

Long Wave Theory and the Debate on Globalization

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1. As the globalization position implicitly argues that the world is facing something radically new, the critics of the concept have mounted two historical attacks. One involves contending that the period before the first World War saw the creation of a global capitalist system. The leading imperialist countries divided the world between them and participated in a relatively open trading regime based on the maintenance of the gold standard under British dominance. (Hirst and Thompson 1999 pp.19—62) This global regime was interrupted by two world wars, the loss of Eastern Europe, China and the European empires, the great depression and a period of protectionism, but has now been re—established under American or alternately Trilateral dominance. As such globalization is nothing new, and hardly justifies surrender to international capital. A second argument contends that recent internationalization is nothing more than the continuation of a longstanding trend emanating from the end of the second World War.

2. The first of these arguments can be conceded without too much damage to the globalization case. The interruption of the period of globalization was substantial and the institutional basis of the current period differs significantly from that of the earlier period. The second argument that the globalization theorists have mistaken a quantitative change for a qualitative one is really the heart of the controversy. The defense of globalization must proceed in three steps. The first step is to argue for the existence of a qualitative change by spelling out the specific alterations which constitute it. The second step in the argument must establish that this qualitative change is a relatively lasting one and not a temporary experiment. The third step in the argument must establish that the set of changes identified can be most accurately characterized as globalization. This step must consist of establishing two propositions. The first is that the changes under consideration really constitute globalization and don't fall short of this characterization. The second involves establishing that globalization can be picked out as the dominant aspect of the changes.

3. The balance of this paper can be summarized as a steeplechase with a series of hurdles for the concept, each of which must be negotiated successfully. First hurdle: a qualitative change in the institutional character of the world economy must be located as a possible beginning for the period of globalization. Second hurdle: this institutional change must be relatively stable and contain within it the potential to last. Third hurdle: at least one of the changes involved must be characterizable as globalization. Fourth hurdle: globalization must be the dominant aspect of the qualitatively new order.

1. HURDLE ONE

4. It is appropriate to introduce long wave or stage theories of capitalism at this point precisely because these theories provide criteria for identifying qualitative institutional change from one historical period to the next. The current state of long wave theory is heavily influenced by a number of heterodox traditions of which the most prominent are the Marxian, Schumpeterian, institutionalist and Keynesian. A number of different schools have arisen espousing different combinations of these basic ingredients.

5. (Uno 1980; Mandel 1975; Boyer 1990; Gordon et al 1982; Freeman 1983) All of these schools are influenced by one another and a common description of the broad theoretical approach can be achieved. In addition, all the schools have converged on a common periodization of post World War II capitalism and its subsequent crisis. This is important because the possible resolution of this crisis of 'Fordism' will be the ground upon which we

can look for the qualitative change in the capitalist social order that marks the emergence of globalization.

6. Long wave theory sees capitalist history since the industrial revolution as divided between alternating periods of relatively successful expansion and periods of relative stagnation and crisis. These theories generally view capitalism and its attendant process of reinvestment and growth as inherently unstable. Crisis tendencies include underconsumption, intensifying class conflict, destabilizing competition, secularly increasing capital costs, disproportionalities between industrial departments, financial fragility, overproduction and market saturation. Crises can also arise in the political and ideological institutions of capitalist societies. The problem faced by these long wave theories is not the neoclassical embarrassment in the face of crisis. It is the opposite problem of explaining expansion.

7. Expansion takes place when the inherent instabilities of capitalism are temporarily overcome. This is achieved through the establishment of a more or less complex network of institutions, norms and regulations that dampen capitalist crisis tendencies to the extent that long—run profit expectations are restored and reinvestment and growth are inaugurated. This institutional reorganization takes place across all levels and sectors of society. Economic institutions, political institutions, ideology, culture and technology are all necessarily included. Further complexity is added in that these various institutional transformations have to be compatible with one another as well as with renewed capital accumulation. Explaining the transition from expansion to crisis is easier. Over a long period of expansion the crisis tendencies reassert themselves.

8. Long wave theory contends that a stable institutional framework underpinned the long period of expansion after the second World War. Institutions within this framework included the Keynesian state, US international dominance, Fordist consumption norms supported by capital—labour relations that linked together rising incomes and rising productivity, the diffusion of mass production technology, and Cold War ideology. This long period of expansion ended in a crisis dating from the mid—1970's. This crisis was brought about through the erosion of the institutional conditions of the previous expansion. The advent of stagflation decisively undermined support for Keynesian state policy. The expansion of the European and Japanese economies, Third World liberation movements and the Oil Crisis eroded US hegemony. Rising labour militancy and the limits of productivity under Fordist production ended the capital—labour compromise. This disintegration of the institutional pillars of continuing profitability prompted disinvestment and stalled accumulation.

