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Capitalism over the *Longue Duree*: A Review Essay

Jason W. Moore

The Long Twentieth Century: Money, Power, and the Origins of Our Times,
by Giovanni Arrighi. London and New York: Verso, 1994.

“Globalization” has become one of the most hotly debated concepts within the academic and activist left. According to the dominant form of left globalization discourse, a fundamental shift in world capitalism has occurred since the early 1970s. The post-1970 world-economy is said to be characterized by the following features: the declining importance of nation-states as economic regulators; the growing importance of global as opposed to national capitalists; the growth of finance capital and global financial markets; new epochal technologies; the decline of inter-imperialist rivalry; and the geographic decentralization of production systems, characterized by “flexible specialization.” These features are usually presented as fundamentally new or even unprecedented. A small but growing current of historical Marxists (and a few others) has criticized left globalization discourse for being ahistorical. This current has also attacked the globalization perspective for overstating the power of capital, eliding capitalism’s basic contradictions, and neglecting the possibilities for radical social change opened up by the deepening of those contradictions (see Sivanandan and Wood, 1997; Wood, 1996). In *The Long Twentieth Century*, Giovanni Arrighi presents a thoroughly worked-out account of late capitalism in a world-historical perspective that is, to date, unrivaled in its historical scope and theoretical sophistication. At the same time, even as he persuasively argues that the end of capitalism is near, Arrighi effectively writes off the possibilities for a new round of social revolutions and world socialism.

Taking the economics and geopolitics of high finance as its focus, *The Long Twentieth Century* crystallizes key elements of the capitalist world-economy’s development through crisis and restructuring over

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the past six centuries. Skillfully identifying and explaining the processes by which hegemonic powers rise and decline, and how and why stagnation and prosperity alternate over long historical time, Arrighi sheds light on the crucial issue of our time, namely, "Can capitalism survive success?" Yet he does so with barely a nod to the multiple faces of class conflict from below: strikes, socialist revolutions, and peasant rebellions are nowhere to be seen. In some ways most surprising for Arrighi, who has done so much to advance our understanding of imperialism and underdevelopment, the periphery is almost entirely ignored. This outright neglect of class conflict stems from a conceptualization of capitalism as a set of structures to which workers, peasants, and other social strata must react, as well as from the structuralist tendency (and it is only one tendency) within world-systems analysis. This structuralist perspective differs from the classical Marxist position, where capitalism itself is constituted by class struggle as a multidimensional and world-historical process, and where workers' power (actual and potential) increases apace with capitalist development. Of course the problem is not Arrighi's break with classical Marxism, which may or may not be a good thing in practice. The problem is that by putting the needs of capital first, Arrighi allows little room for a return of successful revolutionary struggle on a world scale (see Petras and Vieux, 1994). On this matter, he is very much in accord with the mainstream of globalization discourse on the left (and the right, for that matter).

With these criticisms in mind, there should be no mistaking Arrighi's signal contribution to the study of world capitalism, and of late capitalism in particular. *The Long Twentieth Century* is a work of vast historical sweep and immense analytical vigor. Arrighi contends that the history of capitalism, as early as the fourteenth century, is best understood by examining the operation of two distinct (if interrelated) "logics of power." Arrighi identifies a "territorialist logic" grounded in the territorial expansion of nation-states and a "capitalist logic" driven by the imperatives of ceaseless capital accumulation. Crudely put, territorialist organizations (states) are interested in maximizing revenues, whereas business organizations (capitalists) are interested in maximizing profits. These logics are the historical agencies behind successive stages of capitalist development, described as "systemic cycles of accumulation." At base, the mission of *The Long Twentieth Century* is to identify "the systemic conditions under which a new reconstitution of [the capitalist world-economy] . . . may occur and, if it does occur, what it may look like" (p. 1). Arrighi contends that the most recent impasse of capital accumulation, while new in some respects, is the result of long-run trends and cycles — foremost among them the expansion in scale, space, and complexity of capitalist and territorialist organizations. The trajectory of these world-historical

trends strongly suggest that capitalism is about to reach the end of its systemic rope. For Arrighi this conclusion is grounds for a deep pessimism.

