## Rethinking Anti-Neoliberal Strategies Through the Perspective of Value Theory: Insights from the Turkish Case

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ABSTRACT: Recent anti-neoliberal strategies in Turkey tend to reflect national-developmentalist positions rather than class-based ones. This bias, however, has weakened the struggle against neoliberalism, by reinforcing national competitiveness agendas that increase the intensity of capital accumulation. From the perspective of value theory, this is particularly problematic today as the recent period of capitalism is characterized by predominance of abstract labor as the substance of value, manifested in the increasing dominance of capital over social relationships. In this context, class-based strategies are even more important in the struggle against neoliberalism.

Marco Polo describes a bridge, stone by stone. "But which is the stone that supports the bridge?," Kublai Khan asks. "The bridge is not supported by one stone or another," Marco answers, "but by the line of the arch that they form."

Kublai Khan remains silent, reflecting. Then he adds: "Why do you speak to me of the stones? It is only the arch that matters to me." Polo answers: "Without stones there is no arch."

- Italo Calvino, Invisible Cities

HE DEBATE ON ANTI-NEOLIBERAL strategies has been heated, especially after the recent wave of mass protests following the economic crises in a number of developing capitalist

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countries. The resurgence of the Latin American left has also contributed to intensification of the debate. However, recent anti-neoliberal strategies mostly take the form of left populism and national developmentalism, rather than class-based alternatives. In a recent article published in this journal, Steve Ellner discusses some of these strategies in the Latin American context, and argues that broad national alliances are "useful in the struggle against neoliberalism" (Ellner, 2004). However, Ellner also contends that such strategies may not "be reliable for achieving long-term goals" (31).

In this paper, we will argue, with respect to the Turkish case, that national-developmentalist strategies against neoliberalism are not only problematic in the long term but also ineffective in the shortterm because they reproduce neoliberal national competitiveness agendas that serve to increase the intensity and velocity of the system of capital accumulation. Epistemologically they are based on a tendency that we call "critical empiricism," which focuses on isolated single variables rather than on their inner connections and structural unity. The most important political implication of this tendency is its conceptualization of labor in concrete terms only, which leads to retreat from the idea of the centrality of class dynamics in anti-capitalist struggles. An alternative perspective can be found in value theory, which emphasizes the dual nature of labor. This is particularly important today, as what characterizes the recent period of capitalism is the intensified operation of the law of value on a world scale, involving creation of more surplus value in the form of abstract labor, and the increasing dominance of capital over social relationships. This means that more and more sections of society are exposed to the logic of capital in specific ways, and opposition increasingly takes on a class content. In other words, with the increasing dominance of abstract labor, a more broadly defined concept of class becomes important in political strategy. By contrast, critical empiricist analyses that define the working class in narrow and concrete terms, and then seek broader national coalitions defined in non-class terms, are both anachronistic and politically misleading.

In what follows, we will first briefly describe the existing antineoliberal strategies in Turkey. We will then try to identify the main

<sup>1</sup> The main arguments of this paper are based on a presentation made earlier at the Annual Conference of the Society for Socialist Studies in Winnipeg (Ercan and Oguz, 2004).

elements of critical empiricism, with examples from the Turkish case. In the second part, we will formulate an alternative view based on Marxist value theory. Lastly, we will elaborate on the Turkish case from this alternative perspective.

## Anti-Neoliberal Strategies in Turkey

The Turkish experience with neoliberalism started in the 1980s in response to the crisis of the inward-oriented capital accumulation strategies that prevailed in the late 1970s. The main drive behind the shift to neoliberal policies was the need on the part of large-scale domestic capital groups to create more surplus value through further integration with the world market (Ercan, 2000a). With the support of the state and international financial institutions, these capital groups were influential in restructuring the Turkish economy along neoliberal lines. The new economic measures of January 24, 1980 and the military coup of September 12, 1980 were important turning points in this process. The earlier phase of neoliberalism was based on export promotion and wage suppression. This phase reached its limits in the late 1980s, when the export drive lost its momentum and a new wave of labor protests led to a substantial increase in wages. At this point, financial liberalization was conceived by the Turkish state and capitalist classes as a unique opportunity to overcome the difficulties they faced inside the country. Transition to the convertibility of the Turkish Lira in 1989 was followed by a number of successive economic crises that led to resurgence of strategies against neoliberal policies in the late 1990s.

Anti-neoliberal strategies in Turkey mainly follow three lines: national-developmentalist, liberal-leftist, and class-oriented. National-developmentalist strategies emphasize national competitiveness and protectionism, coupled with a conception of the state as the ally of labor against neoliberal globalization and imperialism. They are clearly against the institutions of neoliberal globalization like the World Bank and International Monetary Fund, as well as against the United States as the major imperial power. In most cases, they are also against the European Union as a neoliberal and imperialist project. They form the dominant strategy within the Turkish labor movement and the socialist left today. Major socialist parties like EMEP (Party of Labor), TKP (Turkish Communist Party) and IP

(Workers Party) all use national-developmentalist discourse in varying tones and degrees, within a range that diverges from more classoriented positions to more nationalist ones. While the EMEP stands at the most class-oriented end of the spectrum, for instance, the IP may go further in forming coalitions with the nationalist right against U.S. and EU imperialism. It is quite interesting to note in this regard that the TKP, once a strict defender of class-oriented socialist strategies *vis-à-vis* national democratic positions, has shifted its discourse to a broadly defined "patriotism" against the United States and the European Union.

Liberal-leftist strategies, on the other hand, are against neoliberalism in the narrow economic sense, but not against globalization in a broader sense. They make a distinction between what they see as the economic institutions of neoliberalism such as the World Bank and IMF, on the one hand; and institutions like the EU, on the other, which they regard as a potentially alternative project to neoliberalism, and in most cases as a progressive model of democratic globalization. These strategies generally view Turkey's membership in the EU as a positive step towards its inclusion in the new "social Europe." They see civil society organizations as the major actors of this transformation. While liberal-leftist strategies are not as strong as national developmentalism, they are still influential. They also range from more class-oriented to more liberal positions. While social democratic parties and NGOs stand at the most liberal end of the spectrum, for instance, the ODP (Party for Freedom and Solidarity), a socialist party with considerable popular support, stands at the most class-oriented end. Within the socialist left, the ODP represents a unique position that embraces the EU as a democratization project but tries to oppose its neoliberal policies through international alliances with the broader European left.