9. The current period is therefor one of either continuing crisis or alternately one of the consolidation of a new institutional framework seeking to resolve this crisis and to undergird a new period of expansion. If such a new institutional framework is consolidating then by the standards of long wave theory we are witnessing a qualitative change in the workings of the capitalist economy. The next task then is to identify important institutional changes that have taken place or are currently underway that could serve to re—establish a favourable climate for growth.

10. The first area to consider is capital labour relations and the organization of production. We are certainly witnessing a series of fundamental transformations in this area. A drastic shift in the balance of class forces finds a ready index in the decline in union membership

especially in the private sector. On the shopfloor more and more companies are introducing a regime of lean production based on Japanese techniques developed in the postwar period. (Parker and Slaughter 1994) The introduction of lean production has been accompanied by downsizing and the intensification of labour for the remaining employees. The widespread use of computerized production technology has led to the replacement of Fordist mass production with a more flexible technical organization that allows specialized batch production. (Perez 1986) While some corporations are pursuing this “high road” oriented toward increasing productivity, the decline of labour organization and the increasing ability to internationalize production has allowed others to pursue the “low road” of low wages and casualization. These developments have intensified the postwar dual labour market.

11. In the area of capital to capital relations increases in capital mobility have been driven by technological developments and deregulation of capital movements as well as by increasing state hospitality to foreign direct investment. This increase in capital mobility has taken place both at the level of physical productive capital and at the level of money capital through the massive intensification of international financial activity. (Bryan 1995 pp.16—18) These developments have led to the interpenetration of the capitalist class based in North America, Western Europe and Japan. Because of this interpenetration increased trade liberalization has had contradictory results, leading at the same time to increased competition on the product market and increased cooperation through reciprocal share ownership, joint ventures, tight subcontracting arrangements and the like. (Castells 2000 pp.77—215) All of these developments have contributed to the creation of global norms of profitability. This means that all decisions about economic activities, even those carried out entirely within national boundaries, are increasingly taken in light of international norms and standards. (Bryan 1995 pp.11—13)

12. Changes at the level of the state involve both a reorientation of domestic state policy and structures and the creation of increasingly powerful international regulatory institutions. The orientation of fiscal policy has changed from balancing inflation and unemployment to an overwhelming emphasis on price stability. Taxation has been reduced on capital and higher incomes and there has been a corresponding reduction in the size of the non—military sectors of the state. In particular fewer resources have been devoted to social spending and welfare entitlements have been cut back. States have pursued a policy of deregulation and privatization. (Jessop 1993) The reinforcement of “competitiveness,” the ability of domestically sited production facilities to generate profits in the international marketplace, has become the touchstone of domestic policy. (Bryan 1995 pp.170—178) Increasingly all states have adopted a strategy of export—led growth. At the same time, power has been devolved both upwards and downwards. On the one hand, regions are increasingly allowed to compete with one another for inward capital investment. On the other hand, policy—making authority is granted to supra—national political entities like the World Trade Organization, the IMF, NAFTA and the European Union. These international institutions are generally oriented toward neoliberalism pursued through policies of trade liberalization and structural adjustment.

13. These emerging institutional changes demand ideological legitimation. This is to be found in the intensive promotion of neoliberalism. It is perhaps hard to see what is neo about neoliberalism as an ideology except perhaps that its increasing dominance allows it to

be promoted on the basis that There Is No Alternative. It is also less linked to an idealistic presentation of the freedom of action of the individual and more tied to a competitive necessity to allow the freedom of movement of capital.

14. Changes in the international environment are increasingly intertwined with our previous categories of institutional analysis. We have already discussed the creation of global norms of profitability and the establishment of international political structures. Nevertheless there are two further significant developments which can be discussed under this heading. The first is a dramatic geographical extension of capitalist relations of production. The collapse of the Eastern European regimes has inaugurated a rapid transition to capitalism in the former Soviet sphere of influence. The post—Mao reforms and the integration of Hong Kong have begun a similar but slower and more measured transition process in China. These transitions have opened up vast supplies of raw materials, extensive investment opportunities, massive pools of cheap labour and large new markets for capitalist exploitation. These developments mark the end of alternative sources of support, both economic and military, for Third World states. They also have a profound ideological significance in that they represent both the end of the Cold War and the end of an alternative development model for less developed areas. They also reinforce the sense that There Is No Alternative in the developed world.

