

# Putting the state in its place: the critique of state-centrism and its limits

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**Abstract.** The critique of state-centrism is a crucial aspect of the restructuring of International Relations theory, widely seen as a precondition for the conceptualisation of international transformation. In this article, I argue that the terms on which this critique is framed lead to claims which are both too sweeping in their implications for a transformation to a post-Westphalian system, and not radical enough with respect to the Westphalian period itself. The critique of state-centrism is premised on the assumption that modernity was a territorial order in which states contained ‘their’ societies. But modern social relations always included global dimensions. If the modern social sciences discounted these global aspects of modernity, the way forward for the social sciences, and IR in particular, cannot be in embracing the notion of a contemporary shift from the national to the global, but in a reconsideration of modernity itself. Just as the new globalism is inadequate as a basis for understanding our supposedly postmodern times, so nation-statism was always defective as a basis for understanding modernity. I argue that the notion of a national/global dialectic provides a better basis for understanding the current socio-spatial transformation.

## **Putting the state in its place: the critique of state-centrism and its limits**

No aspect of the neorealist/neoliberal mainstream of International Relations scholarship, apart perhaps from its positivist orientation, has provoked its critics more than the commitment to the analytical centrality of the state in the study of world politics. Scholars engaged in the formulation of critical social theories of IR/IPE argue that state-centrist approaches accept as unproblematic two assumptions that historical developments have rendered deeply problematic: firstly, that states ‘contain’ society and no world or global society exists; and secondly that political authority is territorially organised and thus circumscribed by the state’s borders. Most of these critics of state-centrism regard the contemporary process of globalisation as deeply implicated in (though perhaps not solely responsible for) the undermining of the state’s previously sovereign place in humanity’s social and spatial organisation, as well as its privileged position in the modern social sciences.<sup>1</sup>

<sup>1</sup> See, for example, David Held and Anthony McGrew, ‘The End of the Old Order? Globalization and the Prospects for World Order’, *Review of International Studies*, 24 (1998), pp. 219–43, esp. p. 232.

To the defenders of state-centrism, however, the globalist image of an ‘incontinent state’, with its territorial corset leaking and increasingly unable to contain society and control transnational relations, is based on wishful thinking and ‘ahistorical’ claims as to the unprecedented nature of current levels of interdependence. To some, the siren songs of post-statecentric theorists even have the potential to lead us all into disaster by undermining the support of academics, students, and publics for the only strategy that has any chance of maintaining peace (at least for a while) – the age-old wisdom of realists: *si vis pacem, para bellum*. As Colin Gray reasserts, there can be no fundamental transformation in the international sphere, given the twin determinants of an aggressive human nature and international anarchy – and never mind the bag of tricks with which assorted post-positivist jesters seek to dazzle the naïve (or flatter the ambitious).<sup>2</sup>

Some in the traditionalist camp, however, have responded to the challenge of globalisation in a more innovative fashion. In the following section, I will review Janice Thomson’s attempt to deepen its historical and sociological foundations in order to salvage the theoretical centrality of the state. In the process, Thomson jettisons a number of Realist tenets, including its claim to universal applicability, and accepts the need for a more historical understanding of sovereignty.<sup>3</sup> Yet I will argue that the very conceptual innovations that Thomson introduces in order to conceptualise the specificity of modernity (and the primacy of the territorial state in this period) ultimately do more to undermine state-centrism than to rescue it. In particular, her arguments raise the prospect of a capitalist global ‘system’ as an integral part of modernity – and thus the need to rethink the relationship between the world market and the national state along much more fundamental lines than Thomson recognises.

But the purpose of this article is not to reaffirm globalist critiques of state-centrism in the face of theoretical innovations from the traditionalist camp. On the contrary, the implications of Thomson’s arguments not only defy her own conclusions, but also problematise the basis on which the critics of state-centrism build *their* challenge to the mainstream. For both these critics and Thomson share an understanding of modernity as spatially defined by the sovereign, territorial state. Because this period, presumably, *was* defined by the sovereign state, and because both society and political authority *were* territorially organised, the traditional (usually Realist) models of IR theory are accepted as valid for this ‘Westphalian’ *past*. Where the critics part company is in their interpretation of the *present* and the *future* – a condition variously designated as late/second/hyper/postmodernity if not simply as ‘globality’ (but in every case identified as post-Westphalian) – which they no longer see as adequately understandable in the terms of state-centric analysis. This, then, leads them to call for a fundamental reconstruction of the conceptual apparatus of the social sciences – a new language to deal with new times.