In some ways, Arrighi covers familiar ground. Immanuel Wallerstein's analytical strategy in successive volumes of *The Modern World-System* (1974-1989) has been roughly similar, emphasizing the tension between the inter-state system on the one hand, and the dynamics of economic competition and socio-spatial restructuring on the other. Arrighi is a major figure in world-systems analysis and occasionally collaborates with Wallerstein (Arrighi, Hopkins, and Wallerstein, 1989). And while Arrighi is working from a world-systems perspective of sorts, *The Long Twentieth Century* differs from Wallerstein's historical work in two key respects. First, Arrighi is much more directly "presentist." The contradictions of late capitalism are never far from view, even when the subject is Genoese finance capital in the fifteenth century. Two consequences follow from this presentism. First, Arrighi is able to discern long-run cycles — such as the continual reappearance of highly mobile finance capital in the world-economy, as early as the fourteenth century — with tremendous clarity. Second, he is much less concerned with what historians have to say about any given period, which renders *The Long Twentieth Century* vulnerable to the very problem it aims to remedy — namely, the ahistorical analysis of late capitalism.

The Long Twentieth Century further differs from *The Modern World-System* in its emphasis on high finance. Arrighi sees capitalism as first and foremost a system of high finance. This approach elaborates Fernand Braudel's conceptualization of high finance as the constitutive zone of capitalism. It is in this zone of high finance that capitalism was born out of a world-historical conjuncture of interstate conflict and free flowing finance capital in the late medieval Mediterranean world. This conjuncture fueled competition for capital, which led to capitalism. Following Braudel's conceptualization of capitalism as the system of the "anti-market" (1982: 230), Arrighi contends that "capitalism [w]as . . . absolutely dependent for its emergence and expansion on state power and . . . [constituted] the antithesis of the market economy" (p. 10). Moreover, it was through manipulations within and — when possible — hegemony over the zone of high finance that territorial states and capitalist organizations (which could be nearly as transnational as today's global firms) sought to shape the course of world history at the level of market exchange and everyday life.

In the Shadow of Braudel

The major intellectual influence behind *The Long Twentieth Century* is not Wallerstein but the French historian Fernand Braudel, one of the key figures in the Annales school of historiography. To understand Arrighi's analytical framework requires more than a passing reference to Braudel's groundbreaking scholarship. Braudel saw history as constituted by three overlapping layers of social activity which unfold along three axes of historical time. It is the highest level, that of capitalism (defined by high finance), and the longest temporal rhythm, that of the *longue duree*, that informs — indeed, permeates — the structure of *The Long Twentieth Century*. Braudel believed that historical analysis should begin not with the rapidity of social change, but with the slowest moving processes. For instance, Braudel's magisterial work, *The Mediterranean and the Mediterranean World in the Age of Philip II*, begins not with humans at all, but with the physical geography of the Mediterranean (1972-73).

The most unchanging layer of the socio-historical process is that of "everyday life." Braudel called this the "shadowy zone . . . lying underneath the market economy: this is that elementary basic activity which went on everywhere and the volume of which is truly fantastic . . . [This is the zone in which] the difficult assembling of a number of *parahistoric* languages takes place — demography, food, costume, lodging, technology, money, towns." The structures of material life establish a "limit, a ceiling which restricts all human life . . . [which] separates the possible from the impossible" (1981: 23, 27). The middle layer, that of market exchange, envelops social relations outside of high finance. This zone, which is Wallerstein's focus in *The Modern World-System*, includes "daily market exchange and such examples of local or relatively local trade as wheat and wood being sent to a nearby city. I[t] would even include trade on a broader scale, as long as it is regular, predictable, routine, and open to both small and large merchants" (Braudel, 1977: 50). The contrast between "market economy" and "capitalism" is especially evident in the degree of competition that characterizes the former and the monopoly that characterizes the latter, an observation that leads Braudel to see capitalism as the destroyer rather than the protector of the market. In this view, capitalism constitutes the highest layer — the most opaque and monopolistic — of social activity. This zone is defined by high finance, where two principal activities occur: the financing of territorial states for activities such as war, and the financing of long-distance trade. Within this essentially "parasitic" zone (Braudel, 1982: 22), merchant capitalists and financiers were able to exploit their role as intermediaries between producers and consumers to assert increas-

