral organisations at the apex of this institutional complex hold their general meetings in apparently indeterminate, ad hoc locations, at varying intervals and often without advertising them.\(^8^2\) State deterritorialisation is a process through which transnational managerial elites attempt to pre-empt institutional struggles by inducing the ‘disengagement’ of organised labour (which remains essentially tied to nationalist and syndicalist strategies of class struggle) from the concrete, global decision-making process and its cantoning to ‘street struggles’. Indeed, social struggles are reproduced in all institutional forms, whether local, national or indeed global, but the deterritorialised global policy-making process has proved far less amenable to resistance by territorially/nationally, sectorally and racially fragmented labour. Nevertheless, this manifestly ‘undemocratic’ state is generating resistance from a variety of social forces in all national formations and in the process transforming the competitive nature of the international system itself. This transformation provides the institutional space for the transnational cooperation and global consciousness of labour movements.

The latest era of capitalist development arguably necessitates the globalisation of regulation: enhanced capital mobility, especially of its money form, effectively reduced the ability of national states, most conspicuously weak and corrupt peripheral state institutions, to regulate a growth-generating, yet far more unstable, global economy. Further, the global mobility of capital involves a new web of chaotic investment practices and contentious legal issues which requires the elaboration of a common, global jurisdiction providing investment security and coercing criminal capitalist activity. The necessary ‘re-regulation’ of financial and trade markets by multilateral institutions since the late 1990s, concomitant to emerging transnational issues of environmental change and organised crime, has bolstered the multilateral construction of inter-linked global institutions with supranational constitutional authority and ideological coherence.
The perpetuation of pre-capitalist territorial logics of imperialism by nationalist elements of US elites influenced by ‘declinist’ theories (the contemporary Bush administration is exemplary) does thwart the global hegemony of the transnational bloc by increasing the visibility of the coercive element of social exploitation and domination. A blatantly nationalist geo-economic strategy, relying on the unchallenged domination of US conventional military capabilities, is bound to antagonise social forces that could potentially be integrated in the transnational historic bloc, and may thus thwart multilateralism and deepen processes of regionalisation – involving the formation of rival regional blocs struggling for resources and hindering global free trade. Nevertheless, ‘9/11’ and subsequent US invasions of Afghanistan and Iraq has not proved to be the political trigger of a non-hegemonic, coercive international order imposed unilaterally by the ‘declining’ US superpower, because the overarching, common interest of ‘public’ managers (whether ‘neo-Cons’ or the ‘cosmopolitan’ transnational bloc of which ‘neo-Con’ leaders are members through their transnationalising corporate interests) is global social order to manage efficiently capital flows and labour: elite cooperation has, against contemporary appearances, firmly become the global norm rather than ‘territorial’ rivalries. The last war in Iraq, despite significant political opposition by European members of the transnational bloc, did not provoke an indelible rift in Transatlantic relations, especially considering the stagnation of EU construction (the ‘freezing’ of the EU Constitution). It has not consolidated the unity of a transnational Islamic ‘civilization’, which would constantly wage Djihad on Europe’s territory using its Diasporas in France, Belgium, and Spain, despite the ‘anti-terrorism’ legislation antagonising Muslim immigrants, and the aggressive foreign policies of the US and Israel in the Middle East – financially, institutionally and ideologically supported by European administrations. It has however bolstered Islamic terrorist movements and provided them with training to sustain successful urban guerrilla warfare in Afghanistan and Iraq against technologically and organisationally superior imperialist armies. More importantly though, these military endeavours are inadequate because they profoundly undermine the legitimacy of the US as supreme leader of the global hierarchy of national components of the global state. Yet they do not affect the political supremacy of the transnational bloc of elite forces in global relations of production.
Conclusion: ‘Neo-Con’ imperialism, the global state and the potential for human emancipation

This article contests the left-wing doxa in information media and academia that global neoliberal reform since the 1970s is an expression of traditional national imperialism by US administrations, and that the perceived crisis of neoliberalism is necessarily a crisis of the US state. Our refutation of state-centrism is founded on the contention that what is considered as a ‘US-controlled’ process should rather be viewed as a struggle by emergent transnationally integrated elites against labour and other elite forces. It has argued that global restructuring, understood as social struggle, has involved dialectical changes in economic, ideological and institutional expressions of underlying capitalist relations of production, and suggested that institutional restructuring has involved the construction of a global state, which reproduces the contradictions of global society in its institutional midst.

