The growing significance of the state in peripheral societies stands in strong contrast to the lack of a materialist theory of the state which is essential for any meaningful concrete analysis of state behaviour. This lack is also evident in the few writings on the state in the peripheral societies.

The present paper is intended as a contribution to carrying forward the debate on the state in peripheral societies, based on a criticism of John S. Saul's valuable contribution.

In the first place we shall outline Saul's concept and critically examine its value in throwing light on the subject. Following on this we shall present our own view of the state in peripheral societies, starting with a systematic treatment of an issue already arising in the critique of Saul, namely, that of a materialist theory of the capitalist state—the state in peripheral societies also being capitalist (Part 2). With an analysis of the economic structure of the peripheral societies (Part 3), the basis for an analysis of the state in these societies (Part 4) is then provided.

1. JOHNS. SAUL'S CONCEPT OF THE STATE IN PERIPHERAL SOCIETIES

Saul is concerned on the one hand with stimulating the debate on the post-colonial state, on the other with critical consideration of the theoretical approaches to the questions of state bureaucracy and Tanzanian socialism.

He seeks an answer to the question whether the state in Tanzania protects the working class or whether 'the independent political organisation of progressive elements, already a (difficult) priority in most one-party and military/administrative regimes in Africa, becomes a priority for Tanzania as well. Smash the post-colonial state or use it?' (p. 367)

His analysis provides no answer, but is intended merely to provide a framework for a possible reply by 'those engaged in significant praxis within Tanzania itself' (p. 368), [stress in original].

Saul refers in his treatment to the features of the post-colonial state suggested by Alavi: 'the overdevelopment' and 'a new and relatively autonomous economic role.' To these he adds a third feature, the significant ideological function of the post-colonial state (p. 351). In his view, these three features represent 'the centrality of the state' (p. 353).
Hence 'the importance of those who staff the state apparatus' (p. 351, stress in original) also becomes evident, because they can implement potential socialist development strategies (p. 354). Analysis of these holders of state posts is foremost in Saul's further treatment.

In our view this approach can lead neither to a materialistically-based account of the position of the state in peripheral societies, nor of possible socialist development initiated by the state, nor even of the role played by those who staff the state apparatus. Moreover, one cannot leave to political praxis the question whether the state should be smashed or instrumentalised, because it is vital precisely for a realistic socialist policy to have a thorough theoretically founded concept of the relation between the state and society.

1.1. The features of the state in peripheral societies

First we will examine the three features to which Saul attributes the central importance of the state in peripheral societies.

1.1.1. On the thesis of the 'overdeveloped state'

Alavi notes that with the establishment of colonial rule a state apparatus had to be installed which was capable of suppressing all the indigenous classes in the colony. 'It might be said that the "superstructure" in the colony is therefore "overdeveloped" in relation to the structure of the colony, for its basis lies in the metropolitan structure itself, from which it is later separated at the time of independence... The post-colonial society inherits that overdeveloped apparatus of state and its institutionalised practices through which the operations of indigenous social classes are regulated and controlled.' Saul accepts this line of argument, modifying it, however, insofar as the social classes in East Africa were weak and the overdevelopment of the state had arisen, rather, from 'a need to subordinate pre-capitalist, generally non-feudal social formations to the imperative of colonial capitalism.' (p. 353) But the whole argument is contradictory, as well as empirical and theoretically not very plausible.

— Contradictory, as Leys points out, is the explanation for the necessity of the overdeveloped state in East African society. 'But why should this call for a particularly strong state if there were no strong social classes to defend their interests in the old social formations?'

— Empirical ideas, which are inherent in both Saul's and Alavi's expositions, are present in connection with the concept 'overdeveloped'. Parts of the autochthonous superstructure, e.g. the classes, were instrumentalised for the interests of the colonial power during the conquest and administration of the colony, so that the autochthonous superstructure and the colonial superstructure existed alongside and superimposed. Consequently the colonial administration could be kept to a minimum,
with administrative and military reinforcement, when need arose, in the short term from the metropolis, or from other parts of the colonial empire.  

Further: If the 'overdeveloped' state is inherited, how to explain the comparable state formations in societies which have been independent for over 150 years (e.g. in Latin America), or were never colonised (e.g. Ethiopia, Turkey, Afghanistan)?  

Moreover, there is convincing empirical evidence pointing to an increase in the importance of the state after independence. Leys corroborates this in terms of the rapid growth of services and the military on the Indian sub-continent.

Indeed, even the simple fact that the post-colonial state has to fulfil functions, not least the economic, which were not undertaken by the colonial state (to be regarded, rather, as an administrative establishment of the metropolis), or by the metropolitan state, conflicts with the thesis about the 'inheriting' of overdevelopment.

—Theoretical doubts make the concept of the 'overdevelopment' of the peripheral state altogether questionable:

According to Alavi the colonial superstructure is 'overdeveloped', 'for its basis lies in the metropolitan structure itself.' This explanation is correct insofar as colonialism acts as an 'outside historical influence' whereby the colonised society is adapted to meet the economic needs of the metropolis; that is to say, the economic structure of the metropolis determines on the one hand the colony's economic structure while, on the other hand, the two structures are interwoven by the economic conditions. Alavi's concept of structure is not correct when he maintains that, with independence, the colonial structure is separated from the metropolitan. The economic structure remains unchanged, only the superstructure is separated. On the other hand, independence itself is merely the political expression of new conditions, involving interweaving of the internal and external economies and the associated change in the internal class structure.

The question now is, what does the 'overdeveloped' state thesis imply? Does it mean that the state wields a 'strength' greater than is necessary to secure the social reproduction? Or does it assume that, in proportion to the structure, the superstructure is not too top heavy, but nevertheless very large? But—very large in relation to what? What is the 'normal' relation? Obviously the questions are meaningless. For so long as a state is fitted for its main function, to secure the societal reproduction, the extent of its influence on society is neither too great or too small, but adequate. True, the extent of the functions, respectively, the share held by the state in the societal reproduction, can be historically differentiated. And when the socio-economic basis of the peripheral society is identified in concrete terms, one sees that it matches its existing state.
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Then we are left with the comparisons between the states of periphery and metropolis, which are problematical as explanations of 'overdevelopment' even when they establish such interesting facts as 'a relatively low share of national income taken by government revenue and expenditure in underdeveloped countries.'

1.1.2. On the thesis of the important economic role of the peripheral state

'The apparatus of the state, furthermore assume(s) also a new and relatively autonomous economic role, which is not paralleled in the classical bourgeois state. The state in the post-colonial society directly appropriates a very large part of the economic surplus and deploys it in bureaucratically directed economic activity in the name of promoting economic development. These are conditions which differentiate the post-colonial state fundamentally from the state as analysed in classical marxist theory.'

Leaving aside the 'newness' of the economic role, which we shall deal with later, the statement about the relatively autonomous economic role of the peripheral state poses more questions than it answers.

(a) The peripheral state 'directly appropriates a very large part of the economic surplus.'

The state can certainly not be regarded here purely as a directly operating capitalist. Both state and semi-state concerns with public or private rights assume an important function in the peripheral societies and represent the reproduction base for a significant part of the bureaucracy, but these activities do not figure directly in the central state revenue, this being financed by taxes, duties and other payments.

Here Leys' empirical criticism of the significant economic role of the state thesis is also not very enlightening: he points to the 'relatively low share of national income taken by government revenue and expenditure in underdeveloped countries,' but restricts thereby the state's activity quite impermissibly to the national budget. In any case, national income is not nearly so revealing as a measure of state activity as is the internally available social surplus. Leys also seems to take this view when he maintains that the peripheral state appropriates a larger share of the surplus than the metropolitan state does. But further research would be necessary to support this thesis. And the difficult problem of making the internally available social surplus operational cannot be solved by taking national income as the indicator.

Apart from the theoretical and empirical difficulties of determining the state share in the economy, the way it is produced and appropriated is of greater relevance to the state's economic significance than its mere size, and without taking these two aspects into account one cannot say anything meaningful about the economic role of the state. For instance, one must distinguish:
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— the surplus being privately produced and realised on the market. The state appropriates its share through taxes etc.

— the surplus being cooperatively produced and realised on the market. The state appropriates its share through taxes etc.

— the surplus being privately produced, realised by the state (state trading concerns) and distributed by the state.

— the surplus being produced in state concerns. The state is the direct 'producer' and appropriator, and it distributes the surplus.

Other features of the state's economic role include: the shares of private, cooperative and state enterprise in the sectors of industry, the share of foreign capital, the share of the internally or externally realised surplus.

(b) The state expends its share of the surplus 'in bureaucratically directed economic activity in the name of promoting economic development.'

