I. Introduction

David Harvey is one of the most prominent Marxists with two other rare attributes. First, he has made major contributions to, and is well-versed in, Marxist political economy, in contrast, paradoxically, to many others who adopt the mantle of Marxism. In addition, he is, and has long been, a prominent figure within his designated discipline of geography, commanding influence and respect far beyond the confines of a Marxist cabal. Given the dearth of major studies within (academic) Marxism addressing the systemic nature of contemporary capitalism, his recent contribution on The New Imperialism is a major event.

The purpose of the assessment here is to set this work in a broader context than its immediate subject matter in two ways although many of the issues covered are raised explicitly by Harvey himself. First is to address issues of methodology, method and value theory. How are the relationships between the inner laws of capitalism and their outward manifestation to be investigated and elaborated? Second is to locate Harvey’s contribution in more general developments across the social sciences. In
what way does Harvey both reflect and contribute to the intellectual milieu at the turn of the millennium?

Most immediately, as a number of commentators have observed, recent events on the world stage have inspired a renewal of interest in the notion of imperialism (and empire). Ideological assaults from the Right in these terms have been noticed and are significant for their brutal honesty in the new international environment marked by the end of the Cold War and the drive to neoliberalism. But these are readily exaggerated relative to the more palatable rationale provided by the idea of war against terrorism and in promotion of human rights and democracy. For the Left, there has been a return to, and a reconstruction or rejection of the classical notion of imperialism derived from Lenin. This has itself built upon the rich and wide-ranging literature around globalisation that has been so prominent, and original, since the early 1990s (and not before).

Whilst the turn to imperialism remains novel, it is still surprisingly unsettled and unsettling. There are good reasons for this. Even a selection from the issues raised includes the following. What is an appropriate political economy for contemporary capitalism; is imperialism to be understood as a stage of capitalism and/or as historically and/or politically specific; what is the relationship between contemporary capitalism/imperialism and earlier periods; what is the relationship between economic and other forms of power, especially the political, ideological, cultural and military; is US power on the decline; what is the significance of the rise of China in particular and the shifting balance of economic activity more generally?

Such questions, sometimes individually and certainly collectively, straddle the methodological, the theoretical the empirical, the comparative and the historical. There is a corresponding danger of offering quick analytical fixes – over-ambitious, premature and/or simple judgements. The nature of (US) hegemony, for example, is multi-dimensional and, whilst not independent of one another, its separate elements do not necessarily conform to one another. Does heightened military aggression reflect the weakening of, or compensation for, declining economic weight? Either way, what is the time-scale involved in the shifting patterns of power – dramatic as in the collapse of the Soviet bloc, or more attenuated? And are we in a position to predict the future patterns of capital accumulation other than in extrapolating current, relatively abbreviated trends, particularly bearing in mind the unforeseen and unforeseeable? In placing China in perspective, it is worth recalling the
economic challenges that have previously been anticipated as deriving from
German (or EU), Japanese, and East-Asian capital, let alone the Soviet challenge.
Possibly, it is necessary to accept that some of the issues raised previously,
and others, are not amenable to certain and easy answers, especially where
the balance and significance of US economic and political power are concerned.

These analytical conundrums are complemented by those concerning the
nature and style of both investigation and presentation. There is a need to
bridge the abstract and the concrete – from the laws of capitalism to the
significance of the Gulf Wars. And, equally, there is the issue of the discovery
and choice of language and concepts that potentially capture the complexity
and spirit of our age without unduly compromising on analytical principles.
Account must also be taken of audience. Is it one versed in the finer points
of value theory and/or other aspects of what has become an increasingly and
exclusively academicised Marxism? Or is it a matter of galvanising an anti-
imperialist ideology and political activism for which depth and sophistication
of analysis are rendered luxurious if not redundant?

It is against such preliminaries that I assess David Harvey’s *The New Imperialism*. It is perhaps readily situated by way of metaphor, as an exercise
in white-water canoeing. Harvey steers us through the rapids. The important
point is to have made some progress, although the bubbling and uncharted
waters continue to stretch ahead of us. Lessons can be learnt from the experience
even if future obstacles will not be entirely replicated. In addition, Harvey’s
contribution draws upon a deep reservoir of other work whose presence and
significance is not always overt. It makes sense not only to track his current
journey but also how he has come to make it.¹ Harvey’s work, however, is
so extensive and wide-ranging that attention will be focused primarily upon
his political economy. And the reader will, I hope, excuse undue reference to
my own work as I seek a perspective on *The New Imperialism* by seeking to
place myself at the analytical helm.

**The inner limits of Harvey’s *Capital***

Although by no means confined to it, Harvey’s contribution to Marxist political
economy is heavily centred on what is to be found in his *Limits to Capital*.²

¹ The first version of this paper offered an appreciation of Harvey’s political economy
but it has been rewritten and extended to focus more specifically on his *The New Imperialism*. Harvey 2003a.
² Harvey 1982.
The volume has been reprinted without amendment after twenty years, and he has also chosen not to respond in substance to the wide-ranging, some penetrating, *Antipode* commentaries that the anniversary prompted. In short, and especially in one respect, *Limits* can be taken as representative of his continuing stance on political economy. Its most important feature, one almost taken for granted without comment in offering a reading of *Capital*, is that the capitalist economy as such is an essential object of abstract study. The production, circulation, distribution and accumulation of (surplus-) value is subject to structures, processes, conflicts and laws that are identifiable in and of themselves.