Lastly, there are scattered attempts to formulate alternative strategies from a class perspective. Class-oriented strategies try to go beyond national-developmentalist and liberal-leftist approaches that focus on one or the other side of the state–civil society dichotomy, and emphasize the class relations that underlie both. They criticize national-developmentalist strategies for making politically misleading distinctions between financial and productive capital, or between national and foreign institutions. They also criticize liberal-leftist

positions for their unrealistic view of the U. S. and the EU as separate entities with different projects of globalization. They argue that both strategies shift the focus away from class dynamics, and suggest that anti-neoliberal strategies should focus on the basic contradiction between labor and capital, rather than on the misleading dichotomies between financial and productive capital, national and foreign institutions, U. S. and EU, or state and civil society. Class-oriented strategies are articulated by some Marxist intellectuals and political groups outside the major socialist parties. However, they are quite marginal within the Turkish labor movement today. National developmentalism dominates the discourse of the Labor Platform, to which we will now turn.

### The Labor Platform: The Main Organization Against Neoliberalism in Turkey

The Labor Platform is a broad coalition of all the major labor confederations, pensioners and professional associations in Turkey. It was formed in 1999 in response to the draft laws on social security reform, privatization and international arbitration. In the early months of 1999, three public employee confederations joined the three major worker confederations for a common declaration against neoliberal policies. The declaration was based on a nationaldevelopmentalist discourse that sought to "protect the national interests against the IMF and the World Bank" (Koc, 2001, 3). Nonetheless, on August 13, 1999 a series of changes was made in the Constitution legitimizing privatization and international arbitration. In the second wave of protests that followed the twin economic crises of November 2000 and February 2001, the major issues were the struggle against corruption and the rentier economy. On March 13, 2001, the Labor Platform accepted an action plan called "No to Corruption and Poverty." As a first step of the plan, a Labor Policies Symposium was organized in Ankara and an alternative program called "Labor's Program" was adopted.

"Labor's Program" is a comprehensive policy package calling for control of short-term international capital movements, consolidation of public debt, an end to privatization, tax reform, planning of industrialization, and import controls. It has the merit of showing that Kemal Dervis' "National Program"<sup>2</sup> was not the only alternative. However, most of its items tend to blur rather than raise class consciousness. In other words, it does not address the connection between Turkish and global capitalism enough to foster an anticapitalist politics.

The national-developmentalist language of the Program reflects the theoretical framework of its authors, who belong to the "Independent Economists Group." The position of the group is based on an eclectic combination of Ricardian–Sraffian and left-Keynesian analyses that prioritize distributional conflict over accumulation. It is heavily influenced by the Monthly Review school's concept of "monopoly capital" and the underlying assumption of "economic surplus" that replaces Marx's concept of surplus value. "Economic surplus" is calculated on the basis of Keynesian national accounts and the analysis is then focused on how this economic surplus is redistributed among different classes and groups through market and state mechanisms.<sup>3</sup>

The dominance of national developmentalism in the Turkish labor movement can be explained by the fact that labor organizations, caught unprepared in the face of the increasing power of capital, borrow pragmatic solutions that have worked in the previous period of inner-oriented capital accumulation. Instead of renewing themselves, they adopt survival strategies based on pragmatic explanations geared to preservation of existing forms of solidarity rather than developing new ones. In what follows, we will argue that this tendency is epistemologically related to what we call "critical empiricism."

<sup>2</sup> Kemal Dervis, a former Vice President of the World Bank in charge of Poverty Alleviation Programs, was appointed Minister of Economy to lead the government's new economic recovery program following the 2001 crisis. Ironically, Dervis's new economic program was called the "National Program." It pledged that the major public banks would be merged and privatized in three years. State subsidies to farming would be stopped, public expenditure would be cut by nine percent, public sector salaries would be frozen, and state-owned telecommunications, airlines, petroleum, steel, tobacco and spirits, sugar, natural gas and electricity distribution industries would be privatized and opened to global markets (Oguz, 2001).

<sup>3</sup> The most typical example of this mode of explanation can be found in Yeldan, 1995, and Somel, 2003. See Ercan, 2002b, for a detailed critique of this approach.

<sup>4</sup> Boratav (2005), a prominent socialist economist belonging to the Independent Economists Group, explicitly supports this strategy as a way "to move forward by defending the past."

Critical Empiricism: The Key Marker of Survival Strategies Against Neoliberalism

Critical empiricism is the dominant epistemological tendency within recent anti-neoliberal strategies. The rise of critical empiricism reflects the general inability of the left to coherently respond to the argument that "There Is No Alternative" (TINA). Instead of analyzing the overall context of this argument, the left has mostly responded by reversing it into the form: "There Are One Thousand Alternatives." This is, however, a defensive and empirical response that does not really engage with the question of the structural transformations that have led to the TINA mantra.

The historical context of TINA can be defined as "the jungle laws of capitalism" marked by increasingly globalized conditions of competition in which the attempts of individual capitals to survive have led to significant contradictions within capital as well as between capital and labor. TINA has served to disguise these contradictions by presenting neoliberalism as the only reality that can serve different sections of capital as well as labor. As such, it disguises the spontaneous pragmatism and empiricism inherent in individual capitalist responses to the jungle laws of capitalism. Because of its failure to analyse the deeper inner connections beneath this empiricism, the left has reproduced it in its alternative analyses in the form of "critical empiricism."

This failure on the part of the left can be explained by the time lag between the organizational reflexes of capital and labor. While new survival mechanisms spontaneously developed by individual capitalists gain integrity within a relatively short time, labor can respond to these mechanisms only after a longer time span (Arrighi, 1996). This time lag between the spontaneous development of systematic structures by individual capitalists and the organized response of labor creates a tense relationship. In trying to resist the strategies of individual capitalists as an organized force, labor is torn between transforming its own organizations in line with the changes in capitalist strategies, and sustaining a solidarity-centered language to keep the workers together (Hyman, 1999). While the spontaneous experiences of individual capitalists in the 1980s have become structural–systemic elements of the current period, the working class still tries to resist

these developments using strategies relevant to the social relations of previous eras.<sup>5</sup>

There are three problems with the critical empiricism that underlies these survival strategies: emphasis on single variables rather than on their inner connections; emphasis on institutions rather than on overall structural dynamics; and a problematic conception of the internal–external duality where the external is prioritized over both the internal and the total. In what follows, we will elaborate on each of these points with reference to the Turkish case.