This statement obscures several essential elements in the economic role of the state. Undoubtedly, the demand induced by state expenditures is directly or indirectly an important economic factor. But the economic role stated by Alavi implies more, e.g. the question what is the quality of the state's economic activity, i.e. in what way the peripheral state is economically active, e.g. in the interventionist and dirigiste form with direct influence in industrial areas which provide the general conditions of production for private business interests, or in the state capitalist form where the state controls the whole, or a substantial part of production.

Further one must ask what is the aim of 'promoting economic development,' and whether this aim can be achieved under the conditions of the peripheral reproduction process.

(c) A vital element for defining the role of the peripheral state in the process of economic reproduction is to elucidate, by describing the sources and expenditure of the state income, the question why the peripheral state behaves in the economic field in this manner, or better, can and must behave.

Saul's reference (citing Poulantzas and Debray) to the possibility that the holders of state power create through the state their own economic base is not a full explanation; it remains unclear why such a situation is possible or, indeed, necessary. It seems more likely that the possibility and necessity of economic activity by the peripheral state are structurally rooted in the historical disruption of the economic structure of peripheral society, i.e. the partially in deficit, and relatively stagnant expanded reproduction.

Without clarification of these questions we can neither comprehend the state's economic significance in what may well be a fortuitous momentary situation, nor can we analytically define its relatively autonomous economic role.
11.3. On the thesis of the important ideological role of the peripheral state

One can, with Evers, fully agree with the thesis that: 'The "Third World" is a unique museum of the most incredible examples of how the ideological apparatus tries to cover up peripheral capitalism's lack of legitimacy.'
This in itself, however, indicates that the legitimacy difficulties do not lie primarily, as Saul sees it (p. 351), on the political level of the newly-independent state (after all, Latin American states with much longer independence have an almost equally great ideological role as the newly-independent states of, for instance, Africa). This ideological function derives far more from the fact that capitalist commodity relations have not been generalised—on the one hand there is the semblance of formal freedom and equality for all commodity owners which derives from the mystification inherent in capitalist production, on the other, the social integration by means of commodity and financial ramifications is incomplete.

1.2. The relative autonomy of the peripheral state

Alavi and Saul see their contribution to the theory of the state as 'a new theory of the state's relative autonomy in post-colonial societies' which, according to Alavi, differs from the classical Marxist theory of the state. What, then, is the basis of their 'new' grounds for the relative autonomy of the peripheral state? According to Alavi 'the state in the post-colonial society (is) not the instrument of a single class. It is relatively autonomous and it mediates between the competing interests of the three propertied classes, namely, the metropolitan bourgeoisie and the landed classes.'

Since the interests of the competing classes converge and are no longer conflicting, the state acquires an autonomous role. Saul has already pointed out some fallacies in this line of argument (pp. 352 ff). Girling emphasises the 'theoretical confusion about the concept of social classes.'

The key points are, on the one hand, the unclarified relation between 'national' and 'international' class relationships or, in other words, between the national and international relations of production, which we shall deal with later, and on the other, the theoretical starting point. True, Alavi has in mind the 'classical' Marxist statement: 'The executive of the modern state is but a committee for managing the common affairs of the whole bourgeoisie,' when he inexactly interprets the state as the instrument of a class, since 'firstly, the state is above all “the business chief”, organising the economy in the interests of the ruling class; secondly, it is the job of the state to mediate among the conflicting interests of the various factions of the bourgeoisie, in order to be able to "administrate" in the common interest of the whole class.'

But what appears in Alavi's presentation to be a special feature is actually an integral part of the 'classical' Marxist view of the state, namely, its relative autonomy vis-à-vis fractions of capital and the relatively
autonomous economic role of the state. According to Saul the relative autonomy resides primarily in the central significance of the peripheral state—'an autonomy rooted in the centrality of the state' (p. 353). The centrality manifests itself in the three features of the peripheral state. 'These three points, taken together, help define the centrality of the state in the post-colonial social formation'. (p. 351)

Leys very ingeniously denies to these states any such special significance in their social formations: 'The state is equally important in all class societies; it is no more "central" in Tanzania than in Britain or the USA (or the USSR). It goes without saying that on a very general level every state has the same function in a class society, and hence the same significance, namely, to secure the reproduction of the society. In that sense the night-watchman state of competitive capitalism (insofar as it has ever existed) is just as 'central' for its society as the strongly interventionist state of monopoly capitalism. When we leave this level, however, the varying significance of the state in the society depends on how far the economy is self-regulating, or is subject to state intervention. Only in this sense does the state in the peripheral social formations hold a more significant (or more 'central') position than the state in the metropolis. Saul only manages to describe this phenomenon inadequately, he cannot explain it. It is impossible to explain the significance of a state, as Saul tries to do, on its own; only by examining the relationships of state and society can the significance and the relative autonomy of the state be perceived. How else can one discover an autonomous policy in all the mass of activities and tasks undertaken by a state? How else can the 'nature... of this autonomy' (p. 351) be determined?

Saul, on the contrary, postulates the state and fails to explain it. Therefore he is unable to grasp the character of its autonomy, or to define it politically and economically.

So he justifies Leys' fears: 'In fact it is not clear that Saul's discussion of the state really illuminates the key question he is posing.' For without a correct evaluation of state autonomy there can be no meaningful account of the role played by the holders of state power. If one fails to see the second in terms of the first, basing oneself with Saul and Alavi on the role of the state's representatives, then the relative autonomy of the latter is seen voluntaristically, involving the danger of a revisionist or reformist illusion about the state's effectiveness, or of blaming the failure of a given policy on bad handling by these representatives, which could be remedied by more rational administration or by replacing the people concerned.

1.3. The distinction between the peripheral state and the state in the classical Marxist theory of the state

When a difference between the features of the peripheral state
described by Alavi and Saul and the 'classical' Marxist theory of the state is sought, it is assumed that such a classical Marxist theory exists. But that is not the case. What is presented as 'the classical Marxist theory of the state' consists of a series of analyses and views by Marx and Engels on current political problems, 'Indications, hypotheses, fragments and affirmations of a materialist theory of the state which often contain little more than a catalogue of queries, preliminary assumptions or axioms,' and being moreover, since they originated mainly in the early works, as Reichelt notes, ideally executed. There are only indications going beyond the level of political analysis (the demonstrating of political interests and the groupings supporting them) and they are not put in the economic and social context.

Although an analysis of the bourgeois state was envisaged in Marx’s plan of work and it seems certain that he wanted to include the state in his presentation of the critique of political economy and that he had not relinquished the plan, he completed only the most important part of the projected reproduction of bourgeois society—the critique of political economy. The first approaches to an overall materialist theory of the state grew out of criticism, dating back more to Engels and Lenin, of instrumentalist as well as reformist concepts of the state. When Alavi now refers explicitly to a 'classical Marxist theory' as presented in Miliband's restatement of Marx' and Engels' political analysis, without taking into account the fragmentary character and the implicit methodological and theoretical problems, his starting point for analysing the peripheral state and his premise—the state as instrument of the ruling class—for defining the difference between the peripheral and classical states are quite inadequate. The apparent differences reveal themselves as theoretical fictions.

A purely political analysis on the level of class relationships—as we have from Alavi and Saul—without clear definition of the place and function of the capitalist state, of the state-society relationship, i.e. without an overall theory of the state in the economically-given capitalist social formation, is bound to lead to faulty interpretations in the concrete analysis of a state.

And here we have our dilemma, because a general theory of the state exists so far only in embryo. In attempting here to sketch in such a theory we can make no more than a fragmentary endeavour to provide the essential basis for analysing the capitalist state—which the peripheral state is, too—as the precondition for analysing the state in peripheral capitalism.

2. ELEMENTS OF A MATERIALIST THEORY OF THE CAPITALIST STATE

The necessity for the existence, form and function and the inner structure of the state in capitalist society is determined as an essential,
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integral element of the society by the economic and social reproduction of that society. As an organic product and a necessary structural element in the society it is the expression of the dominant contradictory social relations.

In the context of the overall social reproduction, two features of the state can be picked out:

(a) The state is an 'economic reproduction institution.' As such it is determined by the social commerce and production forms of the material reproduction process which, in their turn, are mediated by the state.

(b) The state is a 'political reproduction institution.' As such it is the contradictory representation of social unity and is determined by the complex relationships among classes and segments of classes, which are the social expression of the social reproduction process. Here the state comprises: on the one hand, the class struggle, transformed and institutionalised in the state apparatus, that is to say, in accordance with the specific power set-up, the interests of all classes—although in varying degree—are deposited in the state and mediated by it on the other hand, the complex of practical and theoretical activity whereby socially dominant classes (power block) not only justify and uphold their rule via the state, but also manage to maintain the effective consensus of the ruled.

In its role as economic and political reproduction institution, the state holds the monopoly of extra-economic power which is the ultima ratio of bourgeois power whenever the blind pressure of circumstances does not, does not yet, or no longer secures the societal reproduction.