Second, though, adopting such a posture is not to descend into economic determinism, even for the economy. Harvey’s reading of *Capital* remains dialectical and the presence of this method is revealed through his own notion and use of internal and external contradiction. Capital lies at the heart of the internal contradictions of the capitalist mode of production, and its categories can be analytically unfolded. For example, money is the fetishised form in which social (and other) relations of all sorts are more or less directly represented. Indeed, money can become a fetishised form of itself, as in fictitious capital, paper entitlements to surplus-value that apparently circulate in their own right independently, to a greater or lesser extent, of the production of surplus-value on which they collectively depend.

But between money as the fetishised form of the social relations of production underpinning the value of commodities (the opening of Volume I of *Capital*) and the emergence of interest-bearing and fictitious capital (deep in the heart of Volume III), a world of internal contradictions needs to be filled out. First and foremost is the accumulation of capital, as a system of production of absolute and relative surplus-value. This gives rise to the more complex forms taken by (surplus-) value, as in the transformation of (surplus-) value into prices of production (profit), the circulation of fixed capital, the composition of capital (as technical, value and organic) and the role of landed property and rent. The system of accumulation is beset by crises as elaborated by Marx in the law of the tendency of the rate of profit to fall (LTRPF) and counteracting tendencies. Further, immediately rooted in, but extending

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4 Harvey 1982, p. xv and especially Harvey 1996.
5 See Fine and Saad-Filho 2003 for an overview of Marx’s *Capital* and its relevance to contemporary capitalism, and Fine and Harris 1979 for a review of positions, albeit dated and heavily marked in style by the Althusserianism in vogue at the time.
beyond, such internal contradictions are accompanying processes such as (de- and re-) commodification, urbanisation, proletarianisation, and globalisation.

This is a desperately brief listing of some of the elements that constitute the subject matter of Harvey’s internal contradictions. Investigatively, causally and expositionally, they have informed the vast bulk of his work even where its immediate focus is removed from the economic as such and its readers (and critics) fail to recognise or deplore its continuing presence. But it would be a mistake to confine the notion of the internal to the economic. In his most recent work on the ‘new’ imperialism, for example, Harvey has a short subsection entitled ‘Inner Contradictions’, in which the subject matter is the political opposition of entrenched capitalist classes to reforms that might allow a renewal of accumulation. More generally, imperialism is about the exercise of cumulative political power as a reflection of the accumulation of capital. For such reasons, Harvey provocatively prefers Arendt’s political to Lenin’s economic imperialism.

It is not clear that a choice is necessary, given Lenin’s idea that the predominance of inter-imperialist rivalry over co-operation leads to war, and that this is associated with working-class compliance through nationalist and other related ideologies. There does not seem to be a dispute over whether capitalism is subject to economic laws, and that these are attached to different stages of development. These, in turn, both constrain the political forms that can be adopted and give rise to historically specific outcomes. By the same token, whatever its considerable merits, Lenin’s account needs to be updated (methodologically, expositionally as a pamphlet, and as contemporary case study). The internationalisation of capital has been extended from commodity and money capital to include productive capital (as in multinational enterprises). Despite the ideology of neoliberalism, the economic role of the state has been extended throughout most of the twentieth century and remains paramount. And US hegemony has prevailed through and beyond the Cold War, reflecting the predominance of inter-imperialist co-operation over rivalry. No doubt the switch from the predominance of rivalry to co-operation renders assessment of the contemporary scene more difficult. Inter-imperialist wars brutally clarify, whereas co-operation, even reluctant complicity, muddies the water.

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6 Even more briefly Harvey 2001, p. 79: ‘Within the framework of capitalism I hang my interpretation . . . on the twin themes of accumulation and class struggle’.
7 Harvey 2003a.
The point, then, is to push the abstract analysis of capitalism and its stages of development to its limits with an eye to incorporating historically specific outcomes. Two errors of judgement are possible. One is not to push the internal contradictions far enough and the other is to push them too far. But, in this respect, it may be futile to seek to push out the boat towards a clear delineation between the abstract and the concrete, the stages of development and their manifestations, and the economic and the political. After all, when we talk about imperialism today, it is impossible to do so without a more or less conscious acknowledgement of the United States (or Fordism, with its US overtones, as Gramsci would have it) however much it may be addressed in the abstract language of hegemony, militarism, and so on.

All of this is to have raised, however indirectly, two issues of method. One is the scope, nature and direction of the internal contradictions, value analysis for example: where do they end and the external begin? And the other is how to move between the internal and the external. The first question, at least in principle, is easier to answer than the second. Elaboration of the internal contradictions of capitalism in general must remain within limits imposed by the material world being reproduced in thought. After a point, they can only be extended by dialogue with, and the incorporation of, more socially and historically specific material.9 There are limits to how far we can go with capital and value as abstract categories; after which, such categories need to be concretely and historically charged – but with what? – on which more discussion later.