The legitimacy of the current US administration and that of global neoliberal restructuring are under challenge; yet these broad scale processes are not causally related: the first may be interpreted as a global reaction against its perpetuation of a territorial logic of domination preceding capitalism, while the second constituted a ‘necessary’ response to the global crisis of the early 1970s, a response which promotes blatantly business-friendly principles undermining its hegemonic thrust. However, while the legitimacy of these phenomena is arguably under threat, that of capitalism has never been so global and pervasive, as left-wing discourses amply demonstrate: progressive movements in the World and European Social Forums (in reformist or revolutionary guises) as well as in post-Seattle upheavals all point their fingers to the violence imposed by neoliberalism upon humanity by negating democratic cooperation and participation, solidarity and peace. Nevertheless these movements must identify their ideological ‘friends’ and ‘foes’: nationalist Keynesian modes of regulation no longer constitute a functioning mediation between capital and labour, being based on high labour costs, high inflationary tendencies, and a hidden form of militaristic mercantilism that respectively impose an unbearable ceiling on capital accumulation and no longer suit transnational capital concentration.
The state is seen here as a site of social-political struggle, being itself a social relation coercively expressing and reproducing domination and the struggle against it. The state can thus logically be transformed into an institutional vector of the struggle against domination but only through and alongside other social struggles, and if the balance of forces turns to the advantage of progressive movements defending democratically the rights of all labouring and non-labouring (marginalised) forces. By transforming the institutions of the state as sites of democratic rule, the possibility of emancipating society from domination opens up.

Nevertheless, any attempt to democratise the ‘national’ form of the state is undermined by its very constitution of an international system. This power structure is defined by the increasing transnationalisation of production and exponential rise in the mobility of capital relative to fragmented labour on one hand; on the other, national-in-global hierarchies effectively divide all subjects, discursively sustaining collective discrimination through parochialisms, racism and other reactionary ideologies. The position of national institutions in the global hierarchy of states always inhibits and perverts any attempt at ‘national’ liberation because socially de-linking from global relations is not only impossible but arguably undesirable since it generates, on the basis of aforementioned regressive ideologies, potentially new ‘local’ relations of domination and the exclusion of the ‘Other’. Since the Second World War, ‘emancipatory’ revolutionary-nationalistic political parties taking control of the national state, but refusing or failing to revolutionise the social structure and ‘de-link’ from capital circuits have tended to suffer economic collapse (due to capital flight and elite struggles against economic emancipation) and reactionary upheavals, followed by IMF-supported restructuring. Considering the alienating and divisive anti-colonial and anti-imperialistic struggles of national liberation, it logically flows that only through the construction of a global state can the global emancipation of labour become consciously apparent and consciously struggled for.

Ironically, this development is currently made possible by the transnational elite bloc’s attempt to construct a deterritorialised global state reflecting its social power and attempting to attenuate, if not transcend, the fundamental contradictions between accelerating globalisation and national territorial divisions. The global state attempts to achieve such attenuation by regulating global capital movements and by attempting to solve constraints on its reproduction (‘international’ labour movements, transnational organised crime and global ecological destruction). The global state, if
perceived to be a key locus of global emancipatory struggles, can potentially be transformed into an ‘ethical public sphere’,\(^8\) in which democracy (horizontal rule by the *demos*) emerges, and the social ownership of all (ideological, coercive, economic) means of domination may be transformed into means of liberation.