Furthermore, the state-society relationship (politics and the economy, superstructure and base) can be characterised by:

(a) the functional distinction of institutionally open power from the society (duplication, or falling apart, of state and society) as an 'institutional formation in response to economic processes and class movements';

(b) the functional relationship of state activity to the societal reproduction.

Distinction and relationship constitute an essential element of a 'relative autonomy of the state' vis-à-vis society which is structurally rooted in the societal reproduction process, namely:

(a) the relative autonomy of the state in relation to material production and reproduction. This aspect includes the economic functions of the state which are not, in the economic process, or under specific historical conditions of the reproduction process not yet, adequately or are no longer attended to;

(b) the relative autonomy of the state in relation to all classes. This aspect includes the state's repressive and ideological functions, and its role 'as political organiser and unifier, and as a factor for the establishment of the "unstable equilibrium of compromises"';

(c) the relatively autonomous exercise of power by the state as the
necessary accompaniment of its relative autonomy, i.e. as the institutional expression of the social power set-up.59

In the light of the above, the relation (or interrelation) between state and society appears as a dialectical relationship in which they condition and complement each other, and in the last instance, it is determined by the dynamic and the laws of material production.60

From the interaction of state and society the actual dynamic of development in the whole society arises. This needs to be specified further. The state as an institutional response formation is not 'a controller endowed with insight and wisdom' (Offe) capable of setting aims and goals on its own initiative. The phenomenon of the state concretises itself in its own institutional form, with its own laws and contradictions, its specific means and instruments and, as the most essential element, in its own social body—that of holders of state power, the state bureaucracy.61

Leaving aside its interest in status,62 the characteristic of the state bureaucracy is its instrumental aim in the process of societal reproduction. In its concrete mode of operation the state bureaucracy depends on 'the concrete functioning of the state apparatus, i.e. on the place of the state in the ensemble of a formation and on the concrete relations with the various classes and fractions',63 and not directly from its class affiliation.

That is to say that the framework and content for the mode of operation of the bureaucracy in capitalist social formations are given by virtue of the state's relative autonomy. Simultaneously, the accompanying relative autonomy in exercising power appears to provide the possibility for the bureaucracy to become independent.64

The functional adequacy of the bureaucratic activity in the context of social reproduction—involving the possibility of making itself independent, the interest in status, the functional relationship to the society and the lack of higher intellectual capacity in the bureaucracy—establishes itself via a structural regulating mechanism of dispositive and restrictive interrelations. This creates a contradictory and labile balance between the possibility of attaining independence, the interest in status and the response to the social demands.

Such a mechanism can be found:
(a) in the functional elements constituting the framework of the state's activity in its relation to society;65 these include: the private nature of production, the dependence on taxation, accumulation as the point of reference, legitimacy.

These functional components manifest themselves:
(b) in the structural selectivity of the political institutional system which stems from its particular routines and formal structures.

The structural selectivity whereby the state's share in social reproduction is implemented consists:
(i) on the level of the structure, of a legally and factually delimited
range of operation, which defines the object of state policy. Included here are the legal protection of property, marking the boundary of the system, as well as the actual financial and information restrictions;

(ii) on the level of ideology, of the repressive system of standards applied by the political-administrative system;

(iii) on the process level, of the formal make-up of the political decision-making process;

(iv) on the level of repression, of the threat and exercise of repressive power.

We have outlined so far the framework and the main features of the manner in which the state bureaucracy operates. There is a certain latitude here for the weighting of concrete policies within the relative autonomy of the state.67

The manner in which this latitude is used depends on the class affiliation of the state bureaucracy, on the relationships between its members and the ruling, or ruled, classes,68 or on its ideological orientation; these factors, then, acquire in fact a strategic significance insofar as they contribute to intensifying or moderating the social contradictions. If the state bureaucracy overestimates its latitude as well as the relatively autonomous power of the state, the result is a discrepancy between the political level and society, which emerges as a political crisis,69 involving a process of restoring the political equilibrium either by replacing part of the bureaucracy, or by reformulation of policy.

The general definitions of the state-society relationship acquire their true meaning when applied to the social milieu from which they were deduced.

The capitalist societies are now characterised by the fact that capital 'rules', i.e. not the individual capitalist, because he, like the wage labourer, has a pre-structured role (personification of economic laws, or character masks); that is, the capitalist domination derives from the structure and mode of functioning of capitalist commodity production, not from subjective claims on a dominant role. Domination in capitalism is reified (rational) in the commodity relations and is reproduced in the supra-individual relations of production, proceeding as by natural law, in which men live and act and by which their thinking and behaviour are stamped. This stamping—outcome of the mystification process of the economic relations—manifests itself in the alienated dependence of men on the supra-individual structures which they themselves have created.

Thus the structural domination of capital merely expresses the fact that the social domination structure bears the stamp of the structural dominance embodied in the capital relation—which determines reproduction—of capital valorisation (especially of the most progressive and dynamic capital), and of the structural dependence of wage labour (and of the intermediate sectors and other classes), i.e. a structurally unequal division
of social dominance which is the basis for the prime dominance of capital.

But dominance is subjectively mediated, so that the structural dominance of capital and the structural dependence of wage labour determine the social status, respectively, the social power of their bearers, or classes, and simultaneously indicate the framework of their action. And precisely this structural dominance of capital, together with the associated social status and power, is also reflected in the state.

One meets with many views of the state based on such a concept of its place in bourgeois society which often gives absolute weight only to particular elements in the state-society relation, e.g.

— Freedom of the economy from the state.

State and economy are not independent categories, they are essential components of a single social totality. This goes for all stages in development of capitalist society, for 'capitalism has always been subject to state intervention' and it still is, although the scope and character of the interventions change in time.

— The state as a neutral agent standing above classes, with autonomous exercise of power existing alongside and outside society.

As the expression of the power relations among social classes the state is the summation of bourgeois society, but it is equally for that reason the political power centre of the economically and socially dominant class.

— The state as instrument, or agent of one class, namely the instrument of domination by the bourgeois class; and correspondingly the state as the instrument of the social emancipation of the working class.

The dialectical nature of social relations finds its institutional expression in the state through the contradictory unity of both maintaining and overcoming economic and social conflicts. The bourgeois state is capable of instrumentalisation only insofar as the conditions for this are present in the structure of the economic and social reproduction. Elements of social emancipation have been and will be asserted through the state by actions of the working-class movement within the bounds of the economically-conditioned social power structure.

As the conclusion of an analysis of the position and function of the state in peripheral societies, one can deduce from an outline of a materialist theory of the state that an assessment of the peripheral state should proceed from:

— an analysis of the economic structure of the peripheral societies, and this must include examination of the production process, the process of circulation and of mystification;

— an analysis of the class relationships.

In both respects one can refer to existing research which, despite the differences in the economic and social conditions in the different countries of the periphery, indicate substantial common features for generalisation. These 'basic features' of peripheral capitalism will be described below. This
means, however, that not all the phenomena of each society are explicable, but that a framework will be provided which will have to be concretised for individual cases by empirical analysis.

3. **ON ANALYSING THE ECONOMIC STRUCTURE OF PERIPHERAL SOCIETIES**

With the expansion of trade into world trade and the rise of the world market, there has developed, since the days of European colonial expansion, an international economic system in which the production and reproduction of all societies in the world are integrated.\(^{71a}\)

The starting point for the historical constitution, and for the growth dynamic of the world market, lies in the historically changing needs of reproduction in the metropolis, that is, the mode of its social production at different times, which is identical with the given state of development of the bourgeois mode of production, this being 'the most developed and manifold historical organisation of production' (Marx). With the spread of the dominant reproduction dynamic to world level, the pre-colonial self-centred development of the peripheral societies was blocked, being transformed, in regionally differentiated scope and form depending on the previous historical and natural conditions, into a complementary and subsidiary system attached to the metropolitan system.

The condition for integration in the world market is, on the one hand, the relatively backward socio-economic development, on the other, the 'stamping' or 'impregnation' of the peripheral societies' inner structure by the 'transfer of the dominant reproduction dynamic of the metropolitan capitalism into the periphery'.\(^{73}\) The basis of integration is a ladder of domination between periphery and metropolis which is 'secured, or extended, in the economic, military and cultural sectors... by the exercise of actual and structural power'\(^{74}\) and is structurally anchored in the peripheral society.

The result of this economic interweaving is the development of the capitalist and peripheral-capitalist social formation, the development of the metropolis and the underdevelopment of the periphery as 'two sides of a common, universal process',\(^{75}\) 'accumulation on a world scale'.\(^{76}\)

3.1. **Thesis: The world market is an international production relation 'derived' from the reproduction of the metropolis**

In the Marxist system of political economy, the relations of production denote the relationships within a particular mode of material production, which predominates over the rest, whose relations thus assign rank and influence to the others.\(^{77}\) The production is the developed (capitalist) production of the metropolis for which the world market is the condition and of which the world market is the product and basis.\(^{80}\) Circulation on the world market is no longer a movement external
to or beside the \textit{production} in the course of history it takes hold of the production, becoming ultimately a function of capitalist production itself.