15. The final international institutional change involves the reinstatement and extension of US hegemony. Despite their increasing economic power, the military capacities of Germany and Japan have remained repressed and underdeveloped. There is little evidence of a political desire in Europe to create a full military counterweight to the United States. The Japan Who Could Say No has evaporated in the face of economic stagnation. Indeed at the moment trilateralism appears to have been little more than a futurologist speculation. Thus the collapse of the Soviet Bloc left the US as the only remaining military superpower. his increase in relative political and military strength has led to territorial advances in the US sphere of influence. Of most significance is the apparently permanent and already well—consolidated thrust to the east in Europe with the extension of NATO and the immanent enlargement of the European Union. Post September 11, radical Islam is being squeezed from the east through the occupation of Afghanistan in alliance with Pakistan. Coincident with this is the growth in US influence in the Muslim republics of the former Soviet Union to the north of Afghanistan. The integration of the political elites within “moderate Islam” in the wake of the oil crises of the 1970’s was an important earlier achievement. This was consolidated during the Gulf War through the military reconquest of Kuwait and the continuing isolation and humiliation of Iraq.

16. It is difficult to define precise criteria for identifying when an institutional reorganization of capitalism constitutes a fundamental change in the environment of accumulation. The extensive range and depth of institutional transformations since the mid—1970’s, however, absolves us of this task. There exists a prima facie case for the qualitative transformation of the conditions of capitalist growth and expansion. Thus the argument in favour of the globalization thesis passes the first hurdle.

2. SECOND HURDLE

17. We have not yet established that this new set of institutions is adequate to underpin a new long period of capitalist growth and stability. The only ultimate proof of the pudding is

in the eating, that is in whether a new long period of growth can be observed. In this sense then the jury is necessarily still out. Some preliminary observations can, however, be made. The first is that the profit rate, at least in the US, has been rising since the early 1980's. (Dumenil and Levy 2002) The second is the relatively strong period of growth since the early 1990's. If the current slowdown proves to be relatively short and shallow this would also be consistent with a new long period of growth.

18. Despite these statistics there exist strong arguments against the continuing stability of the current institutional reorganization. These arguments contend that the emerging institutional framework as described above does not have legs. There are two powerful sources of crisis which are not only not adequately addressed but intensified by the emerging institutional framework. The first is the possibility of a crisis in international finance. The second is a crisis of overproduction generated by international competition.

19. As economic activity has increasingly internationalized no corresponding international monetary order has been found to replace the Bretton Woods system which collapsed in the early 1970's. The hard currencies have been allowed to float against each other along with the occasional coordinated intervention by national central banks. This has so far proved to be generally adequate. However, increasingly important economic regions are outside of this hard currency area. No effective way has been found to integrate these countries' currencies into the international system in a stable and sustainable way. Attempts to tie these currencies to the dollar through the use of currency boards have served only to attract speculation and to intensify crises brought on by periodic capital flight. The international economy does not have an international money.

20. Financial deregulation, the internationalization of money and capital markets, and the electronic linking of these markets have created a situation in which money can flow rapidly into and out of markets, areas of financial and economic activity, and whole countries and regions. This has the advantage for capital of subjecting national decisions to the scrutiny and rapid discipline of the financial markets. It has the disadvantage of intensifying tendencies toward financial crisis.

21. The linking of previously partially separate product markets and the intensification of competition tends to generate either overproduction or overcapacity. This tendency is intensified by the widespread adoption by states of export—led development strategies. While it is possible for a small number of countries to consistently pursue such a strategy it is obviously impossible for all countries to simultaneously succeed in this kind of effort. (Crotty 2000)

22. It would be hard to deny the reality of these crisis tendencies. It is possible to argue, however, that their impact could be delayed long enough so as not to forestall a long period of expansion. Much of the discussion of the implications of these tendencies for long run growth seems to implicitly assume that an institutional framework can only be said to be in place if it does not carry serious crisis tendencies immanent within it. It is true in general that crisis tendencies in past institutional frameworks have tended to come to the fore only after a long period of expansion. This would be true of the crisis of excessive competition that ended the expansion at the end of the nineteenth century. It would also be true of the exhaustion of Fordism. On the other hand, however, the monopoly structure put into place at the turn of the twentieth century could be said to be carrying a tendency to underconsumption from its birth. This tendency originated in its suppression of working class living standards, monopolistic and oligopolistic domination of investment markets,

and the imperial carving up of international markets. With this example in mind, the secure identification of crisis tendencies does not necessarily disqualify an institutional framework from underpinning a long period of expansion.