It is this mode of argumentation that I seek to question. I will do so not by reinstating the centrality of the state, but by suggesting that state-centrism was

<sup>2</sup> Colin Gray, ‘Clausewitz Rules, OK? The Future is the Past – with GPS’, *Review of International Studies*, 25 (1999), pp. 161–82.

<sup>3</sup> Janice E. Thomson, ‘State Sovereignty in International Relations: Bridging the Gap Between Theory and Empirical Research’, *International Studies Quarterly*, 39 (1995), pp. 213–33.

*always* an inadequate basis for conceptualising modern social and international relations. The sovereign state, I will argue, was *never* truly a container of society, and modern social relations always included crucial global dimensions. It is these global dimensions that need to be recovered in order to overcome the debilitating terms of the globalisation debate, with its simplistic suggestion of a move from an international system based on the territorial state to a global system.<sup>4</sup> I do not argue, here, for a simple retro-projection of the globalisation thesis, or a globalist reinterpretation of modernity similar to world-systems theory. Instead, I suggest that we need to place the continuing *dialectic of national and global processes and institutions* at the heart of IR/IPE in order to better understand modernity and the nature of contemporary processes of socio-spatial transformation.

Why did state-centrist social theory, which thoroughly purged this national/global dialectic, triumph for roughly a century after the 1870s? In the second part I will argue, *pace* Scholte, that it is not the case that ‘methodological territorialism reflected the social conditions of a particular epoch when bordered territorial units, separated by distance, formed far and away the overriding framework for macro-level social organisation’.<sup>5</sup> The modern social sciences were not simply reflective of the supposedly territorial order of modernity, but deeply involved in the articulation of the nation-state’s claim to centrality in the socio-spatial organisation of modern social life. They were, in other words, deeply implicated in the social struggles about the organisation of social space and political community taking place in the nineteenth and twentieth centuries, naturalising the nation-state and delegitimising social alternatives. In as much as they helped to constitute the social reality that gave their concepts and descriptions validity, the modern social sciences were, of course, not totally off the mark. Yet even in triumph, the territorial nation-state continued to mediate global forces and relations, which the modern social sciences were unable to grasp due to their ideological underpinnings.

Alone among the major traditions in social studies, historical materialism escaped *partly* from the otherwise pervasive methodological territorialism. But in the third and final part, I will suggest that even though this perspective allows us to recover modernity’s global dimensions (and many of the arguments developed in preceding sections build on this capacity), it remains flawed in its current forms. For rather than developing a coherent conceptualisation of the national/global dialectic and the historical rearticulations of this relationship, historical materialists have oscillated between nation-statist and globalist images of modernity. The fundamental reason for this is historical materialism’s continuing difficulty with conceptualising the nature of modern statehood, and more specifically with explaining the existence of *multiple* capitalist states. This problem, I will show, persists in recent Marxist IR theories, and I will outline what I hope is an innovative approach to its resolution.

Overall, then, this article seeks to contribute to the growing theoretical shift from the ahistorically conceived *problématique* of anarchy to the conceptualisation of the international relations of modernity (and their origins as well as possible transcen-

<sup>4</sup> For an incisive critique of the assumption of a ‘great divide’ between an international past and a global future, see Ian Clark, *Globalization and International Relations Theory* (Oxford: Oxford University Press, 1999), p. 39.

<sup>5</sup> Jan Aart Scholte, ‘Globalization: Prospects for a Paradigm Shift’, in Martin Shaw (ed.), *Politics and Globalization* (London: Routledge, 1999), pp. 9–22, at p. 17.

dence), which the rise (or rediscovery) of globalisation has engendered. However, it seeks to challenge and change the terms on which the historicisation of international relations has so far taken place, by questioning the prevailing state-centric image of modernity. By accepting this image, not only Realists but (in an inverted way) the critics of state-centrism, too, partake in the ideological representation of modernity, leading the latter to dramatise current processes of social and spatial transformation by overstating the territorial aspects of the past, and the transnational features of the present.<sup>6</sup> If the modern social sciences discounted the global dimensions of modernity, the way forward for IR/IPE cannot be in embracing the notion of a contemporary shift from the national to the global, but in reconsidering the category of modernity itself – and thus in a much more radical reconstructing of the conceptual apparatus of the social sciences than envisaged by globalists, which challenges the national/global dichotomy itself.<sup>7</sup> Most importantly, perhaps, we need to challenge the notion that society can only be either national or global – an assumption that continues to structure the contemporary debate even as the focus shifts from the former to the latter.