There is reason to suspect that, at times, Harvey’s contradictions are not always as dialectical as they might be. For internal contradictions, at the economic level, Harvey presents the three volumes of Capital as successive models rather than as the reproduction in thought of simple categories at more concrete and complex levels (and different ‘cuts’ are taken at crisis points,10 with occasional references elsewhere to equilibrium).11 This means that the unity of his treatment is flawed, the most important consequence being the inability to resolve apparent confusions around the various definitions and meanings of the compositions of capital.12 More specifically, Harvey’s distinction between enterprise and social-technological change is not apposite,

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9 Rosdolsky 1977.
10 Harvey 1982.
11 Harvey 1982, p. 176, for example.
12 Harvey 1982, pp. 125–33 and Saad-Filho for a review and clarification.
as this has nothing to do as such with the differences between technical, organic and value compositions of capital. The organic composition of capital represents productivity increase through technical change within production alone, whereas the value composition reflects its effects through circulation as accumulation proceeds. As a result, Harvey’s dismissive stances on the transformation problem (which is not a theory of price due to differences in composition but how capital is devalued differentially through productivity increase) and unproductive labour float free from his otherwise excellent treatment of the LTRPF as crystallising the contradictions of capital accumulation.13

Here, then, the passing reference to the LTRPF14 is made as if there is familiarity with its meaning, and the controversy that surrounds it and its validity. This can only be so for a limited number of his readers. It is worth explicitly distancing the interpretation of the law from a mechanical and empirical proposition that accumulation leads profitability to fall, giving rise to a crisis. On the contrary, the law is concerned with the interaction of underlying contradictory forces as accumulation proceeds that can, from time to time, only resolve themselves through crisis. But this is only one concrete, if acute, form of resolution of the law, for it continues to operate during periods of rapid, or more muted, phases of accumulation. This is true of the period following the collapse of the postwar boom, at least a thirty-year period that can hardly be designated a crisis without totally devaluing the meaning of the term.

In developing internal contradictions (of value theory), there is also a particularly surprising neglect, for a geographer, of Marx’s theory of (absolute) rent in which, significantly, the composition of capital figures strongly. For Marx, the particular form and content taken by landed property has a more-or-less favourable impact upon the accumulation of capital both as potential promoter of, and barrier to, access of capital to the land.15 Consequently, Marx’s interminable numerical examples in Volume III of Capital are concerned to address how landed property can intervene in the process of accumulation (rather than as a monopoly or differential rent depending on market or ‘natural’ powers, respectively). In other words, to coin a phrase – more on which later

13 See especially summary in Harvey 1982, p. 189 and the continuing emphasis in his latest work on the capacity to sustain accumulation (Harvey 2003a).
14 Harvey 2003a.
15 See Fine 1979 for Marx’s theory of landed property (and rent) and Fine 1990 and 1994 for applications of the theory.
also – Marx seeks to ‘fix’ capital and space in terms of the relative power of their respective representative agents, as competitively accumulated capital flows differentially on and off the land.\textsuperscript{16}

In this respect, the Gulf Wars, and more, are about securing property rights to a highly land-dependent condition of production. The level and intensity of accumulation, differential profitability, how much and who appropriates it, are all involved. This is not to reduce the non-economic to the economic but to emphasise that conditions of accumulation are intimately and inextricably attached to the non-economic. As a consequence, securing property rights in the broadest sense, takes precedence even over (immediate) profitability. How otherwise can we explain the destructive effect of war on capital and profitability? Moreover, the means (and meanings) and mechanisms for securing property rights are necessarily distinct from the immediate accumulation of capital itself. In other words, the nature of property relations are reproduced, or transformed, during the course of capital accumulation by economic as well as by non-economic mechanisms. A parallel with the labour process, work organisation and the conditions surrounding the buying and selling of labour-power is illustrative. The accumulation of capital and production and appropriation of (absolute and relative) surplus-value necessarily entail the conflictual economic and social restructuring of ‘labour and industrial relations’. This is in the widest sense, from legislation to protect or to constrain the workforce through to the formation of, and struggles over, the welfare state. By the same token, land-intensive accumulation of capital requires, but does not pre-determine, the nature and content of access to property rights.

The outer limits of Harvey’s \textit{Capital}

To anticipate, this is important to bear in mind when situating Harvey’s notion of spatial fix. Otherwise, this commentary might so far be perceived to be predominantly relatively minor skirmishes over the internal contradictions posed by value analysis and, at most, a beginning in seeking to straddle analytically the divide between the internal contradictions and their external realisation in more complex or concrete forms. For central to Harvey’s work in this respect have been the notions of ‘cut’ for (economic) crisis, and ‘fix’ for time and space. Both of these terms are metaphorically and dialectically

\textsuperscript{16} Fine 1979.
rich – joined but separate, solid but temporary, settled but unresolved, and so on. At one level, that of method, the dialectics are far from satisfactory. For they involve the import, as external contradictions, of totally ahistorical and asocial, or universal and general, concepts that do not concretise the previously developed internal contradictions. Rather, they are simply simultaneous and have no immediate connection to the political economy of capitalism as such. Time and space, for example, are universal categories without social and historical specificity. But value analysis has already moved beyond this general stage of analysis being specific to commodity production, and necessarily so in confronting the capitalist mode of production. Further, there are any number of cuts and fixes that might be made over and above, or alongside, time and space, those attached to gender, race, ethnicity, nature and the environment, and so on. Why privilege space and time, and how do they relate to other fixes or cuts?