23. It may also be the case that the deep stagnation in Japan and the serial financial collapses in Asia in the 1990's have already thrown their worst at an international economy which at least for the moment has proven flexible enough to cope with them. At the very least the rebound from these events has shown that the economy is not necessarily unable to contain these negative financial forces. As to the second possible source of crisis, a tendency to underconsumption can be temporarily overcome in many ways. The continued expansion since the early 1990's demonstrates at least provisional success in this area. Careful study is needed to identify the actual sources of demand. Rampant consumerism, relatively easy credit, and the opening up of new areas of the globe for investment stand out as candidates. While it cannot be demonstrated definitively that the second hurdle has been overcome, the horse is not yet in the dust.

3. THIRD HURDLE

24. The third hurdle that the globalization thesis must overcome is the determination that at least something about the emerging social order has been globalized. That all aspects of human life have everywhere been assimilated to a globalized standard or process is perhaps too high a barrier. Culture has clearly not yet been globalized despite the existence of a trend in this direction. Despite the increasing importance of international institutions like NATO and the World Trade Organization, political relations cannot be said to be globalized outside of the fact that all regions participate in an international state system but this is hardly new. What has been globalized or not globalized is the economy or economic relations. It is true that the center of the discussion to date has been economic globalization. In this economic context then the next question we must ask is whether it is the whole of the economy or only particular aspects that are under consideration. That is, specifically what constitutes economic globalization or globalization of the capitalist economic system?

25. A good place to ground this discussion can be found in the circuit of capital. The capitalist economy is not a static relation but flows through a circuit from money capital to productive capital to commodity capital and then back again to money capital. In fact, as Marx pointed out this process actually involves three circuits of capital: a circuit of money capital; a circuit of commodity capital; and a circuit of productive capital. (Went 2001 pp.83—91) The question that this raises is whether capitalism can be said to be globalized unless all three circuits of capital have been globalized.

26. Merely globalizing the commodity circuit appears to be insufficient. Commodities can be acquired in areas that are dominated by other modes of production and similarly sold into areas that are dominated by other modes of production. In some sense this denial that the simple internationalization of the commodity circuit constitutes the globalization of capitalism is at the heart of the debate within Marxian development theory between world systems analysis and the modes of production school. The global extension of the commodity circuit does however create a global division of labour. Nevertheless it is possible that this division of labour takes place across more than one mode of production. If globalizing the commodity circuit and establishing a global division of labour were

sufficient it would have to be conceded that globalization dates from the turn of the twentieth century or even earlier.

27. Globally integrating the money circuit has potentially greater consequences for the globalization of the capitalist system as a whole because this globalization would serve to transnationalize the capitalist class. This is the really radical significance of the globalization of finance. Globalizing the money circuit would globally integrate those who have a right to a portion of the surplus produced under capitalist relations of production. Nevertheless by itself the globalization of the money circuit does not serve to geographically globalize capitalist class relations. As a kind of thought experiment it is possible to imagine a global ruling class globally integrated through the money circuit exploiting one or several strictly local working classes. This situation could however potentially leave large areas of the globe and large populations potentially untouched by specifically capitalist (that is exploitation based on wage labour) social relations. The several local ruling classes could be linked together without capitalist production relations having penetrated the geographical areas where these ruling classes are resident.

28. It is a controversial question as to when the globalization of the money circuit of capital was accomplished. Some analysts have placed it as early as the beginning of the twentieth century with the emergence of finance capital. (Zevin 1992 106—108) Others place it in the current period with the elimination of capital controls and the electronic linking of world markets. Even if the earlier dates are accepted, the globalization of the money circuit along with the commodity circuit is insufficient to globalize capitalist relations of production. There is another sense however in which the globalization of the money circuit can be said to create the conditions under which the economy can be said to be globalized. If financial capital is mobile enough it can impose globalized norms of profitability in the regions in which it operates. In this way even strictly localized economic decision—making can be said to partake of the global economy in the sense that even these forms of economic calculation must be carried out with reference to global economic conditions.