### Realism vs. globalism

#### *Towards a Realist sociology of sovereignty?*

While the typical response of Realists to globalisation theorists is the empirical refutation that current forms and levels of world economic integration are historically unprecedented, Stephen Krasner and Janice Thomson have sought to challenge the globalisation thesis on theoretical grounds. They reject the assumption that interdependence and globalisation necessarily entail a diminishment of the state's sovereignty, noting that the last 200 years saw not only the emergence and expansion of interdependence, but the simultaneous consolidation of sovereignty as states finally asserted a monopoly over the means of violence within their territories. That is not coincidental, as

High levels of exchange and market-rational outcomes (. . .) require stable property rights which, in a capitalist economic system, internalize costs and benefits. The only actors currently able to provide such rights are national-states.<sup>8</sup>

<sup>6</sup> As Fred Halliday poignantly notes, the traditional 'banishment' of globalisation as a historical tendency of modernity itself 'has given way to promiscuity', thereby obscuring the 'continued adaptation of the global and the particular', which persists today; Halliday, *Rethinking International Relations* (London: Macmillan, 1994), p. 2.

<sup>7</sup> Modernity, of course is a complex category and may be in dire need of a more encompassing critique (see Lacher, forthcoming). Here, I will be satisfied if I can problematise the prevailing understanding modern spatiality, which is widely shared by otherwise distinct approaches to modernity. For a more systematic critique, see Hannes Lacher, *The International Relations of Modernity: Capitalism, Territoriality and Globalization* (London: Routledge, 2003).

<sup>8</sup> Janice E. Thomson and Stephen D. Krasner, 'Global Transactions and the Consolidation of Sovereignty', in Ernst-Otto Czempiel and James N. Rosenau (eds.), *Global Changes and Theoretical Challenges: Approaches to World Politics for the 1990s* (Lexington, KY: Lexington Books, 1989), pp. 195–220, at 197ff. On the limits of sovereignty before the nineteenth century, see Stephen D. Krasner, *Sovereignty: Organized Hypocrisy* (Princeton, NJ: Princeton University Press, 1999), ch. 1.

International transactions remain subject to the respective national jurisdictions of the states whose boundaries they cross, and the international institutions created in order to maintain international flows remain premised on the interests and capacities of the states involved, especially the hegemon's.<sup>9</sup> Thomson and Krasner reject, therefore, as 'fundamentally misplaced' the 'commonplace notion that there is an inherent conflict between sovereignty and economic transactions'.<sup>10</sup> Janice Thomson develops this theme further by suggesting that today we are not witnessing the demise of sovereignty but its redefinition, involving 'changes in the norms or rules delineating the legitimate forms of functional authority and means of enforcing those rules'.<sup>11</sup> Current changes are thus analogous to the shift from, for instance, *laissez-faire* liberalism to embedded liberalism, but each of these reconstructions of sovereignty took place *within* the modern regime of sovereignty.

For Thomson, this is precisely what it means to be sovereign: the right to redefine what is to be regarded as 'political' and thus subject to state authority, and to relegate other activities to the 'private' realm of the economy or civil society. In this sense, sovereignty confers a 'meta-political' authority on the state, which allows it to define the social scope of its authority.<sup>12</sup> If activities which states have defined as private become internationalised, it can therefore hardly be claimed that this threatens the state's sovereignty. States, according to Thomson, '*author-ized*' interdependence in order to enhance their ability to reproduce themselves and their meta-political authority in the face of domestic and international challenges.<sup>13</sup> And whatever far-reaching implications interdependence and globalisation may have, they are unlikely to break up the long-term complementarity of state and market, even while their concrete relationship takes on new forms, as this complementarity is itself an expression of modernity:

An economic realm of choice distinct from a political realm of coercion is not, as liberalism presupposes, natural and timeless but is a product of history and practice . . . The contemporary differentiation between the state's realm – politics – and the economy is itself a product of the modern interstate system and the meta-political authority imparted to it by the institution of sovereignty.<sup>14</sup>

This insistence on the specifically modern nature of the separation of politics and economics is an important contribution to the historicisation of modernity. But does it support Thomson's conclusions? Clearly, her conceptual elaborations impart to Realism a historical and sociological depth it has often lacked in the past, acknowledging that this perspective has so far provided 'not a universal theory of global politics, but a theory of relations among *modern* states'.<sup>15</sup> If nothing else, then, the globalist challenge has forced Realism to become aware of its own historical foundations, though Thomson's work remains all too rare in self-reflexively tackling

<sup>9</sup> Cf. Krasner, 'State Power and the Structure of International Trade', *World Politics*, 28 (1976), pp. 317–43.

<sup>10</sup> Thomson and Krasner, 'Global Transactions', p. 198.

<sup>11</sup> Thomson, 'State Sovereignty', p. 225.

<sup>12</sup> *Ibid.*, p. 222; cf. Stephen D. Krasner, 'Sovereignty: An Institutional Perspective', *Comparative Political Studies*, 21 (1988), pp. 66–94, at p. 87.