Capital extends its propagandist and civilising influence universally over the world \textit{market}. All non-capitalist modes of production are drawn, insofar as they produce commodities, into its sphere, or if they produce no commodities, they are forced to do so. The resultant relationships between the metropolis and the periphery of the whole system assume the form of \textit{dependence} which can be seen as 'a \textit{structural interlocking} of periphery and metropolis.

\subsection*{3.2. Thesis: The world market is a production relation on a higher level}

The material content of the relations of dependence on the world market includes:

- relations among societies producing by division of labour;
- exchange of products processed to varying degrees;
- distribution of part of the surplus social product of the periphery in the form of unequal exchange;
- distribution of part of the surplus product of the periphery in the form of value transfer.

Division of labour, exchange and distribution relations are relations of production which in their totality possess a specific quality differing from the sum of these separate relations of production, \textit{i.e.} the \textit{relations} of dependence are a 'relation of production on a higher level'.

\subsection*{3.3. Thesis: The derived, international production relation is an augmented force of production, for the extended reproduction of the metropolis}

The special feature of the material relations between the periphery and the metropolis, and hence the difference from interdependence, lies in the 'one-sided exploitation' of the periphery.

On the one hand the moulding of the inner structure of the periphery according to the needs of the metropolis means that exchange of goods gives dynamism to the economic development and leads to differentiation of the economic structure, with only a slight spin-off effect for the periphery. On the other hand, the impulse to development through exchange of goods is strengthened in the metropolis by unequal exchange and transfers of value, whereas there is the opposite effect in the periphery.

\subsection*{3.4. Thesis: The economic structure of the peripheral social formations is characterised by 'derivative, not original relations of production and overlaid by the derived international relation of production}

With their integration in the world market the independent development of the peripheral societies is blocked and their inner structure is adapted to the reproductive needs of the metropolis. Correspondingly,
there is the transformation of 'indigenous labour power into enslaved workers', or 'a mode of production corresponding to the slave must be created', that is to say, labour relations are 'transferred' and modified to fit the existing conditions. The same holds for the internal social division of labour, for the relations of distribution and consumption.

The type and structure of the peripheral production relations have to be seen 'as a product of the encounter of the (world-wide) economic system with technologically and socially backward societies' in which elements of the original society interlock with elements of the dominant society and 'assume very concrete internal forms of expression'. The two sides mutually determine each other, but the determination of the weak pole by the stronger is disproportionately more compelling and overwhelming than in the opposite direction. Now if the totality of the production relations constitutes the economic structure of the society, then it is obvious that the character of the periphery's economic structure must be radically altered. This means that any identity between the pre-colonial and the 'transmitted' production relations in the periphery must in any case be formal, the continued existence of the former being only understood in the context of the interrelationships in the economic structure of the periphery as a whole.

The break in the historical development of the peripheral societies is even clearer when we observe the forces of production. As relationships of men to material things and to nature, the forces of production embody a social aspect. They can also be described as the 'technical' relation of production. Both elements of the 'technical' relation of production are relevant in relation to the transmitted production relations. On the one hand, the existence of natural conditions of production and means of production is a central element in the integration of the periphery in the metropolitan reproduction process. On the other hand, forces of production are transferred from the metropolis in order to adapt the economic structure to its reproduction. This means that the economic structure is moulded in such a way that the dependence relations operate in it and on it. This circumstance is included in the concept 'structural dependence of reproduction.'

So one condition for structural dependence is a functional subordination to the needs structure and reproduction dynamic of the metropolis, or in other words, that the peripheral reproduction is overlaid by the international production relation derived from the metropolitan reproduction; on the other hand, structural dependence denotes 'the inner aspect of "articulation"' of the dominant reproduction dynamic. As an 'external' feature, the dependence relations become a constituent part of the socio-economic structure, i.e. they are structural components of all elements of the peripheral society and hence become themselves endogenous factors in development.
The distinctive features of peripheral reproduction are:

(a) structural distortion of economic development—to be seen on the one hand as distortion of the autonomous economic development caused by integration in the world market, on the other, as distortion of the economic development of the integrated peripheral societies, this being commonly referred to as 'underdevelopment';

(b) structural dependence of the peripheral economy. 'The pattern of their production, the forms of capital accumulation, the reproduction of the economy... are based on the reproduction of the metropolis (foreign-determined 'external orientation').\textsuperscript{101} The dynamic of economic change in the periphery, stagnation or development, is determined by the extent of integration in the world market.\textsuperscript{102}

(c) The heterogeneity of the economic structure, in particular heterogeneous relations of production (and modes of production), as well as structurally heterogeneous levels of production by sectors and regions. This heterogeneity points to a circumstance within the reproduction process which differs qualitatively from, for instance, the heterogeneous production relations in the metropolis with 'the passive survival of antiquated modes of production, with their inevitable train of social and political anachronisms.\textsuperscript{109} 'Traditional' modes of production are not shortcomings, signs of backwardness in the periphery (as the modernisation theories maintain), they are necessary components of peripheral reproduction.

3.5. Thesis: The extent and form of the peripheral dependent reproduction depends on the internal structural elements

Although 'the world market context... is the primary, and hence the essential framework of reproduction, to which the economic cycle within the national (or colonial) borders is subordinated',\textsuperscript{104} that does not mean that the reproduction of the periphery does not possess a certain independence. But this has to be seen against the background of the interlocking with the metropolitan reproduction in which the past and the current interlocking combine to form a new dependent economic structure.

True, the nature (content) of the peripheral reproduction is determined by the 'function' in relation to the dominant society, or the world market. The extent and form in which the inner structure fulfils its 'function' depend, however, on the structural features of the peripheral society,\textsuperscript{105} being its way of meeting the needs of the world market, and these can also be regarded as restrictive conditions on the periphery in fulfilling its 'function' on the world market.

The relative independence of the peripheral reproduction manifests itself in the extent and form insofar as, on the one hand, the current inner structure modifies 'the extent of extroversion'\textsuperscript{106} and, on the other, it determines the given specific form of meeting the needs, that is, the
particular mode of organisation of the peripheral society. The elements of the pre-existing, or now historical peripheral social formation synthesise in the form with the exogenous conditions of development. And, finally, the extent and form in turn influence the specific material content of the world market connection.\textsuperscript{107}

In the course of history the dependent reproduction adapts to the dialectical relations between the exogenous and endogenous conditions of development. Linked with this is the distorted development of the periphery (never non-development) with a differentiation of the socio-economic structure so that the periphery's relative independence, i.e., the scope and the significance of the inner reproduction, increases (e.g., growth in population, emergence of national capital, emergence of new consumers such as workers, the middle ranks).

3.6. Thesis: The peripheral societies are the social formations of the relatively stagnating transition from pre-capitalist social formations to capitalism

The history of the peripheral societies is marked by a dynamic element of development and a static element of stagnation.

The development aspect is evident in the emergence of higher forms of social production which, in their day, constitute the hegemonic sector of the peripheral economy and can, in fact, be regarded as coming into the category of capitalist industrialisation, e.g., the spread of capitalist relations of production.

The stagnation aspect is evident in the persistence, or re-emergence, of non-capitalist, or outdated capitalist relations of production or, in other words—the lack of homogenisation in the economic structure as a whole, with inadequate advance of capitalist production relations in sectors and regions.

The two aspects constitute—both as the result of and the condition for structural heterogeneity—the contradictory unity of peripheral development. On the one hand, the non-capitalist production relations are a structural condition for the spread of capitalist production relations, but at the same time they represent an obstacle to this spread (e.g., the lack of an inner market). On the other hand, through the spread of capitalist production relations the non-capitalist are themselves produced and reproduced and, thereby, the spread is again blocked.\textsuperscript{109}

To sum up, the distinctive feature of the peripheral production process is the unity of reproduction dependent on the world market and structural heterogeneity. We shall briefly outline below the consequences this feature has for the position and function of the state in the peripheral societies.\textsuperscript{110}
4. ON ANALYSING THE STATE IN PERIPHERAL CAPITALIST SOCIETIES

4.1. The social orientation of the peripheral state

Given the dependence of the reproduction in peripheral societies on the world market, the inherent assumption of any theory of the state regarding the congruence of the 'national' political and the economic spheres is ruled out. The boundaries (theoretically, no longer geographically definable) of the economic (world market) and the political (the national state) structures no longer coincide. This lack of coincidence between 'base and superstructure' leads inevitably to a non-reciprocal dialectic between the two: the economic base which determines the historical development and, consequently, also determines the superstructure, is different to the one on which the state can react—the first is a totality, the second a part of that whole.