#### Emphasis on Single Variables Rather than on Their Inner Connections

In critical empiricist analyses, the structural unity of capitalism is reduced to a few empirical variables. Each variable is analyzed in itself without being related to the broader structural dynamics of the system. Emphasis on trade liberalization without any reference to capital accumulation; focus on short-term capital flows without relating them to productive capital; emphasis on development with no reference to its class dynamics — these are all examples of this tendency. In the Turkish case, the most typical example can be seen in the Labor's Program analysis of the economic crisis. Instead of analysing the overall process of accumulation that led to the crisis, the Program focuses on its empirical manifestations in the form of isolated single variables only.

The three most common of these are corruption, the rentier economy, and short-term capital flows. Corruption is seen as isolated from the broader structural dynamics that cause it, and as a problem that can be fixed politically.<sup>6</sup> From a broader perspective, however, corruption can be seen as a means for individual capitals to increase their control over the circulation of created surplus value in response

6 "Corruption should be dealt with decisively; those who are politically responsible should be unmasked.... A struggle should be launched against it through administrative, judicial and social inspection" (LP, 2001).

<sup>5</sup> Gindin (2004) makes the same point as follows: "The context is that while capitalism has dramatically changed over the past quarter century, unions have not. While capital grasped the polarization of options that followed the "golden age" and aggressively pursued its neoliberal option, unions looked for a return to a no-longer possible middle ground and remain unprepared — sporadic struggles aside — to lead any fundamental challenge to the trajectory of the status quo."

to the globalized conditions of competition. Similarly, short-term capital flows are treated in isolation from the total circuit of capital and identified as the major source of the crisis. When the overall circuit of capital is taken into consideration, however, it becomes clear that short-term capital flows have indeed raised the level of capital accumulation for those individual capitals that are in the process of integration with the global circuit of social total capital (Ercan, 2002a).

The same is true for the "rentier economy," which is seen as isolated from the overall pattern of accumulation. The obvious political strategy that follows from this is asking governments to support national productive capital.<sup>8</sup> Production is conceived in isolation from capitalist class relations and reduced to the quantity of output. The social relationship between capitalists and workers is analyzed only in terms of the end result, that is, the product. Capital accumulation is not perceived as a process and relationship, but is instead reduced to material wealth. The definition of production as a thing rather than a process makes it impossible to integrate power relations into the analysis. As a result, the intrinsic relationship between productive capital and money capital is ignored. Productive capital is not seen as the source of money capital but rather is treated separately from it and promoted at the expense of money capital. This is particularly problematic in Turkey, where the domestic sectors of productive capital are organized in the form of holding companies that appropriate banking profits as well (Ercan, 2002a).

## Emphasis on Institutions Rather than on Overall Structural Dynamics

A second problem with critical empiricism is its emphasis on institutions rather than on overall structural dynamics as the source of problems. Institutions as the most easily discernible single variables

<sup>7 &</sup>quot;Short-term foreign capital inflow and outflow, one of the basic causes of this crisis, should be taken under control through tax and money policies and the 32nd agreement [the article on the arrangement of foreign capital inflow and outflow] should be revised along these lines" (LP, 2001).

<sup>8 &</sup>quot;A politics that does not aim to increase production instead of rentier activity will not be able to produce a solution. . . . The state's means of intervening in the economy, along with the investing and productive social state, should be strengthened; the means of national sovereignty should not be left under the control of international capital" (LP, 2001).

are separated from the overall processes in which they operate. Thus, institutions like the IMF and World Bank, or "bad governments," are seen as the enemy. When it comes to explanation, these analyses refer to purely political choices.<sup>9</sup> A typical example is the following quotation from the Labor's Program:

The crisis our country is going through today is a result of the economic and social policy that is being applied, for many years, under the direction of international finance institutions. The IMF and the World Bank, imposing these policies on Turkey, along with the governments incapable of running the country are mainly responsible for the crises we have been experiencing one after another. (LP, 2001.)

It is interesting to note here that the emphasis on "incapable governments" as the accomplices of the IMF and World Bank gives the impression that once "capable" governments are in power, the problems will be fixed (Beseli, 2001). This formulation also avoids asking why all governments, whatever their previous political commitments, have had to continue the IMF–World Bank policies while in power. The answer can only be found through an analysis of the class relations that underlie this process.

Emphasis on the "External" Vis-à-vis the "Internal" and the "Total"

A third problem with critical empiricism is the strict duality between internal and external variables. External variables are separated both from internal variables and from the totality of which they are a part. Globalization is seen as something exogeneous to national economies — as an external intervention in a process that would otherwise be going smoothly. And the main means of this external intervention is seen as world trade and short-term capital movements.

Externalization goes hand-in-hand with the well-known formulation of the basic class contradiction as one between "international capital and its comprador allies" and "the masses" (which includes the national bourgeoisie, small producers, peasants and workers). <sup>10</sup>

<sup>9</sup> In Turkey, for instance, the most common slogans in the social protests were: "IMF get out! This country is ours!", "They sold out our country!", "Damn the IMF, independent Turkey!", "IMF writes, the government plays!"

<sup>10 &</sup>quot;These programs that protect the interests of international capital and a minority in our country, along with the collecting of money owed, have resulted in a crisis yet again" (LP, 2001).

The political implication is that the interests of various classes can be combined to form a "national alliance" against international capital. This is not only theoretically problematic — there is no longer a "national bourgeoisie" that would make such an alliance possible — it is also politically misleading as it tends to blur class consciousness through its emphasis on national interests at the expense of class interests. 12 The focus on external institutions diverts attention away from new control mechanisms over labor at home. 13 Thus, national developmentalism as the major political manifestation of critical empiricism leads to a narrow definition of the "internal" that undermines the potential scope for working-class action and forms an important obstacle in the way of formulating true anti-capitalist alternatives. In what follows, we will try to show in more detail why national developmentalism as an anti-neoliberal strategy is unviable today.

#### Towards a Critique of National-Developmentalist Alternatives

National developmentalism emerged in a certain phase in the historical development of capitalism, in which the relationship between core and periphery was predominantly shaped by the overaccumulation crisis of capitals in the core regions. Since the 1970s, however, capital accumulation in the periphery has reached a level at which the relationship between core and periphery is no longer determined unidirectionally by the accumulation dynamics in the core. Instead it is shaped by the interaction (albeit unequal) between the overaccumulating capitals in the core and newly growing capitals that have reached a certain degree of accumulation in the periphery. In this context, the national-developmentalist discourse has gained a new meaning:

<sup>11</sup> Most holding companies in Turkey that were seen as part of the "national bourgeoisie" in the inward accumulation period have already established alliances with international capital at all the different levels of productive, money and commercial capital over the last two decades (Ercan, 2002a).