At another level, as a corollary of universality, Harvey’s cuts and fixes as such do not incorporate the historically specific in moving from the abstract to the more concrete. In this respect, his more direct attempts at doing so have not always been judicious. This is true of his partial acceptance of regulation theory, of the significance of flexible specialisation, and the unacceptably reductionist attempt to attach them to the emergence of postmodernism.¹⁷

Admittedly, these stances are commendably mooted, if not absent, in later work. More substantive is his conversion to the cause of globalisation.¹⁸ Previously, it was seen as a conceptual weapon in the armoury of neoliberalism – the market is and should be sweeping away the nation-state. The subsequent literature has, however, proven a reaction against the initial understanding of globalisation, derived from a neoliberal impetus, in which the state is welcomed as withering away under the forces of world economy, and Harvey has now attached himself to this reaction against neoliberalism. He has emphasised, like others such as Giddens,¹⁹ the compression of time and space.²⁰

¹⁷ See Harvey 1989 and 1990. For a more tempered view see Harvey 1985b, p. 121: ‘There is a general myth . . . that large-scale industry drives out small because of the superior efficiency achieved through economies of scale. . . . There is another myth, harder to dispel, that small industry and production by artisans is less innovative when it comes to new products or new labour processes.’ And, on this issue, see Fine 2002a, Chapter 5, especially where drawing upon the work of Phil Scranton.
¹⁹ Giddens 1999.
²⁰ Harvey 1990 and 2001, p. 123.
This is problematic over and above the previously observed universality attached to these categories in confronting the specifics of (contemporary) capitalism. For, as Harvey eloquently observes, time and time again, dialectics involves interactive tendencies and counteracting tendencies (although these should not be chosen arbitrarily, not least as empirical trends, and posed against one another). Accordingly, in these terms, the compression of time is the expansion of space and vice-versa. This is not to deny that the compression of time and space are systemic products of capitalism, as each is ‘used’ more intensively with growing productivity. But, as the interaction between time and space is not arithmetical, it is not subject to simple net effects. It is contradictory but in highly specific ways that reflect differentiated complexities (some compressing and some expanding), and none defined by a time/space continuum independent of the historically-specific development of capitalism. Even in purely arithmetical terms, increasing density of activity and speed across it leaves everything much as before – just as IT expands both speed and mass of data processed. If we take Harvey’s successive maps of Baltimore,21 one looks pretty much like the one before, only on a different scale!

Further, in positing a duality between a logic of value and a logic of territory, Harvey would appear to have jumbled up his dialectic (rather than turning it upside down or inside-out). For he suggests that, ‘at any given historical-geographical moment, one or other of the logics may dominate’.22 This is problematic. For how can a conceptually universal logic (of territory) dominate over a historically-specific one, of capital (which must surely always dominate if in place, albeit with a territorial element that may come to the fore)? Are they similar logics as such, and if not, as is surely the case, how can one be counterposed to another? In short, the logic of territory must be the logic of capitalist territory, and not an antithesis to the logic of capital.

This account is possibly unduly harsh in two senses. First, cuts, fixes, and other universal categories could be interpreted as an overt display of Harvey’s method of investigation, examining how capitalism restructures the universal through the use of these specific concepts. Second, this does, in his work, interplay with his method of presentation and the more historically specific unfolding of his empirical analyses. Significantly, his most recent work, concerned with the ‘new’ imperialism, marks a compelling fix of the categories of political economy to contemporary capitalism. It does so under the rubric

21 Harvey 2000, p. 47.
22 Harvey 2000, p. 33.
of overaccumulation in a way that might be best understood as a generalisation of Luxemburg’s theory of underconsumption. Essentially, her focus was on the need for more capitalist markets and how these might be provided, indeed were required in her view, by incorporation of non-capitalist formations with inevitably limited scope. Harvey understands the expansion of capital across all of its economic, political and ideological aspects, with its internal imperatives equally seeking external safety valves in what he terms, as a generalisation of primitive accumulation, the accumulation of dispossession.

From this perspective, Harvey’s account is rich and expansive, both theoretically and empirically. But it is also problematic. My own preference is to use primitive accumulation in the precise and narrow sense suggested by Marx.23 This is not the appropriation of assets from whatever source (especially abstinence by entrepreneurs) but the forcible expropriation of land from the peasantry, and their transformation into a waged labour force. This has to be accompanied by access to land, markets on which to buy and sell, and finance to purchase constant and variable capital. But the primitive act is to create wage-labour where previously it was absent. In this respect, the most remarkable developments over the past century have been, firstly, in the Soviet Union and, secondly, in China. Primitive accumulation in the former has been followed by an overt collapse of, and departure from, ‘socialism’. In China, primitive accumulation is now proceeding apace in what is all too readily recognisable as a dash towards capitalism.

Harvey’s shift from primitive accumulation to accumulation by dispossession goes much further than a change in terminology in two major, and questionable, respects. First is the extraordinarily wide definition that he deploys. It ranges over the privatisation of housing, through Soviet shock therapy, to all forms of privatisation, quite apart from the territorial fixes on the global stage. This is surely to homogenise what are diverse and complex moments in the economic restructuring of capital and the broader social restructuring of capitalism. This is all evidence of confusion over the relationship between the internal and external, not least as well-defined value analysis is abandoned. The circuits of capital, for example, are extended to ‘secondary’ and ‘tertiary’ levels to provide temporal fixes in the form of economic and social infrastructure broadly conceived. These are not, however, forms of capital nor part of its circuit. At most, they are unproductive expenditure, even if conducive to accumulation. They are not separate from, but nor are they governed directly

23 But see Harvey 2004.
by, the law of value. Significantly in earlier work, the forced but understandable desire to move from internal to external contradictions is also evident in Harvey’s idea of the built environment as a complex commodity. It is not, and suggesting so represents an illegitimate extrapolation from the commodity to the environment. A vast array of capitalist and non-capitalist commodity production and consumption (and commodity forms from bribery to charging for services but not for profit) and other activities are brought together in the built environment and, as such, it cannot be understood as a simple nor as a complex commodity – as is evident from the earlier case studies provided by Harvey on his beloved Baltimore and the Basilica of the Sacred Heart for example.