Correspondingly there is a hierarchic dialectic between the base reaching out to the world market and its corresponding international superstructure, between the peripheral state adapted to this and, finally, the area of the national economy, i.e. the state is situated between the two but is, on the one hand, primarily determined by the overall world-market-involved base and, on the other, as a product of this larger economic unity it is itself again determined in the framework of the national state.

This view of the base-superstructure relation in the peripheral societies explains the illusions:

— that on account of the state's important position in the periphery, the superstructure determines the base. This illusion comes from the impermissible equating of the national economic area with the 'base'.

— that the peripheral production is determined historically and structurally by circulation. This derives from observing this production apart from the larger context.

— that since their integration in the world market the peripheries are capitalist, despite non-capitalist modes of production, because they are integrated via the world market in the extended reproduction of metropolitan capital.

In the light of what has been written above, we can now make a more precise statement about the peripheral state, insofar as the specific problems of reproduction dependent on the world market and of structural heterogeneity lead to social demands on the state and are reflected in specific state functions which differ from, or complement, the general functions of the state in capitalist societies.

4.1.1. The peripheral state as an economic production institution

The basic elements among the functions which are structurally necessary
in the peripheral reproduction process—depending on the type and scope of concrete cases, on the structure and dynamic of the dependence on the world market, on the structural heterogeneity, and on the specific socio-cultural and ecological aspects—aim at:

(a) linking the world market context with the national economy by breaking down—as far as is possible while maintaining the total inner reproduction—the political frontiers between the world market and the national economy (e.g. import-export policy; import of technology; foreign investment; rate of exchange and foreign currency policy; joining in regional and international economic and finance institutions; 'development projects').

This mediation is not smooth and direct; in some cases it involves a certain restriction of the world market influence.

(b) securing the existence and expansion of the world market in the national economic area, directed to the reproduction of both internally operating foreign capital and of national capital oriented on the world market (alongside the measures listed under (a), we have, for instance, guaranteeing property and the disposal of profit, or compensating in case of nationalisation; promotion of industry; agrarian reform. infrastructure policies);

(c) securing internal economic reproduction which is not guaranteed through the economic process. This is directed, for instance, to the extended reproduction of national capital based on the home market (e.g. promotion of industry; import policy; infrastructure policy) to the reproduction of the rural and industrial labour force as well as of the independent and non-independent middle strata (e.g. wages policy; policies on food prices and supply; policies regarding the labour market and labour supply).

(d) securing the structural heterogeneity, as a specific condition both for world-market and national reproduction, against the process of disintegration in the non-capitalist area (through partial agrarian reform, price policies etc.), and in the backward capitalist areas of the national economy (subsidies, price and wage policies).

A far stronger influence than any active policy is exerted here—through the 'tendential functional irrelevance' of the marginalised masses as far as the social reproduction process is concerned—by a policy of neglect, with the result that either the labour power and means of production are under-employed and resources squandered, or that the marginalisation increases as a social crisis, with the population concerned scraping a living by, for instance, unproductive occupations in the services sector and in subsistence farming, or depending on state, church and private contributions.

4.1.2. The peripheral state as a political reproduction institution

The heterogeneous, world-market-dependent reproduction process produces and reproduces a fragmented and unstable class structure and a
relative social weakness of the classes, fractions of classes, and groupings in the nation. The consequence is that interests are realised and accommodated less and less within the social process and are mediated more and more by the state. Thus the state becomes the actual forum of class struggle and class relations. This is manifested in a 'process of increasing concentration of political power in the state.'

Stemming from this special structure of peripheral society we have, alongside the mediating of political differences among the classes and fractions of classes at home, the following political functions of the state:

(a) acting as intermediary in political differences between the synthesised national interests (or the interests of sections of the national bourgeoisie) with the interests of the external bourgeoisie and their states, or in other words: the political mediation of the economic 'grip';

(b) guaranteeing the cohesion of the social structure, which is continually threatened by its own dynamic;

(c) acting as intermediary in political differences between the growing state bureaucracy and the other classes and fractions of classes.

The demands on the state which stem from the whole complex of social reproduction, and their functional reflection, assume concrete form in the relative autonomy of the state. The marks of this relative autonomy are to be seen in the unity and simultaneous existence of logically not separable aspects of statehood, such as 'weakness', instability, restricted legitimacy, 'strength', permanent intervention, which will be briefly discussed below. In this connection we shall treat with greater precision the economic and political functions of the peripheral state which have been roughly outlined so far.

4.1.3. Aspects of statehood in the peripheral societies

(a) The 'weakness' of the peripheral state is seen superficially, for instance:

— in political instability (compare below);
— in the dependence on the external bourgeoisie;
— in regional disintegration;
— in restricted resources (inadequate financial resources, or over-indebtedness; administrative irrationality etc.);
— in restricted effectiveness of government resources (lack of unification between the money and commodity nexus, as well as in legal matters; incomplete centralisation of the extra-economic power monopoly etc.);
— in the partial extra-territoriality of international concerns operating in the country.

The main reasons for this lie on the one hand in the structural heterogeneity, that is, the lack of uniformity in capital relations and commodity production and competition, the blocked development of the productive forces, low productivity, etc., on the other, in the dependence
of reproduction on the world market, which places parts of the economic base outside the state's influence and lets a substantial share of the financial and material resources flow away, and finally, as an expression of the entire societal reproduction, in the fragmented and unstable class structure, in the narrow basis of legitimacy, as well as in the qualitative ineffectiveness of the constant, direct and contradictory interventions.

(b) The instability of the peripheral state is manifested through a constant changing of state forms, of state personnel, changes in constitution, and the interchangeability of political institutions, as a permanent seeking for increasingly short-term and never fully viable accommodations between state and society.

This instability can be seen:

— in the form of a permanent political crisis, particularly in the political institutions, because the constant shifts in the class structure and relationships promotes instability in the articulation and particularisation of interests. With particular interests being realised via the state, the growth of a state clientele and of corruption lead to it becoming the private preserve and instrument of every-changing partial interests;

— in the form of an acute political crisis, explosively and openly, whenever the operation of capital movement in the dynamic internationalised and national production (marginalisation, unequal distribution of income etc.) impinges on the vital interests of the weaker sections of capital and landowners and/or the marginalised masses, the wage labourers and the middle strata, and stimulates class struggles. Preventive integration measures (populist manipulation, nationalistic ideology, socio-political measures, improvement of wages and incomes etc.) can only prevent or cover up the conflicts temporarily and to a limited extent, while by restricting financial resources, they hinder the state development policies and the growth of private capital, so that a 'solution' of the problem can only be found through greater repression;

(c) the limited legitimacy of the peripheral state is seen:

— in its directly partisan attitude in favour of the ruling classes;

— in the failure to establish bourgeois-democratic forms of government; 'The non-bourgeois form is the only one adequate to the bourgeois function of the peripheral capitalist state';

— in the lack of unity in the forms of government on the national, regional and local levels (economically-based structural control alongside purely extra-economic control);

— in the view of the state function in almost exclusively authoritarian and unfree forms, employing ad hoc laws, ideological manipulation and crude force;

— in the one-party state and/or open or disguised military regimes ('development dictatorships') with some parliamentary facade.

This restricted legitimacy is based, on the one hand, in the fact that
capitalist commodity relations are not fully established and in the correspondingly incomplete assertion of formal freedom and equality, on the other, in the incomplete division of extra-economic rule, as a state monopoly, from the monopoly of economic value creation in the guise of private capitalist undertakings, i.e. the state's activity still has a directly economic content, and finally, its functioning acquires legitimacy of external interests only with difficulty.

(d) The 'strength' of the peripheral state appears, for instance:

— in the 'development policies' designed to maintain those means of production which do not reproduce themselves, in part by massive intervention in production combined with inflating the state apparatus;

— in the economically-conditioned structural weakness of the national ruling class as a political force, with its reproduction having to be guaranteed by the state and regulated by it;

— in the state labour policy by which, for instance, the trade unions are turned into a political instrument for keeping the workers on a leash, since their independence could be a considerable barrier to accumulation.

This strength of the peripheral state derives, as an expression of dependence on the world market, from the fact that 'the economic permanently ascribes the basic role to the political' or, in other words, under the given conditions of reproduction, the state 'development policy', on the one hand, and the domination over the propertyless masses, on the other, become a 'functional imperative' of state activity.

(e) The intervention state in permanence.

The contradictory and incoherent societal reproduction of the periphery does not lead to a permanent reproduction of its own postulates and conditions, on the contrary, it produces on the one hand a permanent economic crisis in the shape of an unbalanced economy, on the other, a permanent political crisis in the shape of a political imbalance.