ingly greater control first over market exchange and, by the nineteenth century, over material life.

Central to the theoretical scheme employed by Braudel, and implicitly adhered to by Arrighi, is the notion that capitalism is determined primarily by high finance and world trade rather than by class struggles. For Braudel, "capitalism did not emerge in its full maturity and with explosive force until very later — the very beginning of the twentieth century"; "between the fifteenth and eighteenth century, these constraints [the patterns of everyday life] hardly changed at all" (1982: 22; 1981: 27). Arrighi similarly asserts that "historical capitalism as a world system of accumulation became a 'mode of production' . . . only" during the eighteenth century (pp. 220-221). For Wallerstein, on the other hand, rural class struggles in Europe between 1350 and 1450 were a fundamental conflict in the birth of the modern world-system (1992). Of course, Wallerstein himself has been criticized for de-emphasizing class struggles (Brenner, 1977).

Braudel's influence is behind yet another pillar of Arrighi's analysis: the concept of the *longue duree*. Arrighi has synthesized Braudel's concept of the "long century" as a unit of temporal analysis with marxist studies (particularly Regulationist approaches) of stages of capitalism. Braudel, in an effort to break out of the nineteenth century historical profession's fetishization of the event ("events are dust," he wrote in *The Mediterranean*), argued that a single mode of historical periodization, in which time was "just there," was wholly inadequate. He sought to render historical time endogenous to the study of social change. It is not simply that different layers of the socio-historical process have distinct rhythms. Rather, the variegated social processes within each layer run at different speeds, an approach that recognizes, at least in theory, both structure as well as indeterminacy. "We must visualize a series of overlapping histories, developing simultaneously" (1972-73: 892).

In Braudel's view, three "principal categories of social time" are at play — *l'histoire evenementielle*, *l'histoire conjuncturelle*, and *l'histoire structurelle*. The first time-span corresponds to event-oriented historiography. The second refers to medium-run rhythms, *conjunctures*, that "in fact [do] not refer to a conjuncture but rather to either phase (the rising or the declining phase) of a cyclical process, one half, so to speak, of a bell-shaped curve on a chart. . . . It would be more fruitful to translate it therefore as 'cyclical history' " (Wallerstein, 1991: 136). The *longue duree* refers to the very long-run historical structures (such as capitalism) within which "cyclical history" takes place. Historical systems are *historical* insofar as they have definable life-span (they are born, develop, and eventually die); they are structural or systemic insofar as they operate by identifiable laws — trends and cycles —

which assert themselves over long periods of historical time, conceptualized as “long centuries” in Braudel’s framework. From one perspective, these three temporal categories correspond to the three layers of the socio-historical process. The level of material life appears to move most slowly (corresponding to the *longue duree*), market exchange moves more quickly, but still slowly (cyclical time), and the zone of capitalism and high finance appears to change most rapidly, with wars, financial crises, social unrest, and other “presumed event[s]” (Wallerstein, 1991: 139) punctuating virtually every year or every month (episodic time).

Braudel’s genius, upon which Arrighi has built with considerable skill, was to historicize the present crisis of the capitalist world-economy with the concept of the *longue duree*. This, indeed, is the overriding purpose of *The Long Twentieth Century* — to trace the ways in which the world-system has not just quantitatively expanded, but qualitatively developed through successive “long centuries,” which are defined by Arrighi’s concept of systemic cycles of accumulation.