29. We must look finally at the globalization of the productive circuit of capital. It might be possible to argue that the productive circuit of capital is globalized simply through the geographical extension of capitalist production relations to all or nearly all areas of the globe.¹ Such an extension might not necessarily involve the global extension of the commodity or money circuits of capital. If these other circuits were not involved, a world—wide system of local capitalist economies would be created. Such a capitalist system could not be said to be globalized, certainly not in the sense in which the word is used today. Consequently the global integration or extension of a single circuit of capital is insufficient to constitute the globalization of the capitalist economy.

30. It would however be accurate to speak of global capitalism if this globally extensive set of local capitalist economies were in addition linked through the globalization of the commodity circuits and the money circuits. The globalized commodity circuits would create an international division of labour. More importantly the globalized money circuits would eventually create a global ruling class. Facing a united capitalist class is a sufficient base for forging an objectively unitary working class. In these circumstances, the world would be facing not only globalized capitalist production relations but also globalized capitalist class relations.² Indeed it may be argued that from a specifically Marxist perspective it is only when class relations are globalized that we can meaningfully speak of

a global capitalism. In this way it can be argued that the extension of capitalist production relations to Eastern Europe and China was a decisive and qualitative step toward globalization in league with the previously globalized commodity and money circuits.

31. Another sense in which we can talk about the globalization of productive capital is in the ability of multinational firms to allocate production or parts of the production process to different parts of the world. Each part of the production process can be located in a part of the world that is capable of carrying out that process in the most profitable manner. This ability to allocate production is achieved partly through sheer size and concentration of resources. Improvements in transport and communication are also necessary. A further essential condition of this kind of activity is the assembling of knowledge of local conditions in disparate parts of the globe. This is achieved through the creation of transnational blocs of capital through reciprocal ownership and joint venture agreements. The network organization celebrated by Manuel Castells (2000) has a role to play here. Legal regimes established either internationally or in the separate states hospitable to the cross border movement of capital investment are also an almost indispensable condition here.³

32. The ability to allocate production to different parts of the world within the framework of a single capital is not necessary for the globalization of the capital accumulation process as argued above. It may however be sufficient. A world dominated by large transnational blocs of capital transferring production to different parts of the globe would rapidly globalize the commodity circuits of capital. Crucially it would unite the workers of the world into single transnational working class sharing a common antagonism to global corporate capital. Common interest in the face of a common working class and common global social conditions would unite the capitalist class even in the absence of global capital markets. Thus the extension of global capital investment to Eastern Europe and China could serve to globalize capitalist relations in this sense.

33. Thus the extension of capitalism to Eastern Europe and China served to complete the globalization of capitalist social relations. This was not solely a consequence however of extending the geographical reach of capitalism to global proportions. Globalization depended on one or the other of two sets of further conditions being previously or contemporaneously in place to complete the globalization process. One set consists of the globalization of the commodity and money circuits of capital. The other possible set was the existence of capitals large enough, knowledgeable enough and well connected enough to globally allocate production along with a legal regime that allowed them to accomplish this. The fall of the Berlin wall and the post—Mao reforms took place in a conjuncture in which both of these further sets of conditions were met. The conditions of globalization were in a sense met twice over. The globalization thesis leaps the third hurdle.

4. FOURTH HURDLE

34. Having established that globalization is one important aspect of the emerging institutional framework, the fourth hurdle still remains. Since the emerging institutional framework is made up of several ongoing institutional transformations, it is not a foregone conclusion that globalization is so crucial that it deserves to lend its name to the totality of the framework. Two circumstances would justify giving the emerging institutional framework the appellation of globalization. The first would be if globalization was the

fundamental precondition or driving force of the other institutional transformations. Failing this, globalization could be the overwhelmingly dominant aspect of a more multi—institutional transformation. We will pursue the first strategy below.

35. The opening up of Eastern Europe and China to capitalist exploitation, as argued above, is an integral aspect of globalization. The increasing mobility of capital, the transnationalization of the capitalist class and the establishment of global norms of profitability are also aspects of the globalization process. The regionalization of economic policy on the one hand and the establishment of international para—state structures like the WTO are certainly driven by globalization. Globalization is also intimately linked to the reinstatement and extension of US hegemony. In addition, a credible case can be made that globalization is the principle force behind a changing balance of class forces which has made possible the assault on unions, the introduction of lean production and the technology of flexible specialization.