Both the economic and the political crises force the state (functional imperative) to make constant intervention in the economic and political processes. True, the permanent intervention creates the postulates and conditions of the specific peripheral process as a whole; but at the same time the specific contradictions of the process are reproduced in the production and negation of the capitalist conditions and postulates of production insofar as the state is both the 'midwife' of the capitalist mode of production and also provides a 'crutch' for the non-capitalist modes, and also both modern capitalist conditions as well as 'social and political anachronisms' are produced and reproduced.

The state of crisis is neither alleviated nor overcome by this, at most it may be shifted to another level. The consequence is to aggravate the social contradictions and conflicts, to increase the imbalance, which inevitably encourages wider state intervention and this can only be based on a paternalistic regime of military-bureaucratic-technocratic type.
These relations between state and society constitute the real substance of the 'centrality' of the peripheral state.\textsuperscript{128}

4.2. The role of the state bureaucracy

The inflation of the state apparatus, in which the growing significance of the state with regard to reproduction is manifested, is accompanied by the formation of a new social category from those who staff the apparatus, 'the existence of a new social category—the state bureaucracy.'\textsuperscript{130}

The 'central, decisive and almost omnipotent role played by the state'\textsuperscript{131} in the peripheral societies becomes, to all appearances, the role of the state bureaucracy. But if the role of the actors is not overrated, then concealed beneath the relative autonomy of the state we find the behaviour of the state bureaucracy determined by:

— the reproduction demands of the society on the state and their concretisation in the latter's reproductive function. The task of the state bureaucracy is, correspondingly, to take care of the social needs and to exercise the functions;

— the reproductive demands on the state involved in this, and the interests of the state bureaucracy— their economic and political interests in maintaining their positions—which find concrete expression in their function.

The social functionality of the state bureaucracy and their interest in status complement each other (a) and conflict (b) simultaneously:

(a) The state bureaucracy's economic interests (maintaining and extending their privileges) are realised through the state revenue, which means that they must guarantee and promote the process of value creation in the economy to provide a source of state finance. Their political interests (maintaining and extending their social position and power) can only be realised if they manage to safeguard the state functions by stabilising the ruling order in society (by repression, manipulation, concessions) and the economic reproduction (by intervention etc.). This also involves maintaining the loyalty of the powerful social classes and fractions of classes, adapting methods of changing social relations of power and economic conditions, cooperation with whatever classes and fractions are most powerful at any given time.

(b) In order to realise their status interest, the state bureaucracy is involved as a special social entity in constant battles over the distribution of the state income,\textsuperscript{132} which means that functionality and status interest diverge. This conflict forces the bureaucracy to cooperate with the economically and socially most powerful classes and sections; in the peripheral societies these are always those oriented towards the world market.

The situation presented here can also be explained in another manner if the question of the power of the state, respectively the power of the state
bureaucracy, is posed. This power is a derived, or transferred social power which devolves upon the state by virtue of its necessary existence in connection with reproduction and of its necessary relative autonomy. And the social power of the state bureaucracy is included as a special social entity in this transferred power. This means that the power of the state, respectively the state bureaucracy, is not equivalent to the power of the bureaucracy as a social entity. But it would be wrong to conclude that we can ignore and exclude from our analysis the specific power of those who staff the state apparatus.133

True, an analysis of the interests and origin of those who staff the state apparatus does not permit us to make any statement about the position and function of the state in peripheral societies. Nevertheless, the analysis does fill out the concept of relative autonomy insofar as their origin, interests and ideological orientation enable the staff to make some use of, or to extend, the freedom of action they enjoy within the state's relative autonomy.

Such freedom of action is especially notable in connection, for instance, with the conflicts between the capitalist and socialist camps, between the global interests of the metropolitan countries, between global and particular interests in the metropolitan countries. It can be extended, for instance, by mobilising the masses (by means of a development ideology which operates as a productive force, etc.).135

The use of potential areas for freedom of action can, however, be restricted by, for instance, ineffectiveness of the administrative apparatus, lack of conscious cohesion among the state bureaucracy, the depoliticising effect of bureaucratic activity, etc.

The significance of freedom of action, which also distinguishes it from relative autonomy, is that the use made of it—as assumed by relative autonomy—is an aim consciously set by those who staff the apparatus.136

Both aspects of bureaucratic activity cause social change. This poses the question whether, and to what extent, underdevelopment can be overcome by state action.

4.3. Peripheral states and overcoming underdevelopment

A foremost rule in overcoming underdevelopment is ascribed to the state—see Hein/Simonis—in two types of strategic considerations:137 the first looks to existing state institutions, especially the state bureaucracy, the other to future state institutions yet to be created.138

Both considerations are based, as Hein/Simonis rightly point out, on illusions which can be traced back to the empirically evident fullness of power residing in the state and the apparently autonomous exercise of its authority. Deriving from this are, on the one hand, the ideology of the state bureaucracy concerning its ability to plan social development, to regulate it and give it dynamic, and on the other, the seeming possibility
of the state being instrumentalised by social-revolutionary or reformist movements or elites.

Such an instrumentalist concept of the state is only too obvious in the questions posed by Sonntag: 'What can a revolutionary movement do with a state of underdevelopment once it has conquered it? Can it do anything at all with it, or must it be smashed?' As a further example we can cite Tibi's investigation of the role of the military in the Arab countries. The military 'in particular the officers, are simply the military wing of the national-revolutionary petty bourgeoisie: its extended arm.' The military are presented as progressive so long as they are fighting to capture the state apparatus. With victory their progressiveness disappears. Then the explanation is simple—the military are reactionary.

In opposition to such a concept it can be said that the peripheral state is always the adequate expression of the given social set-up, upon which it reacts and thereby causes change. Conditions which are not already present in the society cannot be created by the state. If a social movement is able to conquer the state, that is only possible because the preconditions are given by change in the conditions themselves.

Decisive for state-inspired development drives are the functions of the state which depend on the social context, and only marginally any strategic concept regarding development.

This goes, too, for the highest form of state intervention, namely, state capitalism in the Third World, where the social relations are articulated in a special way, that is, it is a form of mediation between the world market and the national economic area. The contradictions of peripheral-capitalist reproduction, the need to stimulate the process of accumulation, demand a state that invests and intervenes. The resultant impulses to development tend towards an expansion of capitalist production relations, without the non-capitalist production relations being suppressed (growth without development, or dynamic stagnation), or towards a separate development of the capitalist and non-capitalist sectors with a deepening of the economic crisis (impoverishment growth).

The statement that state capitalism is 'the anteroom of socialism' (Lenin) cannot be understood to mean that the road to socialism can be initiated by the state's economic activity, but only in the sense that this concept reflects the intensified social contradictions the solution of which—insofar as the conditions develop in the society—may possibly lie in the direction of socialism.

'One thing you can at any rate be sure of: a socialist government does not come into power in a country unless conditions are so developed that it can immediately take the necessary measures. . .'


4. Some inherent shortcomings in the work should be noted. First, the degree of abstraction is relatively high; second, the presentation is rather compressed and the steps in the analysis are not sufficiently founded; third, parts of various theoretical approaches have been taken over without justifying their appropriateness; fourth, although the categorisation found in the literature is unsatisfactory, we have adopted it without further discussion; fifth, we refrain in large measure from any debate with other theoretical approaches; sixth, some sections of the work may give the impression of theoretical maturity, when exactly the opposite is the case, when we fail to go into the matter further. We confine ourselves here to pointing out the shortcomings. In any case, we consider what we have written to be justified, on the one hand, because—as we hope—the inner logic of the presentation makes up for the failings, on the other, because it seems to us that the question of a theory of the state is inseparable from any consideration of Third World problems.


Consequently we consider the concept 'peripheral' (actually, \textit{peripheral-capitalist}) more suitable than 'post-colonial state', because it emphasises the connection with the socio-economic base of peripheral capitalism rather than the formal political category of independence. Alavi, (op. \textit{cit.}, Note 2, p. 60) restricts the validity of his analysis, in any case, explicitly to the countries decolonised in recent decades.

Leys, op. \textit{cit.}, (Note 2), pp. 41 f.

This is manifested in, among other things, the differentiation of the state apparatus.


The sum total of these relations of production constitutes the economic structure of society, the real foundation. \ldots Marx, Preface to the Critique of Political Economy, in \textit{Marx-Engels Selected Works}, Vol. 1, Moscow, 1950, p. 329.

But this does not explain the 'overdevelopment' of the colonial state.


That the formally independent state assumes political functions, which directly or indirectly influence the economic reproduction, and that the 'institutional control over their domestic economies' increases is not in doubt. What is doubtful is Warren's statement: 'These powers stem directly from independence.' Bill Warren, 'Imperialism and Capitalist Industrialisation', in \textit{New Left Review}, 811 1973, pp. 3 - 45, p. 12.