At the same time, some of the criticisms that have been directed at Braudel can also be directed at Arrighi. In particular, Braudel never resolved the problem of what historians call “agency.” In both *The Long Twentieth Century* and Braudel’s *Civilization and Capitalism* (1981-84) workers and peasants largely disappear as active participants in the making of the modern world. Second, while in theory Braudel argued that there was considerable overlap between the three historical layers, in practice the degree and character of that overlap was extremely difficult to operationalize. Arrighi faces the same problem, which he has resolved by rigidly excluding class conflict from the zone of high finance.

The Structure of Capitalist History

The core historical-theoretical argument of *The Long Twentieth Century* concerns “systemic cycles of accumulation” (hereafter, SCA). Arrighi identifies four systemic cycles, each of which is defined by a group of capitalist innovators — the Genoese, the Dutch, the British, and the U.S. Each systemic cycle is defined by two phases, beginning with a phase of material expansion (MC) and followed by one of financial expansion (CM’). At the beginning of the SCA, commercial (and later manufacturing) expansion attracts investment until increased competition forces a reduction in profits. At the point when investment in commerce begins to yield *relatively fewer returns* than investment in high finance, a phase of financial expansion begins. Financial expansion is characterized by the intensification of “cutthroat” inter-capitalist competition, which begins during the tail end of the MC phase. The central dynamic driving financial expansion

is the simultaneous intensification of not just inter-capitalist competition, but crucially, inter-state conflict. Unlike business organizations, territorialist organizations (states or quasi-states) are driven by a revenue-maximizing rather than a profit-maximizing logic. Consequently, territorialist organizations "were not discouraged as capitalist organizations were by the diminishing and increasing risks of the employment of capital in trade and production. On the contrary, they struggled against diminishing returns by borrowing all the capital they could and by investing it in the forcible conquest of markets, territories, and populations" (p. 232).

Three factors lead to a new phase of material expansion and a new SCA. First, the reallocation of surplus capital from commerce (or manufacturing) to high finance decreases competition within commerce and manufacturing and consequently increases profitability. Second, and most important, the discovery or invention of new products — trade diversification — results in new opportunities for commercial investment. And third, such trade diversification, to jump-start a new cycle of world capitalist accumulation, must be accompanied by qualitative transformations of world-economic structure, brought about by a leading group of capitalist innovators after which the SCA is named — the Genoese, the Dutch, the British, and the American. These capitalist innovators ascend to the commanding heights of the world-economy by completing an "organizational revolution," such as the consolidation of the vertically-integrated firm by U.S.-based capitalists in the late nineteenth century.

All systemic cycles "consist of three distinct segments or periods: (1) a *first period* of financial expansion . . . , in the course of which the new [SCA] . . . develops within the old, its development being an integral aspect of the full expansion and contradictions of the latter; (2) a *period of consolidation* and further development of the new [SCA] . . . ; (3) a second period of financial expansion . . . , in the course of which the contradictions of the fully developed regime of accumulation create the space for, and are deepened by, the emergence of competing and alternative regimes" (p. 214-215). A *signal crisis* begins with the onset of the third phase. The crisis is called "signal" because at this point the world-economy's leading (and supposedly most knowledgeable) capitalists become aware of the shifting economic winds and start shifting their investment from commerce to finance.

Arrighi's central economic argument concerning systemic cycles is that the life-span of these cycles are determined by "overaccumulation crises." This concept is a sort of synthesis of Paul Baran and Paul Sweezy's theory of the tendency of the surplus to rise and the concept of the marginal rate of profit. First, in *Monopoly Capital* Baran and Sweezy (1966) argue that in contrast to the situation prevailing under