As a social relation not ‘inevitably’ taking a capitalist form, the emergent global state and its various, multi-level institutions does provide the institutional ground for cosmopolitan, emancipatory struggles against the global discipline of capitalism: struggles must not only unfold in the streets and in the workplace, but also within and against national and global state institutions, in order to undermine and overcome the hegemony of capital. The global state constitutes an identifiable and highly concentrated, yet shifting and mobile decision-making complex. If one understands that organisational and structural power is concentrated into the transnational historic bloc, which dominates but can never perfectly instrumentalises multilateral and national institutions, subaltern forces struggling in municipal, regional and national institutions must shift their attention towards globally oriented centres of authority and decision-making. This imperatively necessitates the transnationalisation of labour organisation and resistance, and the systematic elaboration of a convincing, globally oriented social alternative that breaks down nationalistic, religious and other parochial barriers between progressive technocratic, labouring and marginalised social forces.
NOTES


4 Imperialism is conventionally defined in two ways, which are not inconsistent but actually sustain each other: imperialism as an ‘over-accumulative’ need by metropolitan capital to appropriate resources and labour on its periphery for the expansion of the market for commodities produced, and as political-military domination in international relations. See Tom Kemp, ‘The Marxist theory of imperialism’ in Roger Owen and Bob Sutcliffe (eds.) Studies in the theory of imperialism (London: Longman, 1972); see also Fred Halliday, ‘The pertinence of imperialism’ and Bob Sutcliffe, ‘How many capitalisms? Historical materialism in the debates about imperialism and globalisation’ in Mark Rupert and Hazel Smith (eds.) Historical Materialism and globalization (London: Routledge 2002).

5 Constant diatribes against US supremacy and its ‘imperial’, worldwide infliction of neoliberal reforms are endemic in publications such as Le Monde Diplomatique and pamphlets by ATTAC in France, Open Democracy in the UK, The Nation and Znet in the US. In critical academic approaches,

Left-wing discourses in both US and EU (witness the ‘Charter of Principles of the Other Europe’ emerging out of the so-called altermondialiste movement dominating European Social Fora) also focuses on the military-economic (‘imperialistic’) domination of the US and of its (multi)national corporations as the cause of global restructuring. They accordingly emphasise the need to return to preceding alternative paths of capitalist development (state capitalism, ‘social-democratic’ governance). The Europe of the past, of Keynesian regulation (almost full employment, state-ownership of strategic industries, free healthcare, generous pensions and unemployment benefits) is held as the grail that all European nations and the world should pursue against US-imposed ‘neoliberalism’. Such reactions to neoliberalism effectively demonstrate the intensity of liberal hegemony: universally employed, ‘humanist’ liberal discourses praising representative democracy and capitalist diversity have effectively been set as the only viable counter-hegemonic movements against the discourses of ‘neo-Conservative hawks’ and ‘neoliberal doves’ in the US. See Alex Callinicos, ‘Alternatives to neoliberalism’, *Socialist Review* (July 2006). As emphasised by Callinicos, ‘the charter belongs firmly to the ideological world of post-war social democracy’.


The terms ‘global’ and ‘transnational’ must not be conflated: the former implies a ‘whole’, an entity incorporating and constituted by social relations in their totality, and hence cannot be reduced to the latter. ‘Global’ therefore refers to world-wide forces and processes. However, the ‘transnational’ is ‘a phenomenon that extends across, and thereby links as well as transcends, different (territorial) levels’. Transnational social forces therefore do not exist as a level beyond or outside the ‘national’ level but within and through it, ‘in several national contexts simultaneously’. Bastieen van Apeldoorn, ‘Theorizing the transnational: a historical materialist approach’, *Journal of International Relations and Development*, 7(2004), pp.144-145.