Second, not least perhaps because of its expansive scope, Harvey exaggerates the significance of accumulation by dispossession. He asks, ‘how, when, and why does accumulation by dispossession emerge from this background state to become the dominant form of accumulation relative to expanded reproduction?’ How has he come to this position? His deliberate and explicit reliance upon Rosa Luxemburg is telling. As is well-known, she fell foul of the error of underconsumption in presuming that capitalist reproduction depends upon external markets provided by non-capitalist formations whose incorporation undermines that role. As is evident from Marx’s schemata for economic reproduction, capitalism is capable of expanding value relations without resort to external markets provided by non-capitalist formations whose incorporation undermines that role. As is evident from Marx’s schemata for economic reproduction, capitalism is capable of expanding value relations without resort to external markets. Harvey accepts this but seems to displace and widen the scope of the underconsumptionist argument. He does so by appeal to the notion of overaccumulation and/or surplus capital (as opposed to relying exclusively on a surplus of commodities to be sold). As he puts it, ‘The capitalistic (as opposed to territorial) logic of imperialism has, I argue, to be understood against this background of seeking out “spatio-temporal fixes” to the capital surplus problem’. Whether for markets, territory or whatever, capital is perceived to have become incapable of reproducing itself other than through externally-sourced dispossession. As already indicated in the context of land and labour, it is essential that external relations are restructured. But

25 For the latter see especially Harvey 2003b. No less acceptable is the notion drawn from Bourdieu of (collective) symbolic capital, Harvey 2001, pp. 404–5; Fine 2001a, Chapter 4, for a critique.
26 Harvey 2003a, p. 153.
27 Harvey 2003a, p. 89.
this is different from these being either dominant or prerequisites in accumulation.

Thus, emphasis on modern forms of primitive accumulation is salient but exaggerated as a condition for renewal of sustained accumulation. It certainly is an inevitable consequence of accumulation as shifting property relations are necessary for it to be sustained in particular forms (how did our oil get under their soil?). But it is worth recalling that decolonisation accompanied the postwar boom. The latter was already at an end before the oil crises of the 1970s. The boom itself was also sustained by the opposite of the factors that Harvey now takes to be instrumental in current accumulation, not least the extension of nationalised industries and the economic role of the state more generally. Thus, Luxemburg is wrong, even when generalised from unidimensional underconsumption to multidimensional overaccumulation.

In short, it seems as if an unduly diverse set of factors is being collected under the umbrella of accumulation by dispossession. This has also resulted in the conflation of the analytical categories associated with value theory. In this respect, a different explanation can be offered for the slowdown in capital accumulation over the past thirty years and why it should appear to have resulted in a dependence on accumulation by dispossession rather than this being a consequence. For, despite its considerable presence in Harvey’s account, even more emphasis for the current period should be placed on the hegemonic role of finance within the developed world. The wedge that it has driven between real and fictitious accumulation is extraordinary, and the corresponding flows of value and surplus-value are increasingly felt in the detailed aspects of our lives. These range from the structuring of our cities to the provision of our health, education and welfare, let alone the more mundane economic aspects of providing funds for investment, growth and employment, whether to dispossess or otherwise. The troika of space, time and fixed capital worship as never before at the altar of finance.

This is not simply nor primarily a matter of the greater distributional share of a falling surplus finding itself in the hands of finance at the expense of accumulation (or wages and welfare). Marx’s theory of money (capital) divides it into two sorts – that which merely promotes sale and purchase and that which promotes accumulation and the production of surplus-value. One redistributes value; the other is a lever in creating surplus-value. At an individual level, money can be designated for these purposes as in credit or a loan advanced either to make consumer purchases or to build or extend a
factory. But, systemically, each of these intentions can be subverted. The consumer loan can be spent against commodity capital, thereby potentially funding further accumulation, as if a loan had been made for that purpose. And the business loan may fail and merely serve to circulate rather than expand (surplus-) value.

In other words, whether finance serves to promote real accumulation or not is not predetermined by the financial system itself but in its relationship with productive (and other forms of) capital. What has been remarkable over the past thirty years, however, is the extent to which the growing scale and diversity of financial markets has increasingly removed them from the real accumulation of capital. This is not simply the appropriation of surplus by finance that might otherwise be accumulated as productive capital. The economic and social restructuring of capital in all its aspects has become subject to the diverse logics of finance that have become variously known as neoliberalism and globalisation. Whilst these logics continue to depend upon and, to some extent, to facilitate the accumulation of surplus-value, its active promotion is tempered by fictitious accumulation of assets and the lesser and constrained role of the state that marked the postwar boom. It is precisely because finance is profitably inventing and expanding markets without the intervention of production that the phenomena that Harvey has dubbed accumulation by dispossession have flourished – not, it should be added, as a precondition for accumulation to be sustained but as a consequence of its lack of dynamism. This is so in case of privatisation, that does promote the private accumulation of capital and its financial counterparts but is far from conducive to systemic accumulation, as is most evident, for example, from its experience in accelerating UK’s de-industrialisation across vast swathes of what were its public and related sectors.