competitive capitalism (circa 1750-1900), the central problem in monopoly capitalism was not too little capital but too much. This "tendency of the surplus to rise" produces deepening stagnation. Arrighi applies this theory to the whole of capitalist history. Second, the marginal rate of profit is "the rate on the additional investment after allowance has been made for the fact that the additional investment [in the same sector], since it will increase output and reduce price, will entail a reduction in profit on the old investment" (Sweezy, 1970: 275-76). That is, it refers to the dynamic through which further capital investment in one economic sector — or a group of sectors, such as manufacturing and commerce in Arrighi's book — results in a falling rate of return, not just on new investment, but on old investments as well. Utilizing these concepts, Arrighi contends that "the turning point between [material and financial expansion] . . . was due not to a shortage of capital seeking investment in commodities . . . but to an overabundance of such capital. There was a surplus of excess of capital invested, or seeking investment, in the purchase and sale of commodities over and above the level of investment that would prevent the rate of profit from falling" (p. 226).

Looking at successive systemic cycles, Arrighi identifies three types of historical change. First, there are long-run evolutionary, or secular, trends. Foremost among these have been the long-run growth in capitalism's geographical extent and in the organizational size and complexity of capitalist (business) and territorialist (governmental) organizations. As capitalism spatially expanded and its organizations grew larger and more complex, capitalist history "speeded up" (pp. 216, 220, 330). With each succeeding systemic cycle, less and less time has been required

for these regimes to emerge out of the crisis of the preceding dominant regime, to become themselves dominant, and to attain their limits as signaled by the beginning of a new financial expansion. In the case of the British regime, this time was 130 years, or about 40 percent less than it had been for the Genoese regime; and in the case of the U.S. regime it was 100 years, or about 45 percent less than for the Dutch regime (p. 220).

On the basis of these trends, which assume primacy over the others, Arrighi contends that "this evolutionary process has reached, or is about to reach, its limits" (p. 354).

A second type of historical change has been alternation. Systemic cycles seem to alternate between "extensive" regimes (the Genoese and the British), which resulted in the spatial expansion of the world-economy, and "intensive" regimes (the Dutch and the U.S.), which consolidated the newly incorporated zones into the world-economy. We might call these processes, respectively, market widening and

market deepening. A second key alternation, following Polanyi (1957), is that between "regulation" (Dutch and U.S.) and "freedom" (British and Genoese), between regulated trade and free trade.

Innovation is the third, and for Arrighi most important, type of systemic change. Each systemic cycle is named after that group of capitalists that innovates in such a way as to renew material expansion. These innovations are described as "organizational revolutions." These organizational revolutions, while new, always build upon the historical experience of previous hegemons. That is, all organizational revolutions involved elements of *regression* as well as *progression* (p. 149), except perhaps for the Genoese. As each new systemic cycle took shape within the old (decaying) cycle, the emerging systemic leaders developed new organizational forms that built upon the innovations of the *previous* cycle — that is, of the cycle that preceded the current (decaying) cycle. Concretely, the Genoese innovated by externalizing "protection costs," in contrast to the practices of the Venetians. The Dutch innovated by internalizing protection costs, building upon the practices of Venice. The British innovated by internalizing production costs and built upon the traditions of the Genoese rather than the Dutch in leading the spatial expansion of the world-economy. The U.S. innovated by internalizing transaction costs and built upon the traditions of the Dutch in consolidating the world-economy and in their use of large business organizations (joint-stock and transnational, vertically integrated firms). In the present, declining phase of the U.S. cycle, the key Japanese innovation (a form of transnational subcontracting involving decentralized production but centralized financial control) builds not upon the vertical integration that was characteristic of the U.S. organizational revolution, but upon the specialized production systems that characterized the British systemic cycle (pp. 342-44).