NG conceptualise structure and agency as a ‘historically grounded dialectical totality’: human agency can consciously reflect upon and change the actions (re)producing the social structure that she/he constitutes. Hence on the one hand, ideological relations and the concept of hegemony, conventionally silenced in Marxist scholarship, should become a central part of historical materialist research projects alongside economic and institutional forms; on the other, formal and structural change should not be perceived as necessarily ‘given’ by the class relation: social change is not predetermined by the underlying reality of class but has historically been generated also by struggle (expressed in ‘domestic’ and ‘foreign’ wars, in imperialistic relations) between contending elite forces. These theoretical propositions have sustained two audacious theses on the late development of the global political economy (GPE): firstly, transnational elite formation and the emergence of a ‘US-centred transnational historic bloc’; secondly, that global relations of production were radically restructured under the
impetus of this highly contradictory bloc of elite forces facing global crisis-as-rupture in the early 1970s. See Kees van der Pijl, The making of an Atlantic ruling class (London: Verso, 1984) and Transnational classes and international relations (London: Routledge, 1998); Stephen Gill, Power and resistance in the new world order (Basingstoke: Palgrave, 2003) for authoritative analyses of the transnational historic bloc.


11 Robert Cox, Production, power and world order (New York: Columbia University Press, 1987); Gill, Power; Overbeek and Pijl, ‘Restructuring capital’. In contrast to realist understandings of ‘hegemony’ as dominance in inter-state relations, NG approaches define hegemony as the ideological power of ruling over subaltern classes within a given ‘national’ social formation but also globally, which generates and sustains social cohesion and order. Gramsci, Prison Notebooks, 169-170; Van der Pijl, Transnational classes, 51.

12 Robinson, Global Capitalism.


14 See footnotes 2 and 5.

15 See for instance the earlier work of Robinson, Promoting polyarchy ; and Enrico Augelli and Craig Murphy, America’s quest for supremacy and the Third World (London: Pinter, 1988).


19 See Robinson, Global Capitalism.

20 Karl Marx, ‘Capital Vol.1’, in Selected writings (Oxford: OUP, 2003); Pijl, Transnational Classes; Robinson, Global Capitalism.

21 Robinson, Global Capitalism.

22 Overbeek and Pijl, ‘Restructuring capital’.

23 Robinson, Global Capitalism, p.53.

24 Thus Daniel Janssen, CEO of the TNC Solvay and eminent member of the European Roundtable of Industrialists, explained in a speech to the Trilateral Commission that the contemporary ‘double revolution’ consists in ‘reducing the power of the State and of the public sector in general through privatisation and deregulation, (and) transferring many of the nation-States’s powers to a more modern and internationally-minded structure’. Daniel Janssen, ‘The Pace of Economic Change in Europe’, speech to the general assembly of the Trilateral Commission (Tokyo, April 2000).


26 See Cox, ‘Social forces, states and world orders’, in Approaches; Gill, Power; Overbeek and Pijl, ‘Restructuring capital’; Robinson, Global Capitalism.

27 Robinson, Global Capitalism.

28 Gill, Power; Robinson, Global Capitalism.


30 Robinson, Global Capitalism.

31 Wallerstein, ‘Curve of American Power’, p.82.

32 John Holloway ‘The Abyss Opens: The Rise and Fall of Keynesianism’ in Werner Bonefeld and John Holloway (eds.) Global Capital, National States and the Politics of Money (Basingstoke: Macmillan, 1995); Cox, Production.


34 Cox, Production; Gill, Power.

35 See Pijl, Transnational Classes.


37 On the transnational essence of the British (‘Lockean’) heartland of the world market, see Pijl, Transnational classes.

38 See Harvey, Condition of Postmodernity.

39 See Gill, Power, Robinson, Global Capitalism.


42 See Robinson, Global Capitalism.


44 For an exemplary expression of such Conservative views, see David Horowitz’s ‘Frontpage Magazine’, www.frontpagemag.com, accessed 29 November 2006.