36. A similar argument could perhaps be made in relation to the changing orientation of domestic state policy. The adoption of export oriented growth strategies is certainly tied up with globalization. Certainly the relentless pursuit of “competitiveness” is linked to the perceived globalization of the economy. The push for competitiveness has become the main justification for the policies of deregulation and privatization. The reduction of taxation on capital and higher incomes is defended with similar arguments along with the partially consequent reduction in the size and reach of the state. This reduction in the reach of the state is consistent with the reduction in social spending and the reorientation of state policy away from addressing unemployment and emphasizing price stability. Certainly the more contemporary aspect of neoliberalism which involves the reorientation of liberalism from a celebration of individual initiative to the imperative of the freedom of capital on the global stage is linked to globalization. The same could also be said of the argument that There Is No Alternative.

37. So has globalization passed its fourth and final hurdle? This can only be definitively established in the absence of a similarly convincing characterization based on another aspect of the emerging institutional framework. Coming up on the inside track is neoliberalism. It is certainly true that globalization has contributed to the strengthening of neoliberalism as both an ideology and a set of policies. At the same time, we established above that the consistent pursuit of neoliberal policies in the form of promoting or at least allowing the globalization of the commodity, money, and production circuits of capital is a precondition of globalization. The global movement of money, commodities and production arises at least partially from the establishment of neoliberal policies toward such movement. This is most dramatically demonstrated in the emergence of international institutions like the WTO and the European Union which are dedicated to the promotion of this global movement.

38. Neoliberalism is also a nearly perfectly adequate characterization of the emerging pattern of domestic state policy. The withdrawal of the role of the state to the defender of private property, the enforcer of contract and the guarantor of price stability is classical liberalism. The same can be said for the reduction in tax rates and the reining in of the state sector in the areas of social security, regulation and state enterprise. The hostility of the state to labour organization has contributed to the decline of unions and of workers power generally. This decline is one of the foundations of the possibility of the introduction of

lean production and downsizing accompanied by the intensification of labour. The lack of regulation of the labour market opens up the possibility of the pursuit of low road strategies of low wages and the casualization of labour.

39. At the international level, neoliberalism is an appropriate description of the structural adjustment policies pursued by the IMF and other international institutions toward the Third World. The application of “shock therapy” to the transitional economies of Eastern Europe can also be characterized as the application of the policies of neoliberalism. In this area the extension of capitalist relations of production to post—Mao China stands out as an exception. While the movement from Maoist economic organization to the present market reforms can be described as a process of liberalization, the extremely measured Chinese approach to the creation and prosecution of a transitional economy can hardly be described as a neoliberal one.

40. Globalization has a strong competitor in neoliberalism as the appropriate characterization of the emerging institutional framework. At this point it may be useful to return to the ways in which globalization and neoliberalism mutually condition each other. It may be instructive to examine whether or not it is possible to accord one or the other factor predominance in this reciprocal process. The natural Marxist tendency would be to accord primacy to the more economic factor over the political and ideological one. It is certainly the case that the progressive globalization of the capitalist economy created conditions under which the balance of class forces shifted towards capital. This increased economic and political leverage substantially contributed to the successful promotion of neoliberalism both as a set of policies and an ideology.

41. Nevertheless it is still true that globalization would be impossible in the absence of the triumph of neoliberal policies supported by neoliberal ideology. It is also true that the triumph of neoliberalism has been brought about by concerted class struggle at the level of politics and ideology at least relatively autonomously from developments in the international economy. In this sense there is at least some possibility that we are here faced with a chicken and egg situation. Alternatively, it is reasonable at first glance to summarize the economic institutions of the emerging institutional framework as globalization while summarizing the political and ideological institutions as neoliberalism. I am arguing that while the front legs of the horse cleared the fourth and final hurdle confidently the back hooves have nicked the cross bar and globalization has come perilously close to being pipped at the post by neoliberalism. The emerging institutional framework should be characterized by some combination of the two terms, either neoliberal globalization or global neoliberalism. The latter is perhaps preferable in that it rolls off the tongue more easily. Besides a movement against global neoliberalism makes much more sense than a movement against globalization per se.

1. The standard here must fall short of the complete commodification of all production and production relations. Demonstrably capitalist societies contain within them extensive spheres of non—capitalist production. The point here is establishing when capitalist production became the dominant system of production on a global basis. Dominance here involves subjecting the trajectory of society to one dominated by the struggle of the fundamental and subsumed classes of the capitalist mode of production.

2. In this way it may be possible to identify globalization with globalization of the production and money circuits. This would give us globalized production with a unified capitalist class and consequent unitary working class without reference to the commodity circuit.

3. Almost indispensable in the sense that it might be possible to achieve this kind of allocation through networked alliances alone in the absence of transnational investment.

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