<sup>13</sup> Thomson, 'State Sovereignty', p. 216–7.

<sup>14</sup> *Ibid.*, p. 222.

<sup>15</sup> *Ibid.*, p. 218 (emphasis added).

the theoretical challenges following from this admission. In the end, however, there are good reasons to doubt the ability of the Realist school to provide a satisfactory understanding of the modern international system and its dynamics. In fact, the very issues raised by Thomson in order to defend Realism undermine, if taken seriously, this perspective even as a limited and historicised theory of *modern* international relations. Two axioms, in particular, become highly problematic on the basis of her own arguments.

Firstly, Thomson insists on the centrality of international imperatives not only to the actions of states, but also to their form of sovereignty. But she fails to ask what the implications of a change in the content of sovereignty are *for the dynamic of international politics*. Change in the character of sovereignty is thus conceptualised passively; the content of what states regard as falling under the sway of public authority remains seemingly irrelevant for the character of interstate relations and the prevailing patterns of competition and cooperation. International relations over the Westphalian epoch are thus portrayed as unchanging, even while sovereignty itself is conceptualised as dynamic. It is precisely this mode of argument, familiar from historical sociology (which in turn was influenced strongly by Realism), that has come under increasing attack from those engaged in constructing a Weberian theory of IR.<sup>16</sup> These theorists suggest a fully 'structurationist' perspective, which can not only analyse how modern states are 'in part, constituted by the international system',<sup>17</sup> but also recognise how international systems are in turn constituted by states and the dominant state-society relations prevailing within them. Once we no longer take the international system (or, more crudely, 'war') to be an independent and transhistorical factor that supposedly explains state-formation and the transformations of sovereignty, the question of the processes within the state (apparatus) itself, as well as the societal dynamics which impinge on the organisation and reorganisation of sovereignty, emerge as a crucial focus in any inquiry that seeks to understand transformations in the international system.

Secondly, and for the present context even more importantly, Thomson shares Realism's view of the economy as a creature of the state – a source, ultimately, of state power that is managed and regulated by states so as to serve their autonomous interests. These interests are not simply a condensation of societal interests, and in this sense, there is a non-coincidence between state and society. Yet Thomson seems to regard as unproblematic a fundamental (though implicit) assumption of all Realist theory, namely that state and society coincide in *spatial*, if not in social terms. In other words, while the state and its policy are autonomous from social interests, society exists *within* and is *contained* by the borders of the state.<sup>18</sup>

<sup>16</sup> Cf. Stephen Hobden, 'Theorising the International System: Perspectives from Historical Sociology', *Review of International Studies*, 25 (1999), pp. 257–71; John M. Hobson, 'The Historical Sociology of the State and the State of Historical Sociology in International Relations', *Review of International Political Economy*, 5 (1998), pp. 284–320.

<sup>17</sup> Thomson, 'State Sovereignty', p. 221.

<sup>18</sup> Cf. Peter J. Taylor, 'The State as Container: Territoriality in the Modern World-System', *Progress in Human Geography*, 18 (1994), pp. 151–62; compare John Agnew and Stuart Corbridge, *Mastering Space: Hegemony, Territory and International Political Economy* (London: Routledge, 1995), p. 92–4.

*Society beyond the nation-state*

But the thrust of Thomson's own argument would seem to imply, at the very least, a complication of this assumption. For, those social and economic activities that have been defined as non-political by the state are thereby also enabled to overcome territory in qualitatively new ways which go far beyond the usual image of a state-organised 'international' economy of commerce and trade and form an inherently and eminently social realm. In this respect, the *capitalist* world market is rather different from the one that preceded it:

Capitalism inherits a global world market – a system of commodity exchange and circulation – which it digests then regurgitates as the world capitalist system, a system of production. To achieve this, human labour power itself is converted into a commodity, reproduced like any other commodity according to specifically capitalist social relations.<sup>19</sup>

That the *capitalist* world market not only has social preconditions but also societalising consequences will, of course, remain hidden from view as long as we regard, as Thomson does, the market as an aggregation of pre-social individual choices.<sup>20</sup> Thus, even while she historicises the applicability of neoclassical economics by noting that it is only in modernity that we find a differentiated economy as a 'realm of choice distinct from a political realm of coercion',<sup>21</sup> Thomson reproduces a desocialised and formal concept of the economy. A more substantive understanding,<sup>22</sup> by contrast, starts from the social relations that constitute the capitalist market as an imperative that forces human beings to reproduce themselves through market exchanges and generates a 'market rationality'. This is precisely where the historical materialist framework, despite its problems with elaborating a formalised theory of economics, continues to provide indispensable resources for the understanding of capitalist modernity.