One of Arrighi's most compelling arguments concerns the relationship between industrialization and ascent either to a position of systemic leadership (hegemony) or to a position in the world-economy closer — or within — the "organic core [which] consists of all the states that over the last half-century or so have consistently occupied the top positions of the global value-added hierarchy" (p. 332). Simply put, "industrial expansion as such never helped much in moving up the value-added hierarchy of the capitalist world-economy." The globalization of production and trade in recent decades supports this contention. While the "industrialization gap" has narrowed between high- and low-income countries, the "income gap" has not. Quite the contrary, it has widened! For instance, rapid industrial growth in Thailand, Malaysia, and Indonesia during the 1980s did not prevent "all three countries [from losing] . . . ground relative to the organic core" (pp. 334-36). During the period of Germany's rapid industri-

alization in the nineteenth and early twentieth centuries, "the German business community had to expand industrial output almost three times faster than the British in order to make a relatively small gain in value-added" (p. 268). Industrial expansion does not *necessarily* lead to ascent in the world-system because commercial and financial supremacy, not industrial growth *per se*, determines how much value-added is realized within the world-economy, and into whose hands that surplus (value?) flows. During the nineteenth century, for instance, Britain served as the entrepot of world trade. Consequently any expansion in world trade would benefit British hegemony and British capitalists. The vulnerability of this systemic cycle was the possibility that other major capitalist powers would turn away from the world-economy through protectionist measures and thereby undermine the basis of British hegemony. This is precisely what the U.S. and Germany did in the second half of the nineteenth century.

Another key contribution Arrighi makes is his historicization of the state and its relationship with capital. Arrighi argues that business and territorialist organizations not only developed together, but have often appeared in hybrid form. The joint-stock company is a classic example. The Dutch and English East Indian companies exercised state functions such as taxation and the use of armed force at the same time as they pursued commercial interests. Not all territorialist organizations have been nation-states in the conventional sense, based on the "ideal" case of France. Many territorialist organizations, for instance Genoa and the United Provinces, and in the present era South Korea, Taiwan, Singapore, Hong Kong and others, have not been states at all, but "quasi-states" — that is, "states that have been granted juridical statehood and have thereby become members of the inter-state system, but that lack the capabilities needed to carry out the governmental functions associated historically with statehood" (p. 76). The concept of the quasi-state is part of Arrighi's argument that political authority since the 1970s, when the decline of U.S. hegemony became apparent, has been relocated upwards and downwards, towards big and small regional economies. Not only have numerous small "quasi-states" emerged as the state structures of the post-World War II era crumbled, but the power of transnational organizations such as the United Nations, the World Trade Organization, the G-7 (and now the Pacific-Asia G-6), the International Monetary Fund, and the World Bank has grown considerably over the past quarter-century.

Critique

The Long Twentieth Century reveals both the strengths and weaknesses of the world-systems project some two decades after the publi-

cation of *The Modern World-System I*. In the best tradition of that project, *The Long Twentieth Century* crystallizes many of the key contradictions of global capitalism through a theoretically rigorous historical analysis. In stark contrast to most globalization studies, Arrighi's analysis begins with the long-run continuities of historical capitalism. While Arrighi succeeds admirably in historicizing the present world crisis and underscoring the contradictions that gave rise to that crisis, he neglects the most basic of capitalist contradictions — capital-labor conflict. The elision of class conflict is, in fact, embedded in his conceptualization of the transition from feudalism to capitalism. For Arrighi, the transition is primarily a matter of economic and politico-military "competition." In this sense, it is more Weberian than Marxist. Wallerstein's explanation is much more grounded in class analysis, even if he fails to go as far as orthodox Marxists would like (Wallerstein 1977, 1992; Brenner 1977). All of which is to say that Arrighi's world-systems analysis is considerably more structural than Wallerstein's. This is unfortunate for two main reasons, one theoretical (or rather paradigmatic), the other political.