<sup>12</sup> An example can be found in the following statement from an early declaration of the Labor Platform: "Privatization has a damaging effect on our country's national defense and economy; therefore it must be stopped" (Koc, 2001, 3).

<sup>13</sup> In the Turkish case, protests were generally directed against external institutions associated with globalization, rather than against new forms of class domination at home. While there were massive protests against the IMF, World Bank, and WTO, for instance, there were almost no responses against the new anti-labor law adopted by Parliament in May 2003, which aims to legitimize contingent and flexible work through legal recognition of part-time, temporary and contract labor, as well as increased working time and the right of employers to discharge workers collectively "in times of crisis."

it now serves the agenda of internationalizing capitals in the periphery in their struggle for more control over the global total social circuit of capital. In that sense, it has become part of the neoliberal agenda itself.

Although national developmentalists emphasize national economy and state rather than class as their unit of analysis, their own social base is not devoid of class. In fact, their social base in the period of inward-oriented capital accumulation and national liberation struggles was quite clear: it was a coalition of national bourgeoisies and local elites (especially planners). The question at this point is, What is the social base of national-developmentalism in the current period of internationalization and deepening of capital on a world scale?

The answer to this question is particularly important for understanding alternative movements in the periphery. The articulation of various circuits of capital into the process of capital accumulation on a world scale has taken place not in spite of the "national bourgeoisies" of the period of inward-oriented capital accumulation, but precisely due to the conscious efforts of large-scale domestic capitals that have reached a certain scale within their respective countries (on this issue see Ercan, 2002a). The old national-developmentalist language does not reflect the interests of this section of capital any more. But, as long as the process of internationalization of capital on a global scale entails both competition and protection at the same time, the process evolves unevenly, and a revised version of nationaldevelopmentalist language with internationalist and market-oriented overtones is gaining increasing significance for certain sections of capital. As certain sections of the national elite (especially from the state planning bureaucracy) who have dominated policy making in the period of inward-oriented capital accumulation lose their power, they also feel close to this alternative.

As the concepts of industrialization and productivism derived from critical empiricist analyses are counterposed to external variables, the main alternative becomes the protection of high-productivity national industries in international markets. Thus, the new developmentalist arguments amount to nothing more than what Albo (1997) calls "progressive competitiveness." They not only reproduce "catch up" theories in the context of globalization, but more importantly serve to rationalize the "national competitiveness agenda, which is based on a depiction of the nation that is implicitly international in

orientation, in contrast with the inward looking Keynesian conception of national self-management" (Bryan, 2001, 70). The critical implication of this new *internationalist nationalism*<sup>14</sup> for labor, as Bryan argues (2001, 58), is the fact that "national policy for competitiveness will systematically target labor as the bearer of the burden of national economic success, but it must do so without any of the redistributive mechanisms that were the hallmark of the Keynesian construction of the nation-as-economy." <sup>15</sup>

As the national-developmentalist alternatives to globalization pursue self-protectionist policies through "semi-delinking" strategies at the national level, in reality they end up with the reproduction of the system along more competitive lines. These strategies only serve to legitimize the increasing intensity and velocity of the system of accumulation. At this point, if we go back to Ellner's (2004) argument cited earlier, we can say that national-developmentalist alliances against neoliberalism are not only unreliable in the long term, but also problematic in the short term. Panitch (2004) makes the same point quite forcefully as follows:

There is indeed a grim reality to the slogan of TINA, if only in the sense of the most sobering thing of all, *i.e.*, that there may actually be no alternative to neoliberalism short of socialism. Especially under conditions where domestic bourgeoisies are themselves so integrated with and heavily invested

14 See Bryan (1995, 188) for the way he uses this term. In the Turkish case, the AKP (Justice and Development Party), the "moderate Islamic" party in power since November 2002, can be considered as a typical example of this kind of "internationalist nationalism." The discourse of the AKP oscillates between nationalism and internationalism according to the changing balance of forces among different sections of capital. In response to the demands of its main support base — the internationalizing domestic capital groups looking for further state support in their vigorous project of integration with the world market — the AKP often uses an internationalist discourse that seeks further integration with the EU. When it comes to securing a "good deal" for these domestic capital groups, on the other hand, it resorts to nationalism. The problem for the left, in this context, is its inability to differentiate its own agenda from capital's agenda that is increasingly marked by internationalist nationalism. Combined with the strong historical legacy of nationalism as the major component of the dominant ideology in Turkey, this tendency often reinforces the overall shift of the popular political discourse to the right.

15 "Indeed, benefits accrue to labor only for *relative* productivity growth (compared with the productivity of workers in other companies and other industries), for it is only productivity converted into profitability that supports wages growth. Hence the prospect is that penalties in the form of wage cuts and/or work intensification are the likely dominant outcome of global competition for most of the world's workers. National policies of competitiveness for collective gain thereby secure the complicity of labor in a policy program in which the gains are private, and the collectivism is a rhetorical construction based on statistical aggregation" (Bryan, 2001, 71).

in neoliberal global accumulation processes, proposals for alternatives that depend on domestic cross-class alliances don't appear as much more viable in the short run than do more full-bodied socialist alternatives. To the extent this is true, the short-term vs. long-term calculations that lead us to concentrate on the details of practical policy alternatives unfortunately may play a role in diverting attention from what really need to be concentrated on, that is, what serious socialist strategies would actually have to entail in the 21st century.

In order to focus on what Panitch calls "the question of socialist strategies in the 21st century," we need to go back to the distinctive characteristics of the recent period of capitalism. This means, however, that "to grasp the present moment," "we must escape from the present moment, and accept the injunction to think abstractly, about the most foundational elements in our understanding of social structure and evolution," in an attempt to theorize what has been called in this journal "the deep structure of the present moment." In what follows, we will try to contribute to this attempt, by arguing that what we are living through is the intensification of the capitalist law of value on an international scale, with the implication that labor is reconstituted in its more abstract form.

#### Back to the Basics of Value Theory: Contradictory Inner Connections

The dialog cited in the beginning of this paper between Kublai Khan and Marco Polo provides important hints as a metaphor for understanding the structural characteristics of capitalism. Is it the stones or the arch (the relationship between stones) that add up to the social relations that form the basic dynamics of capitalism? For critical empiricism, the answer is clear: it is the stones. For Marxists, however, it is the interconnections between the stones and the arch, which make up the totality of social relations.