46 See Cox, Approaches; Gill, Power.

47 Prominent neoliberal academic institutions include the University of Chicago in the US, the London Business School in the UK, and a constellation of private universities in Latin America and Europe (American ‘colleges’). Well-established, transnationalised neoliberal think tanks include the US-based
Heritage Foundation and Competitive Enterprise Institute (CEI), the UK-based Institute of Economic Affairs (IEA) and Centre for Policy Studies (CPS), the Institute of Public Affairs (IPA) in Australia, the Institute for Liberty and Development in Chile, the Institute for Liberal Thought in Turkey. See Diane Stone, ‘Think tank transnationalisation and non-profit analysis, advice and advocacy’, Global Society 14 (2)(2000), pp.153-172.


50 Holloway, ‘The Abyss Opens’; Pijl, Transnational Classes; Gill, Power.

51 Cox, Approaches; Gill, Power; Robinson, Global Capitalism.

52 Cox, Approaches; Gill Power; Robinson, Global Capitalism.


54 An exemplary rebuke of the fallacy that growth generates employment is the latest statistical data produced on growth and employment in the UK: while GDP growth has been solid between the second quarters of 2005 and 2006 – at 2.8 percent – unemployment increased from 4.9 to 5.5 percent in the same period (Le Monde 29th August 2006).


33

pp.82-3. Jessop, on his side, defines the state as a ‘distinct ensemble of institutions and organizations whose socially accepted function is to define and enforce collectively binding decisions on the members of a society in the name of their common interest or general will’. Jessop, State theory, p.341.


58 Burnham, ‘Organisational View of the State’, p.5.


60 See Burnham, ‘Organisation View of the State’; Jessop, State theory.


62 See John Holloway, ‘Global Capital and the National State’ in Bonefeld, Werner and Holloway, John (eds.) Global Capital, National States and the Politics of Money (Basingstoke: Macmillan Press, 1995). As already pointed out, this tendency is evident in Gramscian thought.


64 An example among others is the mass upheaval occurring in Bolivia in February 2003 (‘Febrero Negro’), during which the police force in La Paz rebelled against new taxes on the ‘middle classes’ of which it is a part, and participated in the popular siege of the Presidential palace, fighting against (some of them killed by) special military forces on the Plaza Murillo.

65 This is apparent in contemporary ‘left-wing’ governments throughout Latin America (from former trade unionist Lula Da Silva’s administration in Brazil, to the minero-cocalero organisational core of Evo Morales’s Movimiento Al Socialismo in Bolivia and the ‘Bolivarian’ government of Hugo Chávez).


69 See Van der Pijl, Transnational classes.

70 See Robinson, Global Capitalism.

71 Here the ‘internationalisation’ of the national state is simply understood as institutional integration into the emerging global complex (of the central institutions of the state as a whole – rather than of such and such ministries or agencies), as a ‘national’ administrative component of its fluid constitutional/legal form. Internationalisation may be interpreted as an institutional process rooted in
the very establishment of the post-war world order. As emphasised by Cox, the integration of national states in post-war multilateral regulatory institutions fixed and deepened the alteration of national policy-making by constraining policy harmonisation among participating state elites, through a set of coordinative and constitutional mechanisms. Cox, ‘Social forces’, pp.108-9.

72 Cox, ‘Social forces’, p.106.

73 See Robinson, Global Capitalism.

74 See Gill’s usage of Foucault’s concept of ‘Panopticism’, analysing coordinated surveillance apparatuses, in Gill, Power.