The concept is used phenomenologically and not as a theoretical category. The empirical evidence can become subordinate. The 'strength' is also the starting point for Sonntag's interpretation of the peripheral state as 'exceptional state in permanence'. Cf. Sonntag, op. \textit{cit.}, (Note 2), p. 174.

That is, the specific functions deriving from the economic reproduction and the class relations.

Leys, op. \textit{cit.}, (Note 2), p. 42; it is not out of the question that such comparisons can be important in other respects.


For instance, for Tanzania one can proceed from the fact that the para-state enterprises assume great significance in the key sectors for economic growth, although their significance for the gross social product and as providers of employment is slight. In 1972, their contribution to the gross social product was under 12 per cent; cf. Hürter, Alrun, 'Tansanias parastaatliche Unternehmen', in \textit{Welt-Magazin}, Bonn, 11-12/1976, p. 20.

Leys, op. \textit{cit.}, (Note 2), p. 42.

Ibid., p. 42.

As such aims one can cite:

– an independent, associated development; that is, stronger integration in the capitalist world market and the accumulation process of the metropolitan capital, or integration in the reproduction process of the 'socialist' countries;

– an autonomous, autocentric capitalist or socialist development.

Evers, op. \textit{cit.}, (Note 2), p. 118.

Girling, op. \textit{cit.}, (Note 2), p. 49.

Alavi, op. \textit{cit.}, (Note 2), p. 62.

Ibid., pp. 60, 62.
Girling, op. cit., (Note 2), p. 49.

Cf. ibid., p. 50 f; Saul, op. cit., (Note 3), pp. 353 ff.


As also vis-à-vis the other classes, as Marx's analysis of, for instance, Bonapartist France, shows.


Which Saul conceives as non-determinedness through dominating classes anchored in the production process.

Leys, op. cit., (Note 2), p. 43.

And Leys criticism (ibid.,) also falls short with the suggestion that the state be explained in terms of the class struggle.


Here is the starting point for a materialist theory of the state whereby the 'inner bond' of the politics-economics relationship can be traced and the totality of bourgeois society can be understood as an 'organic system' (Marx, *Grundrisse*, p. 278).

Cf., for instance, the works of Poulantzas and the associated German discussions (Notes 50, 57, 63).


Ralph Miliband, 'Marx and the State', in *Socialist Register*, 1965.

To which Miliband (ibid., pp. 289-293) refers.

On materialist theory of the state see, in addition to the works referred to in this section, Bernhard Blanke, Ulrich Jürgens, Hans Kastendieck, 'Zur neueren marxistischen Diskussion über die Analyse von Form und Funktion des bürgerlichen Staates', in *Probleme des Klassenkampfs 14/15*, Berlin
41197413, pp. 51-104; Hans Apel, 'Das Elend der neueren marxistischen Staatstheorie', in Beiträge zum wissenschaftlichen Sozialismus, Berlin 11197616, pp. 31-80. 'Projekt Klassenanalyse, Thesen zum Verhältnis von burgerlicher Gesellschaft und Staat', in ibid., pp. 81-101. In our present attempt at an outline of a materialist theory of the state we have refrained from quoting the 'classics'—the works we refer to offer a wealth of them—(and from 'deducing' the state), because combinations of these taken out of context lead to the most varied interpretations and we ought not to produce yet another. We hope that even without them the essential elements can be made clear.

This concept is derived from Heide Gerstenberger's description of the state as 'the prerequisite for social reproduction' ('Klassenantagonismus, Konkurrenz und Staatsfunktionen', in Gesellschaft. Beiträge zur Marxschen Theorie 3, Frankfurt/Main 1975, p. 17.)

Hennig, op. cit., (Note 40), p. 517.

That is, a contradictory and labile expression of the balance between the ruling and the ruled classes, and the balance between fractions of the ruling classes—in short, the state of a class society.

According to Joachim Hirsch, 'Bemerkungen zum theoretischen Ansatz einer Analyse des burgerlichen Staates', in Gesellschaft, Beiträge zur Marxschen Theorie 819, 1976, p. 107; organisational crystallisation point of the class relations.

As a possible classification of economic functions—with no claim to completeness and inner system—we have:

1) Establishing and ensuring the legal and statutory forms for commodity exchange and competition.

2) Provision of the general organisational, material and non-material conditions for production and reproduction.

3) Maintenance of the 'system-specific commodity' of the societal labour power as wage labour.

4) Regulating, blunting and masking the crisis symptoms of the capitalist accumulation process.

5) Safeguarding the conditions for the accumulation of national capital on the world market.


This dimension of the relative autonomy 'lay in the specificity of the constitution of classes and of the class struggle', Nicos Poulantzas, 'The Capitalist State: A Reply to Miliband and Laclau', in New Left Review 1976195, p. 71.


'In the last instance' means that the state is bound in its undertakings to the conditions and laws governing material production, and can at the most exert a positive or negative influence on them.

Bureaucracy is 'the effect of the state's relation to (a) the economic structures and (b) the social classes and fractions.' Nicos Poulantzas, Political Power and Social Classes, NLB, 1973, p. 333.

Cf. Hirsch, op. cit., (Note 54), pp. 138 ff; interest in status denotes the
material interest of members of the bureaucracy, this being intimately linked
with the concrete mode of functioning of the state apparatus and realisable
only in that framework.


This is the basis for the power theories and illusions about the state which
accept that it can actually become independent. Cf, criticism of this by
Elmar Altvater et. al., 'Staat, Akkumulation des Kapitals und soziale
Bewegung', in Pozzoli, op. cit., (Note 33), pp. 91 ff.

Cf. Claus Offe, Volker Ronge, 'Thesen zur Begründung des Konzepts des
"kapitalistischen Staates" und zur materialistischen Politikforschung', in
Pozzoli, ibid., pp. 55 ff.

Cf. Offe, Strukturprobleme des kapitalistischen Staates, Frankfurt/Main 1973,
pp. 72 ff; Hirsch, op. cit., (Note 54), pp. 135 ff; Poulantzas, op. cit., (Note 57),
p. 75.

A weighting is possible, since alternative courses are inherent to relative
autonomy, or such possibilities can be created by bureaucratic action.

This is stressed by Ralph Miliband in The State in Capitalist Society, London
1969.

The concept 'political crisis' in its true sense involves the non-correspondence
of politics with substantial changes in the economic conditions of reproduction
and the relations of power, whereas the reference is more to the 'normal'
process of adjustment, which is frequently understood as 'false' politics.


In addition to the works referred to in this paper, cf. Handbuch der Dritten
Welt 1 (ed. Dieter Nohlen, Franz Nuscheler), Hamburg 1974; Bassam Tibi,
Volkhard Brandes, Handbuch 2, Unterentwicklung, Frankfurt/Main 1975.

The East bloc countries and China are not included.

32. The non-industrialised countries did not become weak because they were
exploited; they were exploited far more because they were weak' Ruy Mauro
Marini, in Sociedad y Desarrollo 111972, in Critiques de l'iconomie
politique 13-14.

Dieter Senghaas, 'Elemente einer Theorie des peripheren Kapitalismus', in
Peripherer Kapitalismus. Analysen über Abhängigkeit und Unterentwicklung,

Reimund Seidelmann, 'Über die Brauchbarkeit des Zentrum-Peripherie-
Modells zur Analyse von Dependenz. Ein Beitrag aus politikwissenschaftlicher
Sicht', in Friedenserziehung in der Diskussion (ed. Christian Wulf),
Frankfurt/Main 1973, p. 117.

Osvaldo Sunkel, 'Intégration capitaliste transnational et désintégration
national en Amérique Latine', in Politique Etrangère 351197016, pp. 641-700.

Samir Amin, extract from: L'accumulation à l'échelle mondiale—Critique de

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'A definite production thus determines a definite consumption, distribution
and exchange as well as definite relations between these different moments.
Admittedly, however, in its one-sided form, production is itself determined by
the other moments.' Marx, Grundrisse, Pelican 1973, p. 99.

Ibid., pp. 106-107.


With the restrictions on its valorization, removed—'Commodities constantly
have to be thrown into it (circulation) anew from the outside, like fuel into a
fire.' Grundrisse, p. 255—commercial capital extends the scope of its
accumulation basis (world trade) and finally grasps an existing production
process and adapts it to its needs (penetration of production by commercial
capital; colonialism).


82. The domination of production by commercial capital in the form of storage, encomienda, rent, plantation economy, that is, production of commercial capital in its form of existence as commodity, cf. Marx, Capital III, p. 387. Regarding the state of development of this form of production, it holds that where commercial capital 'still predominates, we find backward conditions', ibid., p. 385.

83. Subordination of commercial capital to industrial capital, 'Now commence becomes the servant of industrial production.' Marx, Capital, Vol. 1, p. 396.


86. The dependent relations develop when 'some countries (the ruling) are in a position to expand and to develop continuously by their own efforts, while others (the dependent) can only do so as a reflex action to this expansion,' Theotonio Dos Santos, in American Economic Review 6011970, pp. 231-236. (Quotation translated here from German.)