<sup>16</sup> See "The Present as Theory," Editorial Perspectives, Science & Society, Spring 2004: "But the key is the proposition that the present moment, and capitalism in general, must be theorized, if we are ever to grasp either. Is this 'theoreticism'? Perhaps! Again, many strains of postmodern thought warn against hyperextension of the theoretical. We should listen carefully to this critique, and respond to its specifics, as they emerge. Theoreticism, however, is hardly the most pressing problem on the left; the much more prevalent tendency is toward empiricism and sensualism — the overwhelming of thought by the impress of current events and moods."

<sup>17</sup> See the call for papers in the Summer 2003 issue.

The contradictory inner connections intrinsic to capitalism at the same time reveal the conditions for capital accumulation. Value formation is the key to the dynamics of accumulation, as it takes place in a specific historical network of relationships. The interconnected elements of value formation are labor, commodity and money. As value formation displays itself in these three forms, their manifestation in the spheres of production and circulation in turn determines the character of the basic social relations of production, distribution and consumption.

The basic variable that gives its structural character to capitalist social relations is labor. As Elson has argued (1979, 124), "it is because labor is the object of the theory that Marx begins his analysis with produced commodities, as being the simplest social form in which the labor product is represented in contemporary society" (see Postone, 1996, 16, for a similar argument). Labor is defined, crucially, not only as *concrete* but also as *abstract* labor. When we define labor as a certain worker working at a certain factory, we are only talking about the stones. If we focus on the stones (concrete labor) only, empirical factors such as the increase or decrease in the number of stones gain significance. In empirically oriented anti-capitalist alternatives, this tendency is quite clear.<sup>18</sup>

However, what is distinctive about Marxist theory and its anticapitalist language is its emphasis on the dual form of labor. In analyzing the form of labor in capitalist society, Marx underlined the importance of the distinction between concrete and abstract labor. In a letter to Engels, he speaks of "the twofold character of labor, according to whether it is expressed in use-value or exchange-value" as one of the two "best points" in *Capital* (Marx to Engels, August 24, 1867; Marx and Engels, 1975, 180).

<sup>18</sup> In the Turkish case, this can be seen in the Independent Economists Group's conceptualization of labor as an *input for production* rather than the *substance of value* (see, for instance, Yeldan, 1995). This follows from Sraffian–Ricardian accounts that disregard the relationship between *labor* and *labor power*, as well as the Monthly Review school's reformulation of value theory that confines the law of value to the competitive phase of capitalism and argues that monopoly prices bear no relations to values (see Bryan, 1985 for a detailed critique). The political implication of the conceptualization of labor in its concrete rather than its dual form is the separation of circulation from production, and the exclusive focus on the former as the main arena of struggle.

It is the abstract aspect of labor that makes the relationship between the arch and the stones unique in capitalism. <sup>19</sup> Through its connection to the created value, labor is at the same time connected to the more abstract aspects of the value form. Thus, the twofold character of labor reveals the significance of concrete labor in the production process as well as its abstract aspect in the circulation process. As Elson argues (1979, 150), the domination of abstract labor signifies a social formation in which the process of production has mastery over man; and money is the basic form of this domination. In this way, the intrinsic relationship between money as the general and socially accepted measure of value, and the commodity form inhering in abstract labor, is established. With this intrinsic relationship, value takes on the form of an objective social power, "subjecting every nook and cranny of the social world to its rule" (Smith, 2002, 149).

The structural domination intrinsic to capitalist social relations in this sense is both an outcome of the cumulative structural dynamics of capitalism, and at the same time an indication of concrete social relationships in a certain period. In other words, while the dynamic structure of capitalism is a product of structural dominations that have formed over time, it is also an expression of the ongoing relationships between labor and capital as well as labor, commodity and money as various forms of value.

This approach can help us move away from the pitfalls of critical empiricism.<sup>20</sup> It shows us that the starting point of any anti-capitalist political alternative must not be concrete labor itself, but the total social reality of the abstract labor in relation to concrete labor. Neary (2002) makes this point quite clearly:

The contradiction in capitalist society is not based on the relation between labor and some other extraneous social reality, but through the forms in which human social practice is forced to exist: as concrete and abstract labor. . . . Labor then cannot be a simple category, but a process in whose various

<sup>19</sup> Marx emphasized this aspect as follows: "Labor does not count as a productive activity with specific utility, but simply as a value-creating substance, as social labor in general which is in the act of objectifying itself, and whose sole feature of interest is its quantity" (Marx, 1976).

<sup>20</sup> The following argument by Elson (1979, 171) is worth citing in this context: "In my view the political merit of Marx's theory of value, the reason why it is helpful for socialists, is that it gives us a tool for analysing how capitalist exploitation works, and changes and develops; for understanding capitalist exploitation in process. And as such, it gives us a way of exploring where there might be openings for a materialist political practice."

moments it is always capital and within which the movement of labor is mediated and vanishes in its own result, leaving no trace behind.

When the dual form of labor is taken as the starting point, labor that is disregarded in alternative analyses becomes something more than a category affected by the capitalist system: it is a structural component of the system despite itself. In what follows, we will try to outline the major political implications of this approach for anti-capitalist alternatives today.

# Political Implications of Value Theory: The Importance of the Dual Form of Labor

The political implications of value theory are particularly important today, as the current period of capitalism is marked by internationalization of the circuits of capital, and intensified operation of the law of value on a world scale. The basic implications of this are: increasing velocity of accumulation, creation of more surplus value, and increasing dominance of abstract labor as the substance of value. In other words, we are living through nothing other than the deepening of capitalism itself and of its basic mechanism of operation, that is, the creation of more surplus value in the form of abstract labor.

The most important variable that promotes the influence of capitalism on a world scale today is the change in the inner connections of labor, money and commodity forms caused by the abstract form of labor in response to overaccumulation. The asymmetrical power relations that are shaped through class relations lead to a differentiated utilization of the labor, commodity and money forms of value. As the dynamic structure of capital accumulation changes, the concrete elements of labor (such as female labor, child labor or formalinformal labor) get increasingly more differentiated. Abstract labor gains significance as the common variable that cuts across various social relationships within the network of deepening power relations in response to the crisis. As such, the various forms of value and the overall process of value formation transform the social sphere as a whole. Abstract labor causes not only the intensification of contradictions between labor and capital, but also those between capital and the entirety of social life.