75 See Jessop, State theory; Burnham, ‘Capital, crisis and the international system’.

76 Burnham, ‘Capital, crisis and the international system’, p.95.

77 See Cox, Production; Gill, Power; Robinson, Global Capitalism.

78 The DC is the apex of the World Bank-IMF administrative hierarchy. Its formal designation is the 'Joint Ministerial Committee of the Board of Governors of the World Bank and the International Monetary Fund on the Transfer of Real Resources to Developing Countries'. Established in October 1974, it usually convenes two or three times a year; it thus had organised 65 high level meetings by November 2007. Its members are either Ministers of Finance or Central Bank governors of both metropolitan and peripheral states appointed for successive periods of two years by one of the governments or groups of governments represented on the WB’s or IMF’s Board of Executive Directors. ‘The DC advises and reports to the Boards of Governors of the WB and the IMF on all aspects of the transfer of real resources to developing countries, and to make suggestions for consideration by those concerned regarding the implementation of its conclusions’. See IBRD, 'Progress Report on Private Sector Development', March 12, 1993 - prepared for Development Committee Meeting May 1, 1993, p.1.

The DC involves a high degree of policy coherence not merely among these two large bureaucracies (IMF and WB), but more importantly still, among the finance ministries and Central Banks of all governments represented at the IMF and WB board of governors over time. It involves a high degree of ideological continuity and centralisation of administrative/technocratic power; it is used as a multilateral forum for the design of a global policy ‘line’, in coordination with the UNDP, the Development Assistance Committee (DAC) of the OECD, the regional development banks, and bilateral donors. This ‘epistemic community’ necessarily ‘spills over’ its institutional limits into the diplomatic realm by virtue of its allocation of budgets to other ministries – an effective disciplining of ‘politicians’ via money. See Ernst Haas, Knowledge Power and International Policy Coordination. (London: MIT, 1992).

The DC is more directly involved in concrete issues of design and implementation (on the basis of WB and IMF activities) than the OECD’s DAC. The DAC has increasing political clout (as demonstrated by its role as umbrella organisation for the Paris Declaration of 2005), but serves as a discussion forum for more general policy strategy elaboration rather than the implementation of policies specific to individual national states. It is constituted by high level civil servants and government ministers of OECD member-states.
The Task Force on Multilateral Development Banks (MDBs) reporting to the DC in 1996 calculated that the five major MDBs – including the World Bank, the Inter-American Development Bank, the Asian Development Bank, the European Bank for Reconstruction and Development and the African Development Bank – together employed 12,000 permanent staff with a combined operating budget of $2 billion a year (DC 1996: 20). The IMF added another 2,700 staff from 141 countries to this total. The UNDP, on its side, had more than 20,000 staff in 166 country offices, with an operating annual budget of $4.4 billion (see Kim Henderson, ‘The Knowledge Sharing Approach of the UNDP’, *KM4D Journal* 1(2): 19-30). The OECD employs around 2,500 agents in its secretariat – while 40,000 senior officials from national administrations attend OECD meetings each year for reviews and contributions to the work of the OECD. See [http://www.oecd.org/pages/0,3417,en_36734052_36734103_1_1_1_1_1_1,00.html](http://www.oecd.org/pages/0,3417,en_36734052_36734103_1_1_1_1_1_1,00.html). Staff numbers in MDIs have been relatively stable since the 1980s. The European Commission adds another 32,000 staff – including 9,000 external staff – to this multilateral administrative corpus. See [http://ec.europa.eu/civil_service/about/figures/index_en.htm](http://ec.europa.eu/civil_service/about/figures/index_en.htm), accessed 14 February 2008. The permanent delegation of the European Commission in La Paz has boasted more than 40 onsite staff since 1997 (46 as of 2007), up from 10-12 in the preceding decade (interviews with Andrew Standley, Nicolaus Hansmann, Mauro Mariani).

In total several dozen thousands staff, including all MDIs, and the European Commission) constitute the multilateral organisation of global society, with deep institutional roots in national administrations.

Policy strategy discussion and elaboration inevitably occurs in aforementioned transnational informal elite organisations, in highly secretive places. Public-private partnerships has involved the creation of numerous informal policy discussion fora helping policymakers in the periphery to internalise the ‘business perspective’. See IBRD 1993, p.8.

Harvey, *The New Imperialism*.