90. 'Traditionally, the dividing line was between processed industrial products on the one hand and unprocessed primary products; after World War II the developed capitalist countries have been more and more specialising in the export of capital goods, leaving to a group of underdeveloped countries the production of their own consumer goods—though not without the participation of metropolitan capital'; Stenzel, Hein, op. cit., (Note 2), p. 33.


93. Grundrisse, ibid., p. 98.


97. The material things (tools, machines etc.) are materialised social labour in which the relations of production are materialised, cf. Marx's letter to P.V. Annenkov, 28 December 1846, Marx-Engels Selected Correspondence, Lawrence & Wishart 1956, p. 47. Nature: 'Also objects which have not yet come within man's grasp are dependent on it insofar as their intactness can only relatively be linked to him', Alfred Schmidt, 'Praxis', in Gesellschaft. Beiträge zur Marxscben Theorie 2, Frankfurt/Main 1974, p. 277.

On the connection between natural conditions and the social forces of
production: ‘"Man and his work on the one hand, nature and its materials on the other", that is the basic relationship, the “eternal natural condition of human life"', K.A. Wittfogel, ‘Geopolitik, geographischer Materialismus und Marxismus’, in Unter dem Banner des Marxismus, Vienna 311929, p. 507.

Cf. Etienne Balibar, in Althusser, Lire le Capital 1, II, Paris 1968. The social relations of production, which are a force of production in themselves, are to be distinguished from the 'technical relations of production.'


Dos Santos, op. cit., (Note 86), p. 246.


Evers, op. cit., (Note 2), p. 17.

Including, for instance, soil quality, density of population, the social organisation of labour, tradition, political organisation.


The actual development trend of the periphery proceeds 'from circulation to production, from the link with the world market to its effect on the internal organisation of labour and then back to circulation', Marini, op. cit., (Note 72), p. 119.

Cheapening the reproduction costs of manpower, preserving relative over-population, source of surplus, etc.

These propositions are not intended to revive the 'myth' of stagnation criticised by Warren, but simply to say that the industrialisation he detected in the Third World (overall growth) leads to growth-based industrialisation, but not to homogeneous industrialisation (development), Warren, op. cit., (Note 17), pp. 5 ff. The marginal masses pushed aside in this interpretation allow altogether for the possibility 'that in some Latin-American countries these groups may be socially and politically destroyed without this signalling the end of capitalist expansion', for this expansion depends on 'the market of capitalist consumption itself (the enterprises, the public sector and the social groups controlling both), not however on the consumption of each individual worker from town and country, the underemployed, the poor etc.' F.H. Gardoso, 'Brasilien: Die Widersprüche der assozierten Entwicklung', in Lateinamerika. Faschismus oder Revolution (ed. H.R. Sonntag), Berlin 1974, pp. 37, 52. (Stress in original.)

Saul deals only in passing with the economic structure as an essential component in an analysis of the state.


Evers, op. cit., (Note 2), p. 72. This most comprehensive work on the peripheral state by Evers has stimulated many of the ideas in this section. Publication is envisaged for the end of 1977.

A matching of base and superstructures existed only in colonial times, with an political sub-system (colonial administration) corresponding to the economic sub-system.

Cf. Sunkel, op. cit., (Note 75), pp. 291 ff. It must be noted that Sunkel confines the 'structure' to international concerns, which are certainly the most important and dynamic agents, but this means that, contrary to his
claim, he neglects the internal structure of the periphery which is geared to the world market not only through these concerns.
The foreign-determination of the economic is rooted in the reality of under-developed capitalism historically and structurally. This circumstance, termed "dependence", reduces the dominance of the economic. Just as the maintenance of the conditions which underwrite the continuation of primary accumulation on a world scale require a strengthening of the political (and ideological), so also is the maintenance of the special form of the extended reproduction of capital in peripheral capitalism dependent on a strengthening of the political (and ideological). This follows from the structural weakness of the economic. It does not imply that, in the end, the political becomes dominant—the dominance termed by Poulantzas "determination" remains, as in all modes of production and their social formations, with the economic. It means that the economic allots the essential role for a long time to the political", Sonntag, op. cit., (Note 2), p. 170. This similar conclusion, clothed in structural terminology, does however lack precise grounds in that Sonntag has not clearly worked out the totality of the overspill by the economic base in the world market and confines himself too much to the national state.

The two last points belong to the unfruitful, because formalistic, discussion about feudalism or capitalism in Latin America.

In the context of internal class structure and external dependence, the state in underdeveloped capitalist societies is primarily an agent of transmitting the global dynamics of the international division of labour to the national level and of reproducing the internal class and political power structure according to these dynamics', Hein, Stenzel, op. cit., (Note 2), p. 40; cf. Hamilton, ibid., pp. 75 ff.

Here the state is active in order to accumulate and productively employ capital by proxy for an indigenous bourgeoisie, or to regulate the economic spontaneity of private capital', Tetzlaff, op. cit., (Note 2), p. 154 (stress in original).


Cf. Sonntag, ibid., pp. 178 ff.

Tetzlaff, ibid., p. 145.

This real cause of relative autonomy is not included by Alavi and Saul.

For instance, limited neutrality or incomplete duplication of state and society, or limited universality.


Cf. Sonntag, op. cit., (Note 2), p. 179, i.e. the trade unions are instrumentalised for preventive resolving of conflicts, as political reserves for legitimation and for the state development policy, cf. A. Boeck, Abhängige Entwicklung als Determinante staatlicher Gewerkschaftspolitik. Eine vergleichende Analyse, unpublished ms, Essen 1976; Hein/Stenzel, op. cit., (Note 2), p. 36.

Sonntag, ibid., p. 170.

Hein/Simonis, ibid., pp. 225, 226.

'All the contradictions are concentrated here because they cannot be covered up, masked or resolved at any other level. This implies a special form for the state which is not only embodied in its genesis, but is reproduced in the dynamic of the whole structure', Sonntag, ibid., p. 173. According to Sonntag, this is 'the exceptional state in permanence'. It has to be noted that a full development of the state's economic functions is lacking with Sonntag
and, moreover, the concept 'exceptional state' is intended, as with Poulantzas, to be applied only to exceptional situations and not to the normal situation of the peripheral state.

Cardoso, op. cit., (Note 109), p. 47.

Elsenhans and others employ the concept of the 'state class' which is derived from the Asiatic mode of production. With the means of production not in private ownership, this 'class' manages the production process in a bureaucratic manner, thereby acquiring a privileged position in society.

As Elsenhans notes correctly, the frequently used term 'state bourgeoisie' has, on the one hand, an element of censure regarding the privileged status of a bureaucratic stratum in societies often describing themselves as socialist, on the other, it is inexact because it conceals the non-market oriented reproduction of these societies. But the 'state class' concept is inexact insofar as the bureaucratic element in the Asiatic mode of production is necessary for reproduction owing to natural conditions, whereas this element in the peripheral societies is necessary on social grounds. And this emerges in Elsenham's definition of the present function 'of the collaborating and mediating elites', Elsenhans, op. cit., (Note 2), p. 256. We therefore consider the term 'state bureaucracy' to be more appropriate.


This is also the background for the ideological constructions to be found in many 'socialisms' of the Third World.

Cf. Poulantzas, op. cit., (Note 57), pp. 73 ff.

Such an analysis is frequently at the centre of debates on the theory of the state. Involved also is the question whether the state bureaucracy is a class, a new class, an emerging class, or a caste, cf., for instance, Saul, op. cit., (Note 3), pp. 354 ff.

Cf., for instance, Rolf Hanisch, Der Handlungsspielraum eines Landes der Peripherie im Internationalen System. Das Beispiel Ghana, Saarbrücken 1975, pp. 14–31; Rainer Tetzlaff, 'Ghana—fehlgeschlagene Versuche der Befrei7ung', in Zur Soziologie der Dekolonisation in Afrika, (ed. Gerhard Grohs, Bassam Tibi), Frankfurt/Main 1973, pp. 219–264. The still, on the whole, existing theoretical shortcoming is evident in both works in, among other things, the confusion of relative autonomy and the field of action. A differentiation can only be made clearly in logical terms. Cf. the attempt to define the field of action by Georg Simonis, 'Aussenpolitischer Handlungsspielraum und politische Autonomie', in Politische Vierteljahresschrift, Sonderheft 4, 1972, pp. 282–314.


142. Cf., Basso, op. cit., (Note 33), pp. 23 ff. Socialism in the Third World is not usually built on such circumstances. The ideology is used to justify the status interest of the state bureaucracy.

143. Marx, Selected Correspondence, Lawrence & Wishart 1956—Marx to F. Domela Nieuwenhuis, 22 February 1881, p. 410.