Is it possible, though, that through self- or state regulation that the financial system could be checked in its levels and composition of activity to what is warranted by the capacity to produce surplus-value? In part, the answer is in the negative because it cannot be anticipated how much surplus-value will be created. In addition, both within the financial sector itself and in its allocating finance to other capitals, the capacity to compete depends upon freedom from regulation and restriction. The financial sector competes to appropriate surplus-value without the capacity to guarantee its creation. This gives rise to a diversity of financial systems, derivatives, regulations, networks, cultures and contingent responses, both within financial systems and between them.
and other capitals and governments. These have an effect, as in the current strength of finance and its impact on real accumulation, but the underlying contradiction between the two roles of finance in circulating commodities and creating more of them (and fictitious representations of both as in futures markets, shares, etc) cannot be abolished through the forms that they adopt.

In other words, financial cuts, logics and fixes are paramount in the contemporary world. Within orthodox economics, they are broadly perceived in terms of a conflict between Keynesianism and monetarism, and greater or lesser reliance upon market forces more generally. Even within the more interventionist Keynesian approach, the perspective on the relations between and within the spheres of production and circulation remains limited. The capacity both to win economic policy to interventionism and for it to be effective is severely constrained. Yet it remains an attractive, and progressive, strategic option in highlighting the poverty of contemporary capitalism across its many aspects and in mobilising support for more fundamental and wide-ranging change. By the same token, issues associated with the new social movements are more secure and effective to the extent that they are broadened in scope and alliance. It is inconceivable that they can succeed in their own aims, let alone more widely, unless they incorporate and transform the traditional economic and political representation of the working class.

**Harvey within Marxist political economy**

With the appearance of *The New Imperialism*, it is not hard to see why Harvey views *Limits* as his favourite, albeit most difficult and least-read book. It was ten years in the making and it resulted from experience of years of *Capital* reading groups that themselves marked a shift in participants from activists to academic eccentrics. A useful entry point for assessing him within Marxist political economy more generally is by reference to his own assessment that *Limits* has been ignored by ‘Marxist economists’, something to be explained by conformity to interdisciplinary boundaries.

This entirely misrepresents the situation. Harvey’s political economy is greatly admired by Marxist economists, although this is not reflected in the literature for a number of reasons. First, *Limits* appeared as Marxist economics

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28 Harvey 2004, p. 83.
was entering a period of free-fall, especially as far as it is attached to economics as an academic discipline. The rise of radical political economy from the late 1960s was reversed with a vengeance, and mainstream economics as a discipline has become uniquely and absolutely intolerant of heterodoxy of any sort. Thus, if Harvey’s political economy has been ignored, it has not been by a self-serving cabal of Marxist economists, for Marxist economics has only survived outside of the economics discipline itself. Its dwindling numbers of adherents have only debated to a limited extent with one another, in contrast to the lively period prior to Limits. Where Marxist economics has survived it has increasingly aped the mainstream or become idiosyncratic. Harvey could hardly have expected, or wanted, to be engaged with analytical Marxism, for example, to which he offers commendable short shrift.31

Second, Limits is a very difficult book and not an introduction or alternative to Capital. To appreciate it fully, possibly at all, is to have read Capital and to have a worked out a position on key concepts and propositions. Third, then, Harvey is liable only to have attracted both sympathetic and informed readers (and writers) with at most marginal disagreements with him, hardly conducive to commentary. Fourth, turning the tables, as Castree has argued more generally of Harvey’s Marxism, he has not engaged with others to promote, advance or clarify his position (and, otherwise, at most tends to be constructive and positive around the contributions of others despite disagreements).32 Last, from the perspective of Marxist political economy, Harvey is an irksome creature. Whilst clearly a fundamentalist of sorts (Marx is basically correct), he straddles the different schools of ‘fundamentalist’ thought. Thus, he is committed to dialectics but adjudges Marx to be mistaken in the transformation problem,33 and he denigrates esoteric discussion of unproductive labour.34 Yet he, correctly emphasises (if not sufficiently) the role of finance in contemporary capitalism, even though this is the dominant form of unproductive labour in the private sector (and quite apart from its significance for state employment).

In short, (Marxist) economics has not been like (Marxist) geography. It has effectively been excised from the discipline and, far from flourishing, is scarcely open to insiders let alone outsiders. Nor will I dwell upon the anomalies in Harvey’s polecon. Rather, I cannot emphasise too much that it depends upon

31 Harvey 1999, p. xxi.
32 Castree 1996, p. 344.
33 Harvey 1982, p. 4.
34 Harvey 1982, p. 105.
an understanding of *Capital* and capital(ism), grounded in meticulous scholarship and, as such, should be contrasted with the misunderstandings, so rife in the literature, due to prejudice, invention or some academic form of Chinese whispers.\(^{35}\)

Yet, despite the more positive, if shifting, position of Marxism within geography, in which Harvey has been particularly prominent and influential, it has not been plain sailing. Indeed, for a large part of the discipline, it seems to be a matter of how to avoid the compelling logic of Marxist political economy in addressing the economic, social and cultural reconstruction of space. Postmodernism, poststructuralism, actor-network theory and the like, have all been adopted alongside lingering if discredited orthodoxies to skirt around Marxist political economy. There is the immanent danger of ‘ismsitis’, of the Marxist geographer being accused of a variety of . . . isms, reductionism, economism, determinism, etc, as in the falling foul of the ANT (actor-network theory) police for driving a wedge between the ‘economic’ and the ‘non-economic’, whether the latter be the cultural, the built environment, space, environment, justice or whatever.\(^{36}\) One of Harvey’s many virtues resides in his refusal to confine polecon to a fixed terrain; another is never to lose grip of that terrain in engaging pastures new. Significantly, his account of his own work displays a splendid dialectic of being forced back from the geographical in all of its aspects to polecon prior to renewed forward movement.\(^{37}\)