In this perspective, the key to understanding the way in which the world is unified lies in the concept of capital. But capital is not simply a social class which acts, or a means of circulation which penetrates; it is a social relation. Only because the relations between people have become structured in such a way that they have to compete with each other in the market, is it possible for money to become self-expansive – and hence to assume the historically unique form of *capital*.<sup>23</sup> In a nutshell, this relationship emerged as dominant classes lost their power to use political force to extract surplus from the direct producers, and had to rely on their

<sup>19</sup> Neil Smith, *Uneven Development: Nature, Capital and the Production of Space* (Oxford: Blackwell, 1984), p. 61. Compare Anthony Giddens: 'from its inception, the world capitalist economy was never just a vast commodity market. It involved, and involves, the commodification of labour-power in different regional settings'; *The Nation-State and Violence* (Berkeley, CA: University of California Press, 1985), p. 278.

<sup>20</sup> On 'Vergesellschaftung' (societalisation or socialisation), see Kees van der Pijl, *Transnational Classes and International Relations* (London: Routledge, 1998), ch. 1.

<sup>21</sup> Thomson, 'State Sovereignty', p. 222.

<sup>22</sup> On the distinction between formal and substantive concepts of the economy, see Karl Polanyi, 'The Economy as Instituted Process', in Karl Polanyi, et al. (eds.), *Trade and Market in the Early Empires* (New York: Free Press), pp. 243–69.

<sup>23</sup> Cf. Ellen Meiksins Wood, 'Modernity, Postmodernity, or Capitalism?' *Review of International Political Economy*, 4 (1997), pp. 539–61.

control of land and other forms of productive property for their incomes. This, in turn, presupposed that peasants and artisans lost the ability to reproduce themselves through land and tools in their own possession, and had to enter the land and labour markets to earn their livelihoods. The modern separation of politics and economics (which in no way precludes extensive state intervention in the economy) is thus best understood as the privatisation of the power to appropriate surplus through the control of allocative resources, which required the comprehensive dispossession of large parts of the population through a process of 'primitive accumulation'. These ostensibly 'economic' power relations, unlike the sovereign authority of territorial states, are not, in principle (and rarely in practice) confined by borders.

Once constituted, capital can never rest, but has to penetrate new areas and more and more productive activities (including forms of cultural production formerly regarded as 'non-economic') in order to expand its value, and thereby to reproduce itself both economically and socially. The expansion of capital is then never just the establishment and deepening of trade relations; it is also the expansion of capitalist social relations, generating a system of universal 'interdependence mediated by things'. Commodities moving across boundaries not only embody particular social relations, they also *socialise* the relations between those who are thereby brought into contact, forcing them to reorganise not just production, but social relations in order to compete and survive. Capitalism is constitutive not just of a world market in which goods and money cross boundaries, but of a global(ising) civil society as well.<sup>24</sup> This global dimension is as fundamental to the historical structure of capitalist modernity as the sovereign state.

### *The limits of the critique of state-centrism*

Far from lending themselves to the conclusion that Realism continues to be valid in the present as the world has not fundamentally changed,<sup>25</sup> the implications of the sociological arguments marshalled by Thomson and Krasner in fact undermine Realism's usefulness even as a theory of the past. This Westphalian past, in which the sovereign, territorial state does, of course, play a crucial role, cannot be fully understood if we abstract from its global dimensions that opened up through the privatisation of allocative power. The crucial challenge for IR/IPE, as they seek to come to terms with the problem of international transformation, is thus to come to terms with the *national/global dialectic* at the heart of capitalist modernity. Even

<sup>24</sup> Justin Rosenberg's concept of a transnational 'empire of civil society' and Kees van der Pijl's notion of an historically expanding 'Lockean heartland' integrated by transnational social forces reflect distinct but arguably complementary aspects of this global social system that transcends the international system of sovereign states. Justin Rosenberg, *The Empire of Civil Society: A Critique of the Realist Theory of International Relations* (London: Verso, 1994); Kees van der Pijl, *Transnational Classes and International Relations* (London: Routledge, 1998), pp. 64–97.

<sup>25</sup> 'If the fundamental problems of international politics and international political economy are enduring, so are the theoretical perspectives that we use to understand them'; Stephen D. Krasner, 'International Political Economy: Abiding Discord', *Review of International Political Economy*, 1 (1994), pp. 13–20; Krasner, 'International Political Economy', p. 13f.

though there has been an increasing turn from the *problématique* of anarchy to the *problématique* of modernity in IR theory, this – entirely necessary – restructuring of IR theory remains marred by the specific understanding of modernity that prevails in this work.