This has four important political implications. First, labor is reconstituted in its more abstract and contingent form. As the intensification of value formation leads "all aspects of human sociability" to be "really subsumed by the logic of capitalist work (value)" (Neary, 2002), the process of real subsumption "reconstitutes labor itself in a more intensely abstract, or contingent form," with the implication that "abstraction dissolves the concrete basis of worker organizational identity around which mass struggles are produced." The institutionalization of rules legitimizing the increasing contingency of labor through a series of anti-labor laws in a number of countries becomes understandable at this point. This means that it is not the declining significance of labor but the changing forms of control over labor that gives its specificity to the recent period.

This brings us to the second point: what we need is a new style of politics that can face the challenges imposed by these new forms of control over labor. As labor is reconstituted in its more abstract and contingent form, the experience of capitalist exploitation gets more and more fragmentary, further blurring the relationship between money and labor processes. It is important at this point to remember that "the process of exploitation is actually a unity; and the money relations and labor process relations which are experienced as two discretely distinct kinds of relation, are in fact one-sided reflections of particular aspects of this unity" (Elson, 1979, 172). The political sphere cannot be reduced to the sphere of concrete labor; and it is particularly important today to integrate the "politics of circulation" (e.g., wage struggles) with the "politics of production" (e.g., struggles over working time).

Third, the increasing activity of money as the most abstract form of value does not mean a break from real processes, but rather implies increased control over labor that leads to the production of more surplus value. As the logic of continuous accumulation leads to intensification of the relationships among different forms of value in time, the result is increasing control by capital over labor through the use of commodity and money as abstract labor. The violence of money serves to create new value or increase the efficiency of created value. Thus, money is not simply a means of exchange but also

<sup>21</sup> For an analysis of the new anti-labor laws introduced in South Korea, see Neary, 2002. See MacDonald, 2004 for the Mexican case and Ercan, 2003c for the Turkish case.

representation of money-as-capital and for that reason it is subject to capital's rules of expansion. As such, money serves an active function in the basic relationship between concrete labor and capital. The increasing activity of money-capital as the most abstract form of value does not mean a break from real processes. On the contrary, it means that the increased control over labor leads to production of more surplus value, or acceleration of the redistribution of already created value. In this sense, we can concretize the abstract process identified by Elson as the *reproduction of capital* as the unity of the *production* and *circulation processes* of capital, which takes place in an uneven and combined fashion, as this is the condition for the concretization of the process of value formation.

Lastly, the critique of national-developmentalist analyses from the value theory perspective does not mean that national processes and variations do not matter in the formulation of anti-capitalist strategies. To the contrary, the varieties in the patterns of labor movements of different countries can be explained precisely by differences in the historical patterns of value formation. 22 The concept of uneven and combined development implies that the concrete process of value creation takes different forms in different spatial and relational contexts. On the one hand, the process of accumulation creates an uneven relationship among those included in the process. On the other hand, it defines this relationship within the parameters of the structural determinants of capitalism and leads to the uneven and combined development of both sides of the relationship. In particular, uneven interaction among labor, money and commodity forms of value in the process of accumulation causes the abstract mechanism of value formation to take quite different concrete forms in different national spaces.

Due to the late development of capitalism, the articulation of the accumulation process in the periphery with the global total social circuit of capital takes an unequal form. The accumulation process is at the same time formation of the total social circuit of capital, including the circuits of productive, commercial and money capital. As the basic mechanism of the total circuit of capital is value creation, which in turn is related to the accumulation of productive capital,

<sup>22</sup> Empiricist-institutionalist analyses, however, focus exclusively on institutional variations rather than the patterns of value formation that underlie them.

productive capitalists in the periphery have a constant tendency to relate to international capitals. Accumulation thus shifts from national to international markets. The pattern of capital accumulation also determines the way domestic capitals relate to global accumulation. Depending on this pattern, domestic capitals may try to integrate with the world market, attract the overaccumulated global capitals in the form of money capital, or cooperate with international productive and money capitals in order to use local opportunities. Generally all these dynamics take place at the same time, resulting in a series of different strategies in different national contexts. If the transformation of capitalism in the 1970s is reconsidered in this framework, the multiple relationship between the valorization conditions of overaccumulated capitals in the core and internationalizing capitals in the periphery can be revealed.<sup>23</sup>

The domestic capitals of the advanced capitalist countries have been extensively integrated into the global circuit of money capital from the 1970s on. The valorization conditions of money capital have taken two forms: valorization as money capital and as productive capital. Roughly speaking, in countries like South Korea, Taiwan and Malaysia, money capital has been mainly valorized as productive capital; in other words, it has been converted into labor form. In countries like Turkey and Mexico, in contrast, it has mainly been valorized as money capital (interest bearing capital). These two different types of valorization are at the same time related to the social conditions of capital accumulation in the periphery. In this sense, the relationship between money and productive capital on a world scale is not one-sided (that is, from the outside in only) but interconnected at different levels. Especially for peripheral countries, money capital serves the realization of the conditions of surplus value by helping the growth of insufficiently accumulated capitals. While this process began early in countries like South Korea, in countries like Turkey the conditions of accumulation for internationalizing domestic capitals have taken more time. The problems with the tendency to see globalization as an external variable in developing anti-capitalist alternatives become clearer at this point. Capitalism and its manifestation in the form of globalization is not something external, but rather

<sup>23</sup> See Ercan and Oguz, 2006, for a more detailed discussion of this point in the context of the political economy of scale.

a process that takes place with the participation of multiple actors, even if unevenly and involuntarily.

As the inherent dynamics of capitalism manifest themselves in most abstract ways, it is precisely these abstract dynamics that cause value formation to take quite different forms in terms of concrete labor. These different forms, shaped by the specific historical and class dynamics of each country, determine the general framework of alternative dynamics. For instance, the changes in the formation of productive capital in advanced capitalist countries affect the structure and composition of labor. The shift to more capital-intensive structures, or to the service sector, or the shift of certain sectors to more suitable investment climates, leads to a change in the composition of the working class. On the other hand, while the union movement may be quite active in a country heavily oriented towards productive capital (e.g., South Korea), the alternative movements and working classes may have different orientations in countries where the global competitiveness of productive capitals is low, and therefore the conditions of accumulation created by domestic capitals are harsher (e.g., Turkey and Mexico). Thus, one of the basic ontological reasons for the inability of the working class to express itself politically may be the changing form that uneven and combined development has taken today.