As is apparent, one but not the only way in which Harvey has done this is to counterpose different logics, cuts and fixes in unfolding internal contradictions and embracing the external. Implicit in what has been argued earlier, it is not obvious that this method is entirely satisfactory in constructing the ‘new’ imperialism. It appears to lose grasp of the value logic with which it begins and not necessarily to append the most appropriate fixes in light of contemporary conditions. One reason for this is that they remain at too high a level of generalisation (especially when universal as in compression of time and space) although, paradoxically, fixes do provide a highly flexible framework within which to work the concrete and contingent. For, shifting ground

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\(^{35}\) Hence his capacity to take appropriate stances on underconsumption, Harvey 1982, and the role of capital-labour and capital-capital relations, especially in view of the new Brenner debate, Harvey 1999, p. xxv.

\(^{36}\) See Fine 2001b for the notion of intellectual policing from the actor-network perspective and Whatmore 1999, p. 25 for purporting to catch Harvey at it for the nature/society dualism.

\(^{37}\) Harvey 2000, p. 82.
substantially in terms of subject matter, I have argued elsewhere, controversially and specifically in the context of consumption, that such complexity needs to straddle the internal/external divide by addressing what I call the systems of provision [SOPs], attached to particular commodities or commodity groups.\(^{38}\) To each SOP is also attached a cultural system, for which the separating out of (commercial) cultural products is entirely arbitrary (as if food, clothes, cars were not cultural as such or systemically). The SOP approach is recognisably ‘vertical’, moving from production through to consumption (and disposal). This is not to insist that all analyses must be vertical; the built environment systemically (re)combines the ‘horizontal’, not least as a Harveyian complex commodity.\(^{39}\) But, to put it bluntly, and as with Brenner’s investment overhang hypothesis, the gap between the ‘macro’ analysis and the diverse and details and experience of ‘micro’ sectors is not so much flawed as absent.\(^{40}\) Possibly Harvey’s ‘new’ imperialism is unduly read off by generalising from oil to other sectors which do not conform so readily to its characteristics in economic, political, cultural and military domains.

In short, in order to bring together and unfold the tensions between the internal and external contradictions, the ideas of globalisation as compression of time and space, of spatio-temporal fixes, and cuts in crises are too broad and general; they (and culture, justice, the body and the environment) need to be tied to capital(ism) at more concrete levels. No doubt, my differences with Harvey reflect our respective positions as geographer and economist. He has been working within a discipline, with his own high profile, with a strong if declining tradition in Marxism, thriving and newly emerging heterodoxies, and a traditional division to straddle between its human and physical sub-disciplines. It is hardly surprising, strategically commendable,

\(^{38}\) Fine 2002a and, most recently, Fine 2005.

\(^{39}\) See Fine 1998 on labour markets for example, but also Fine 2002a, Chapters 10 and 11 on collective consumption and the welfare state, and Fine 1993 in debate with Glennie and Thrift 1992 and 1993. Note that Harvey 1990, p. 346 borders on the SOP approach for culture: ‘Cultural production and the formation of aesthetic judgements . . . as a production, marketing, and consumption system, it exhibits many peculiarities in the form its labour process takes, and in the manner of linkage between production and consumption’ (emphasis added). See also Harvey 1985a, p. 69, for the idea of hierarchically structured provision of housing as the means by which to appropriate rents; and Harvey 2001, Chapter 18, where the wish to address commodification of culture, but to avoid economic reductionism, can be interpreted as feeling towards a SOP approach through the notion of highly context-specific monopoly rents.

\(^{40}\) See Fine et al. 2005 for the demonstrable fallacy of Brenner’s account in case of the world steel industry, a sector that might be thought to be most favourable to his cause.
that he should focus upon geography’s own concerns, as it has been subject to a cultural turn in general and to a wave of fads in particular, such as ‘flexibility’ and ‘globalisation’. To contribute critically to these themes, and some of his own choosing such as justice and utopias, has been imperative and overwhelmingly successful in the task of retaining a hold on the material world and its domination, lest we forget, by capitalism. To address the ‘geographical’, the specifics of the external as opposed to the internal from the perspective of polecon, has rightly taken precedence in Harvey’s work over intensive development of a political economy that has remained unread by others but whose presence has, nonetheless, remained heavily flagged by Harvey himself.

Past limits, new horizons

So much for the past, geographical or otherwise, what of the future? Elsewhere, I have argued that the current intellectual climate is marked by two fundamental features.41 One is the retreat from the excesses of postmodernism; the other is the retreat from the excesses of, and agenda set by, neoliberalism. Taken together, unevenly and in diverse ways across both disciplines and topics, reflecting their traditions and continuing momentum, this represents a turn away from the cultural, a return to material realities. The meteoric rise of ‘globalisation’ is a striking index of these trends, as is that of its complement, social capital, although the two are very different kettles of fish in methodological, theoretical, empirical and policy terms. Inevitably, revival of interest in the material world has raised the profile of the economic. It does so in the context of a further, more specific trend across the social sciences, reflecting a revolution in or, more exactly, around economics.42 This is the resurgence, in new virulent form, of economics imperialism, the colonisation of the other social sciences by economics. The previous phase involved the crudest reductionism of all economic and social phenomena to optimising, or utility-maximising, individuals as if in the presence of a perfectly working market. The new phase has been inspired by its treatment of the economic and the social as if reducible to optimising (possibly collective) behaviour of individuals in face of market, especially informational, imperfections. In this light, economic and social structures, alongside institutions, customs, trust, culture, norms and so