Crucially, this *caveat* also applies to most *critiques* of Realism and other state-centrist IR approaches. This critique is itself premised upon a historical perspective which accepts far too much of the conventional story. Its central claim, that sometime around 1970 there was a decisive break which saw the transcendence of national societies and the international economy by a global social and economic system, concedes that up to that point, society *was* more or less contained by the state. Martin Shaw argues in this vein that while the notion of a multitude of discrete societies may have fitted the realities of the nineteenth century, it has now lost its relevance: ‘*today* the concept of “a society” can only be applied fully and consistently . . . to human society on a world scale’.<sup>26</sup> Andrew Linklater and John Macmillan similarly point out that the ‘wasteland between states . . . is *now* pervaded with complex global economic and social linkages which suggest that Global Politics should replace International Relations’. For this reason, they argue, ‘International Relations can *no longer* be regarded as the analysis of the relations between clearly and securely bounded sovereign states responding to the challenges of an immutable anarchy’.<sup>27</sup>

But when could international relations ever be adequately understood in these terms? Even during the age of imperialism and protectionism, or at the height of the welfare state in the postwar period, the nation-state arguably never truly contained the economy and society. As Michael Mann points out, while social relations became increasingly ‘caged’ by the nation-state and its international relations since the mid-nineteenth century, this is only part of the story. For,

the expansion of these national and inter-national networks always proceeded *alongside* the expansion of certain ‘transnational’ power relations, especially those of industrial capitalism and its attendant ideologies (liberalism, socialism).<sup>28</sup>

The notion of a golden age of sovereignty in which states contained ‘their’ societies within territorial boundaries is a myth. It is hardly surprising that, on the basis of this dichotomy, so many heterodox theorists tend to associate sovereignty and ‘globality’ with two different phases of historical development; thus sovereignty appears ultimately as the hallmark of modernity, whereas globalisation signals a move towards a postmodern age (or a new and qualitatively distinct form of modernity). This move – which reproduces the underlying dualism that can see social relations only as either national or global – makes sure that our understanding of the contemporary socio-spatial transformation remains as one-sided as the prevailing understanding of the ‘Westphalian’ system.

<sup>26</sup> Martin Shaw, *Global Society and International Relations* (Oxford: Polity Press, 1994), p. 129 (emphasis added).

<sup>27</sup> Andrew Linklater and John Macmillan, ‘Introduction: Boundaries in Question’, in John Macmillan and Andrew Linklater (eds.), *Boundaries in Question: New Directions in International Relations* (London: Pinter Publishers, 1995), pp. 1–16, here p. 4 (emphases added).

<sup>28</sup> Michael Mann, ‘Has Globalization Ended the Rise and Rise of the Nation-State?’, *Review of International Political Economy*, 4 (1997), pp. 472–96, at p. 476.

The critique of state-centrism, then, is as yet incomplete. So far, this critique has sought to disentangle IR/IPE from the ‘territorial trap’, that is, the representation of the territorial state as eternal and unchanging.<sup>29</sup> But this critique, to be effective and productive of a more sophisticated understanding of current world order transformations, needs to be complemented by a questioning of what may be called the ‘nation-statist conceit’; having governed the social sciences for more than a century, it comes down, ultimately, to the notion that the state is the true master of social space. These predicaments are intimately related: while the former can be discerned in the modern social sciences dehistoricisation of territoriality, the latter lurks in the representation of this form of spatial organisation as absolute.

### **Beyond the ‘territorial trap’? The (ir)resistible charm of the nation-state**

#### *The global imagination and the ‘nation-statist conceit’*

Though the excavation of modernity’s global dimension is, as I have argued above, the most effective way of challenging the nation-statist conceit that continues to predominate in our understanding of the pre-1970 period, a complementary line of attack confronts the modern social sciences by deconstructing the theoretical praxis of modern social theory. As state-centrism was not simply a representation of the supposed realities of modernity, the question arises why the modern social sciences were so bent on discounting the global dimension. The argument I will make here is that the state-centrist turn in the social sciences after around 1870 had its origins in the increasing assertion of the nexus of state apparatus, political community and territorial boundaries. This assertion was provoked both by the social and economic costs thrown up by capitalism’s uneven and combined development, and by the global imagination invoked by parts of the labour movement in its struggles. In this process of socio-spatial reorganisation, the social sciences were more than observers; they were themselves deeply involved in the reconstitution of the nature of society and of the role of the state (and its boundaries).