World-systems analysis was originally conceived not as a "sociology of the world" but rather as a critique of social science as it had developed since the nineteenth century. One consequence of this effort to reconstruct historical social science is the existence of considerable tension between historical and social scientific analysis within the world-systems project (Wallerstein, 1991, 1998; Taylor, 1987). This tension is built into the project. Within sociology, the institutional home of most (but not all) world-systems practitioners, the quantitative analysts and structuralists have gained the upper hand. The quest for greater systematicity at the expense of historicity tends to transform world-systems analysis from a *paradigm* into a *theory*, into another branch of sociology, into a "better" social science. While Arrighi is not particularly quantitative, he is extremely structural. Even though Arrighi is aware that "history continually messes up the neat conceptual frameworks and the more or less elegant theoretical speculations with which we endeavor to understand the past and forecast the future" (1995), *The Long Twentieth Century* is not open to the ways in which the contradictions of high finance ultimately create space for antisystemic movements. Unquestionably, theoretical rigor is crucial to the study of social change. There is a fine line, however, between theoretical rigor and schematic model-building. *The Long Twentieth Century* often crosses that line. My criticism should not be mistaken with the traditional historian's complaint that "things are more complicated than that." Necessarily, Arrighi erases historical complexity in the interests of explaining world-historical social change. This is no sin by itself. Reductionism in the interests of clarity does not prevent one from being historical. The problem in *The Long*

Twentieth Century is that Arrighi's overly strict adherence to the boundaries of the study prevents a richer understanding of the relationship between high finance and class conflict.

A more serious problem with *The Long Twentieth Century* concerns its political implications. We should recall that *The Modern World-System I* was written as a contribution to the struggle for world socialism. In Arrighi's scheme of things, modern world history is transformed into a contest between states and capital, and between fractions of capital. It is one thing to say that capitalists and state agents are the initiators of social change; it is quite another to say they are the only important actors in the making of the modern world. Arrighi would have done well to draw on the American social structure of accumulation perspective (Gordon, Edwards, Reich, 1982), which for all its problems has the virtue of explaining long waves and institutional frameworks as the product of class struggle. The neglect of class conflict is especially acute in Arrighi's treatment of the post-World War II era, when the connection between high finance and popular rebellion should be impossible to ignore. To ignore the class struggles that have unfolded in the periphery around the debt crisis, structural adjustment programs, and global institutions such as the International Monetary Fund and the World Trade Organization — all of which are either directly part of the zone of high finance or easily "overlap" with that zone — is a full-scale retreat from an activist socio-historical analysis, Marxist or otherwise. This shortcoming is all the more puzzling because Arrighi has published widely on the world labor movement (Arrighi, 1990, 1996).

Arrighi's underestimation of working class power goes hand in hand with *The Long Twentieth Century's* deeply pessimistic outlook. Arrighi concludes the book by posing three rather gloomy alternative futures. First, the "old centers" of world capitalism may succeed in transforming the world-economy into a world-empire, thus bringing capitalism to an end. Second, East Asia may become the new leading center of world capital accumulation, "but without the war- and state-making capabilities that . . . have been associated with the enlarged production of a capitalist layer on top of the market layer of the world-economy." In this scenario, the "withering away" of state power and the collapse of the inter-state system would result in capitalism coming to an end. And third, world society "may well burn up in the horrors (or glories) of the escalating violence that has accompanied the liquidation of the Cold War order . . . Whether this would mean the end just of capitalist history or of all human history, it is impossible to tell" (pp. 355-56).

Concluding Comments

Warning! *The Long Twentieth Century* is an extremely difficult read. Fortunately, it is as rewarding as it is arduous. In the best tradition of historical macrosociology, Arrighi ably synthesizes and summarizes the theoretical insights of a broad range of historical social scientists. The strength of this work lies in Arrighi's historicization of the present crisis and his perceptive (and persuasive) analysis of historical capitalism's long-run contradictions. Even if one finds Arrighi's focus on high finance deeply problematic, the neglect of class conflict and the periphery unfortunate, and his conclusions unduly pessimistic, the theoretical framework he develops is an indispensable contribution to the study of historical capitalism over the *longue duree* and to the understanding the present as history. This book should be read by every serious student of capitalism.

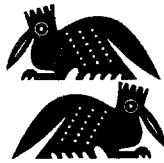
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