41 Fine 2004, for example.
42 Fine and Milonakis 2007.
on are purported to be explained as the rational time-dependent response to market imperfections. Again, the response across the social sciences to economics imperialism is varied in depth and content. Within geography, for example, it is represented by the new economic geography, spearheaded by Paul Krugman.43

Taking these trends together, I draw the conclusion that there will be a debate over the economy across the social sciences but it will not take place within economics as the latter has already driven out dissent.44 Rather, in place of and even appropriating a political economy of capitalism, economics will seek to foist its own market-imperfections vision of capitalism upon the economy, society and other disciplines. The outcome outside economics is open, as is indicated by the current contrast between globalisation and social-capital literatures, respectively. One is potentially radical, systemic, conflictual, class-based and contextual, the other essentially and increasingly oriented around self-help and positive-sum games raised from the individual to some level of collectivity lower than the nation and avoiding state, trade unions and political organisations. Broadly, and more generally, three mixes of outcomes are possible across the social sciences and topics that do or do not straddle them. First, economics imperialism may win out, especially where rational choice has taken hold as in much of the new institutional economics, the new political economy, the new development economics and the new economic geography. Second, there may be a retreat from confrontation with the economic, as in the previous cultural turn, with a corresponding division between sub-disciplines. This is notable in economic and social history,45 and, of course, geography. Last, and most encouraging, is the potential for continued hostility to the alien methods and assumptions of economics (imperialism), even if they are dressed up more palatably and informally in the language of colonised disciplines. But the dual retreats from postmodernism and neoliberalism need to be wedded to a renewal of the polecon of capitalism, one which sees capital(ism) as a key category that articulates material and

43 For critical exposition, see Martin 1999, Martin and Sunley 1998 and Goodacre 2006 and Schmutzler 1999 for a revealing if uncritical account. See also the astonishing Fujita and Krugman 2004 in an interview following the award of the first Alonso prize for regional science. They essentially put forward a theory of the incidence of combined and uneven development without any reference whatsoever to the state.
45 Milonakis and Fine 2008.
cultural studies, and straddles other dualisms. It is not simply polecon itself that is at stake but the future content and direction of each and every discipline and topic.

For the coming period to be negotiated successfully, there is much work to be done, not least in redressing the poverty of polecon across the social sciences that is the heritage of the cultural turn, the antipathy to Marx – and other – isms, to mainstream economics (understandably), and to the economic in general. Geography, often considered the poor hybrid relation to other disciplines, is particularly well placed to promote its own agenda and for this to feed into those of other disciplines. For many, these perspectives are, no doubt, an exercise in one analytical dinosaur desperately seeking to keep another alive. But, otherwise, the body of work that Harvey has provided is surely not the last word on polecon and its application to the non-economic. It is, however, much of the first, whether as foundation or point of departure.

This commentary, then, provides a perspective from which to look back over the intellectual scene and also to look forward. As observed, it has, until the mid-1990s, been dominated by the pincer grip of neoliberalism and postmodernism, setting if not settling the analytical agenda. The results have been uneven and diverse across disciplines, with economics and geography lying at opposite extremes in many respects. Economics has been untouched by the cultural turn and has excised all heterodoxy. Geography has incorporated both postmodernism and a powerful influence from Marxism, for which Harvey deserves more credit than most, if not all, and it has primarily rejected old and new economic geography.

But, if not as much as other disciplines, geography has suffered a decline in knowledge and use of Marxist political economy. Despite its celebrated status and reprinting after twenty years, the fate of Harvey’s *Limits* is a telling testimony to this view. Thus, discussion of the sort in the special issue of *Antipode* is notable for its absence over the intervening period, and the same is true of the record of publication of the *New Left Review*’s ‘publishing house’. The appearance of Brenner’s account of contemporary capitalism is remarkable for its rarity, irrespective of its content. It also inspired outrage from the Marxist economists for its unsatisfactory theory, in contributions that could,

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in the main, have been written thirty years previously, so limited has been the engagement with the world of capital as opposed to that of *Capital*.  

Unlike others, Harvey has both retained his Marxist political economy and extended it critically, more than any other, to the concerns both of evolving geographies and cultural turns. The high priests of Marxist economics have left him alone, and geographers have mostly used him for a political economy fix rather than as foundation as for his own work. This is all about to change with the dual retreat from the extremes of both neoliberalism and postmodernism. Intellectuals have increasingly, again in diverse and uneven ways, sought to come to terms with the nature of the realities of contemporary capitalism, not least through concepts such as globalisation (largely captured from neoliberalism) and social capital (neoliberalism’s humane form). Again, outcomes will be varied across the social sciences and, crucially, remain open and subject to fashion and influence. In this light, it is hardly surprising that Harvey’s *Limits* should now be celebrated and re-issued despite being more than twenty years old and that his own cultural turns and contemporary events should have brought him to confront the ‘new’ imperialism. As always, with scholarship, endeavour and sensitivity to what is needed, Harvey has shown the way through the analytical waters whose troubles conceal their underlying transparencies. It remains to be seen whether his admirers will follow his example more closely than they have in the past.

**References**


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47 For gentle rebuke of Brenner on the role of capital-labour and capital-capital relations, see Harvey 1999, p. xxv but Harvey 2003a for appreciation of its empirical content.