In order to understand the role (however auxiliary) of the state-centric modern social sciences as combatants in the recasting of society since the late-nineteenth century, we have to consider them in the context of the social and theoretical challenges to the existing order, among them the perspective articulated by Marx. Marx himself may be seen as the ‘first significant theorist of globalisation’, whose theory of capitalism ‘had no necessary national reference’.<sup>30</sup> Moreover, Marx explicitly related his theory of global capitalism to the social struggles seeking to transcend this system, which – though primarily domestic in form – were neverthe-

<sup>29</sup> Agnew and Corbridge, *Mastering Space*, pp. 78ff.

<sup>30</sup> Simon Bromley, ‘Marxism and Globalisation’, in Andrew Gamble, David Marsh and Tony Tant (eds.), *Marxism and Social Science* (Chicago, IL: University of Illinois Press, 1999), pp. 280–301, especially p. 284. Also see Andrew Gamble, ‘Marxism after Communism: Beyond Realism and Historicism’, *Review of International Studies*, 25 (1999), pp. 127–144, at p. 134.

less oriented towards a global transformation.<sup>31</sup> Ultimately, as Martin Albrow points out, it was Marx's theory of global capitalism and transnational class relations that stimulated both the nation-statist project and state-centric social theory:

Marx's work revealed the deepest problem for the future of nation-state society, namely that its trajectory would be influenced by forces which crossed its boundaries. For any analysis of the economic system showed that it was intrinsically connected to the world as a whole . . . Marx's ideas struck terror into the nation-state and simultaneously gave internationalism the reputation of subversion.<sup>32</sup>

The subsequent 'caging' or 'containerisation' of the market and of social relations must be understood in this context; it is not so much an expression of a trans-historical logic of centralisation inherent in the 'political sphere' (or a modern dynamic of political 'rationalisation'), but a specific reaction to the transnationalisation of social relations which had been a product of the very measures (that is, the imposition of capitalist production relations) pursued by continental European states since the early nineteenth century in order to effect an industrial revolution that would allow them to catch up with Britain.

[T]he response of the nation-state to the social transformation which industrial production brought in its wake was to domesticate the problem. That is, the forces which were worldwide, the new threats from uncontrolled society, were converted into problems within the nation-state. The 'social problem' was a code to refer to the problem of incorporating the newly formed industrial proletariat into nation-state society. It was a big enough problem setting to generate simultaneously socialism, the welfare state and sociology as an academic discipline.<sup>33</sup>

Albrow's arguments allow us to understand the nationalising of the social sciences after Marx as a reflection of the process of social containerization, to which they themselves contributed by legitimising the state's project. The first major sociological challenge to Marx's understanding of modernity as based on capitalist class relations which embodied this trend was Max Weber's historical sociology.<sup>34</sup> In the self-representations of the social sciences, this challenge is usually regarded as the recovery of the dimension of political power which liberals and Marxists had chosen to discount, blinded by the rise of industrial capitalism and the temporary prevalence of *laissez-faire* liberalism. In this perspective, a vital reality of modern life since at least the sixteenth century is finally given the weight it deserves, whose consideration would enable Weber and his successors to explain why the socialist movement failed to bring about a world revolution and why the state became more rather than less dominant in the further course of modern history. Thus, Marx was wrong, Weber was right: the latter, it may be concluded, simply understood better the nature of politics.

<sup>31</sup> Cf. Andrew Linklater, 'Marxism', in Scott Burchill and Andrew Linklater (eds.), *Theories of International Relations* (New York: St. Martin's Press, 1996), pp. 119–43, at p. 124.

<sup>32</sup> Martin Albrow, *The Global Age: State and Society Beyond Modernity* (Stanford, CA: Stanford University Press, 1997), p. 45.

<sup>33</sup> Albrow, *The Global Age*, p. 45–6.

<sup>34</sup> Cf. Derek Sayer, *Capitalism and Modernity: An Excursus on Marx and Weber* (London and New York: Routledge, 1991); Stephen P. Turner, 'Explaining Capitalism: Weber on and against Marx', in Robert Antonio and Ronald Glassman (eds.), *A Marx-Weber Dialogue* (Lawrence, KS: University Press of Kansas, 1985), pp. 167–88.

The outcome is not in question. Quite clearly, Marx's vision of increasing 'universal interdependence' turned out to be a poor guide to the 150 years following the publication of the *Manifesto*. While Marx regarded the fall of the bourgeoisie and the victory of the proletariat as 'equally inevitable', this is of course not what happened. In his perspective conflicts between states would increasingly be overshadowed and finally eclipsed by the social struggle between inherently transnational classes. His expectation was for the system of capitalist interdependence to be ruptured by a communist world revolution, rather than for its modification through the strengthening of the ties between citizenship, the nation-state, and its borders. Yet the increasing salience of the nation-state, together with high levels of interstate conflict culminating in two world wars, were clearly among the crucial events and processes of modern history.