When the mechanisms of capital valorization are taken into account, analyses that treat globalization in terms of transnational classes but use class-blind concepts like "the people," "citizenship," "national economy," etc., when it comes to the analysis of the internal dynamics of "dependent" countries, lose their meaning. If class dynamics are analysed not only in terms of productive or financial capital but of the mechanisms of capital valorization as a whole, it becomes clear that although valorization takes place on a global scale, uneven and combined development leads to different modes of control over labor in different national spaces. We can now go back to analyze the Turkish case in this framework.

### Rethinking the Turkish Case from the Perspective of Value Theory

The process of capital accumulation in Turkey is shaped by the fact that value creation in Turkey took place relatively late. Turkey was unevenly articulated with the global development of capital accumulation, and created its own conditions of accumulation under the influence of the uneven process of world capitalism and its own historical-class conditions. In other words, the inner dynamics of Turkey have been influenced by the global circuit of social total capital; this influence, however, does not by itself give way to either development or underdevelopment (Ercan, 2001).

National-developmentalist analyses view the recent transformation of Turkish capitalism as the consequence of the export-oriented accumulation process initiated in the late 1970s by international financial organizations and multinational corporations. However, we can say that export orientation was not a cause, but rather the result of the success of the inward capital accumulation of the preceding decades. In other words, export orientation was only one of the end results of the accumulation process.<sup>24</sup> The problem for a small number of large-scale capital groups specialized in durable consumption goods and partially in intermediate goods, in the beginning of the 1980s, was to be able to produce intermediate and capital goods. To increase the surplus value or the productivity of labor power appeared to be the main goal for these groups. This necessitated a turn towards more capital-intensive sectors, and to be able to do this, more capital accumulation was necessary. This meant that it was necessary to set up new forms of control over the moments of labor, commodity and money. To put it another way, it was necessary to redefine production and realization processes within the new power relations. These imperatives expressed themselves with the military coup in 1980 when criteria of order and development made possible the realization of the basic needs of capital.

The first and most important impact of the fierce political oppression that began in 1980 was a set of regulations, which gave impetus to the valorization of capital. One aspect of these regulations was the undermining of the previous forms of worker organizations.

<sup>24</sup> See Ercan, 2003 for the details of this argument: "We may describe the change that came about in the 1980s as a deliberate act of will on the part of the limited number of domestic corporations in question or as their submission to an inevitable necessity. The opening up of those big corporations that had reached a certain level may be considered to be the fruit of a strategic reorientation, *i.e.*, a deliberate act of will. The deliberate aspect was directly linked to domestic capital accumulation, while the necessity aspect was related to the dynamics of capital accumulation on the world scale, which determined to a large extent the evolution of the inward-oriented capital accumulation regime inside Turkey itself" (Ercan, 2003a).

Thus, the primary achievement of political repression in the 1980s was the strengthening of controls over labor in order to achieve a shift into capital-intensive sectors. However, the enhancement of the conditions of surplus-value creation and the increasing productivity of labor did not complete the attempts in favor of capital. Large-scale capital faced two obstacles as a result of the uneven and combined development taking place in Turkey. To be able to shift to capital goods production, a high rate of accumulation in the country was not enough; import of capital-intensive goods was also necessary. This aroused a need for capital accumulation in the form of foreign exchange, and more importantly, for new markets for the realization of the durable consumer goods that had reached a boom point.

The need of large-scale capitals for more capital in the form of foreign exchange gave way to a system of control over labor and export goods for the sake of creating comparative advantages for export. Thus, like other export goods, labor was commodified and put under control by anti-labor laws, and commodities (in which value was immanent) were put under a set of control mechanisms for the sake of export advantages. Development of mechanisms and legal frameworks for increasing labor productivity affected labor thoroughly. As in many other countries, the theoretical apparatus developed in Turkey to understand the new developments consisted mostly of conceptualizations fed by the survival strategies of capital — post-Fordism, Japanization, Toyotism. However, the essence of the process was development of mechanisms that would make possible the simultaneous production of historically different types of surplus value (absolute and relative) extracted from labor power. This transformation, which broke the given structure of work into pieces, also caused different types of labor utilization (formal and informal) and different types of labor (women and children). Uneven and combined development triggered different modes of valorization of domestic capital. Under these circumstances, in a few capital-intensive sectors technology-oriented developments took place, whereas a large portion of the labor market was captured by labor-intensive sectors characterized by informal relations.

The oppression and control of concrete labor was achieved mainly through wage suppression and a growing reserve army of labor. The most important consequence of this was the re-regulation of the commodity and money forms of labor. The way surplus-value creation was

enhanced necessitated the participation of domestic capital in the global circuit of social capital. The first phase of the process that can be defined as the internationalization of a small number of local capitals necessarily took a form supported by over-capacity utilization, feeding productive capital, and strengthening a simple circuit of commercial capital. Mainstream analyses refer to this phase as the "Washington consensus" or "first generation structural reforms."

By the end of the 1990s, a new phase started, marked by a substantial structural transformation of the state. 25 The basic feature of this phase (refered to as "post-Washington consensus" or "second generation structural reforms" in mainstream terms) was the establishment of a legal-institutional framework that would embed the control mechanisms of capital over labor at the micro level.<sup>26</sup> New anti-labor laws were enacted, transforming labor into a flexible commodity while regulating working conditions and weakening the organizational power of labor (Ercan, 2003a). The new regulations aimed at bringing all aspects of (social) life into line with the global tendencies of capital (Ercan, 2003b). We can define these developments as the transition from formal to real subsumption, as described by Marx. We should note, however, that for countries like Turkey that develop in an uneven and combined fashion, we can talk about a simultaneous operation of formal and real subsumption. Starting from the 1980s, Turkish capitalism was dominated by real subsumption, and was affected by this process relatively strongly. However, this transition took place before the process of proletarianization was completed. The labor power in the countryside that has not been commodified yet means that the process of formal subsumption continues to operate, despite the dominance of real subsumption. This emphasis uncovers the historical periods and social features of capitalist development in Turkey on the one hand, and points to the inadequacy of the conventional oppositional analysis on the other. We are living through a period in which the historical accumulation of concrete labor unfolds as abstract labor, and bears an increase in capital's hegemony over

<sup>25</sup> National-developmentalist analyses tend to periodize the last two decades differently. They take financial liberalization in 1989 as the turning point between the first phase (1980–88) and the latter (from 1989 onwards).

<sup>26</sup> MacDonald (2004, 139) makes a similar point in relation to the Mexican case, arguing that reforming the labor code that regulates working conditions has now become a priority in furthering the neoliberal project.

social relations. Labor-power in its abstract form becomes the dynamic contradictory substance of capitalist social relations, and value increasingly takes on the form of an objective social power in Turkey. To put it simply, the structural–cumulative dynamics of capital accumulation becomes increasingly determinate of the "social."

The deepening of capitalism has brought with it an undermining of the "social" parallel to the undermining of the material conditions of labor. While surplus value extracted from labor has reached enormous levels, this level continues to carry the risk of being inadequate in the context of fierce competition at the global scale. The figures of current economic growth, rising export, and rising unemployment in Turkey, frequently cited in various circles, is the outcome of the success of capital's 25 years of struggle. However, this success never constitutes a static position for capitals participating in the global operation of capitalism. For capitals operating outside the boundaries of the regulatory frameworks constituted by the nation state, new rivals may appear any time. The consequence of this is always establishment of new mechanisms of control over labor. The necessity of control over concrete labor in the process of production or control in the process of circulation where value created in production is realized, gives way to national and international controls on money or commodity, which differentiate simultaneously.

Intensification of the conditions of accumulation has clarified the contradictory inner dynamics of labor. In this respect, the antagonism unfolds in different ways at the social level. The needs of internationalizing capitals are met through measures like the redefinition of the public and private spheres, shrinking of public expenditures, allowing capitals to have recourse to illegal means in their attempts to survive, transfer of resources to capital through conversion of public expenditures into debt, commodification of public services (education, health, transportation), and annulment of resource transfers to certain social spaces. This constitutes a major threat to a large portion of the society. Controls on labor unfold not only in the hegemony of the total circuit of capital over social relations, but also in the controls exerted on small-scale production. As the tendency of centralization and concentration intensifies competition among capitals, the negative consequences of capitals' survival strategies are imposed on labor. In order to survive in the face of attempted control by large-scale capital, small- and medium-scale capitals resort

to super-exploitation of the working class. This also explains why, following the economic crisis of 2001, the protests were dominated by spontaneous actions of small-scale producers and their workers, rather than by organized actions of the unions and the Labor Platform.<sup>27</sup>

We can draw two conclusions from this. First, the social composition of the spontaneous protests shows that the hegemony of capital over social relationships has taken many steps in Turkey. Second, differences in valorization conditions lead to different patterns of protest in different national contexts. In contrast to countries like South Korea, where the valorization of money capital in the form of productive capital has led to strong collective organizational reflexes by labor unions, in Turkey the valorization of money capital in the form of money capital has led to weaker union responses. We can expect that this tendency will go further in the days ahead, with the new anti-labor laws that further undermine the collective organizational capacities of unions.

#### Conclusion

We have argued that national-developmentalist strategies against neoliberalism are not only problematic in the long term but also ineffective in the short term. Epistemologically, they are based on "critical empiricism," which focuses on isolated single variables rather than on their inner connections. As they ignore the inner connections of value formation on an international scale, these strategies help to legitimize national competitiveness agendas that increase the intensity and velocity of the system of accumulation.

The reversion to national developmentalism in a period when class strategies on the part of capital are more clear than ever can be explained by the time lag between the organizational reflexes of capital and labor. While new survival mechanisms spontaneously developed by individual capitalists gain integrity within short time spans, labor can respond to these changes only after longer periods of time. To overcome this dilemma, we need to "escape from the present moment" to theorize its "deeper structure." The best starting point

<sup>27</sup> In a study of the social composition of immediate protests following the crisis, Gemici (2003) found that the number of protests by small producers and their workers made up 65% of all protests, whereas the number of protests by the Labor Platform made up only 28%.

for doing this, we have argued, is going back to the basics of value theory. 28 Value theory can save us from the problematic conclusions of critical empiricist analyses in two ways. First, the emphasis on the inner connections among labor, commodity and money forms of value shows us that the increasing activity of money as the most abstract form of value does not mean a break from real processes but implies increased control over labor that leads to the production of more surplus value. Second, value theory reminds us that labor in its dual form, with its abstract aspect dominant, is the basic variable that gives their structural character to capitalist social relationships.

From this perspective, we are living through nothing other than the deepening of capitalism itself and of its basic mechanism of operation, that is, creation of more surplus value in the form of abstract labor and increasing dominance of capital over social relationships. As more and more sections of society are exposed in different ways to the logic of capital, they tend to express their dissent in increasingly class-based terms. In this sense, class has become even more central to anti-capitalist alternatives today.

This is true for the Turkish case as well. In the last two decades, the intensification of valorization has established the contradictory inner connection of value in Turkey. The process defined as a shift to export orientation and attributed to external variables by national-developmentalist approaches has actually been the result of domestic capital accumulation strategies. This fact enables us to demonstrate that what takes place in Turkey, as in other parts of the world, is the deepening of capitalist class relations; moreover, this is capitalism which starts at home.

In this framework, the last two decades of Turkish capitalism can roughly be periodized into two phases. The first phase, from the end of the 1970s until the end of the 1990s, is the establishment of the "jungle laws of capitalism" mainly through the oppression and control of concrete labor to enhance the surplus-value creation process so as to satisfy the need of large-scale domestic capital groups to integrate with the global circuit of social total capital. The second phase, beginning by the end of the 1990s, on the other hand, is marked by establishment of legal-institutional frameworks that

<sup>28</sup> This doesn't mean, however, that a straight line can be drawn from value theory to political strategy. Our main argument is that political strategy should be *guided* by value theory, not *replaced* by it.

embed the control mechanisms over labor mainly in the sphere of production. In other words, this phase has been dominated by real subsumption, which reconstitutes labor in its more abstract and contingent form.

National-developmentalist approaches that focus exclusively on concrete labor and the struggles in the sphere of circulation have become particularly anachronistic in this context. The reality of abstract labor that is increasingly becoming predominant means that it is more than ever important today to emphasize the integrity of struggles in the sphere of circulation and production. The political implication is clear: anti-neoliberal strategies are not viable without being anti-capitalist today. Leftist strategies have to shift their political energies from national alliances against externally defined global institutions to class-based local struggles confronting the new regimes of control over labor that are established by their own capitalists and states at home. This does not mean, however, that the left has no other option than to use national-developmentalist language in doing this. Although the concrete process of value creation takes different forms in different national contexts, and thus necessitates different strategies for each country, it still takes place in an uneven and combined fashion. The concept of uneven and combined development can therefore help us avoid this dilemma by making it possible to take into account a range of sectoral, class and other variables that operate concomitantly at other scales. In fact, a nation-based anti-capitalist politics that does not fall into the pitfalls of either nationalism or abstract internationalism may only be possible through a constant consideration of those variables at other scales.

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