But while Marx's vision of the future of capitalism does not hold up well against the course of history, the crucial point is that this outcome was not clear from the beginning. The reorganisation of capitalism under the aegis of the state between 1870 and 1970 was a political project whose triumph was contingent rather than predetermined by the nature of politics. Indeed, it was precisely the nature of politics that was at issue in these struggles. And in these struggles, there were no innocent bystanders, value-free observers of the historical process. The modern social sciences were born from these conflicts and their supposedly disinterested stance cannot conceal their partisanship. As Albrow notes, 'much of social theory was effectively designed to reflect back to the state its own efforts to control society'. But not just to *reflect* these efforts:

Most of the modern theory of the state was devoted to demonstrating that its particular form of social organization was indeed the true and permanent expression of the nature of society. But the fact is that a particular version of the state, the nation-state, sought to create society in its own image.<sup>35</sup>

In this context, Weber's work appears as a historical intervention by this self-described 'class-conscious bourgeois'<sup>36</sup> into a struggle that was as yet undecided. His intervention proved a critical step into the state-centrism that prevailed in the social sciences, including International Relations. Its purpose was precisely to legitimise the caging and domestication of social relations whose revolutionary potentials were threatening capitalist society, and thus to make the ideal-type of the modern state more reflective of the actual practices of the individuals of capitalist society (and *vice versa*!) by legitimising the state's claim to the loyalty of its subjects. His contention that bureaucratized and territorial states rather than transnational classes determine socio-spatial organisation appears thus as not simply a value-free analytical statement reflecting the role which the state had assumed in orienting the actions of individuals; its political aim was to bring about such an orientation.

If, therefore, the *Communist Manifesto* proved 'a pathetic prophecy', as Weber suggested,<sup>37</sup> it did so not least because the theories of Weber and other social scientists endorsed and advanced the state's right to suppress alternative forms of

<sup>35</sup> Albrow, *The Global Age*, p. 43.

<sup>36</sup> Weber's self-description is quoted in Wolfgang J. Mommsen, 'Capitalism and Socialism: Weber's Dialogue with Marx', in Antonio and Glassman (eds.), *A Marx-Weber Dialogue*, pp. 234–61, at p. 235.

<sup>37</sup> Quoted in Mommsen, 'Capitalism and Socialism', p. 235.

social and spatial organisation, and to employ 'legitimately' their monopoly of the means of coercion for this purpose.<sup>38</sup> It is this intricate relationship between the theory and practice of the state that is at the heart of modern social theory's wholesale march into the 'territorial trap'. But behind the self-entrapment of the social sciences through the conceptualisation of the territorial state as a 'sacred unit beyond historical time',<sup>39</sup> was the political *project* of the containerisation of social relations. Its purpose was to supplant the 'imagined community' of a transnational class striving to overcome the territoriality of political authority, and ultimately even statehood as such, with the imagined community of the nation.<sup>40</sup>

The social substance of this project was not any natural tendency of the state towards self-aggrandisement, which Realists have abstracted from the historical context of this period. It was an attempt (both successful and costly) to maintain capitalist class relations and the capitalist market in the face of challenges from national and transnational class forces and the increasing contradictions between global and national accumulation. This was achieved through the strengthening of the relationship between territory and society – the hardening of the national shell, generating a 'new crustacean type of nation', as Polanyi put it.<sup>41</sup>

### *Masters of space?*

Clearly, the state and its territorial borders *did* assume an enhanced, even crucial, position in the order that emerged out of the social conflicts of the nineteenth century. Yet the self-representation of this new order of things in the modern social sciences does not yield a reliable guide to its workings. For both the almost complete 'nationalisation' of the social sciences and the tendential 'containerisation' of society after 1870 were aspects of the mediation of capitalism's class relations and the social and economic contradictions they generated. The containerisation of society by no means obliterated the global dimensions of capitalist modernity, but was part of a distinctive historical institutionalisation of the modern national/global dialectic.

No capitalist world economy, for instance, has been more highly integrated, in terms of structure if not scale or scope, than that which emerged under British tutelage after the late eighteenth century, and especially after the introduction of free trade policies.<sup>42</sup> This 'geo-economic' order could not last, contributing as it did to

<sup>38</sup> Using this monopoly these states did so rather frequently; it should not be forgotten that the instruments chosen were not just those of social policy. The nation-statist caging of society was intimately bound up with the more intimate 'caging' often experienced by the state's opponents (Antonio Gramsci among them): in prisons and graves.

<sup>39</sup> Agnew and Corbridge, *Mastering Space*, p. 89.

<sup>40</sup> Cf. Benedict Anderson, *Imagined Communities: Reflections on the Origin and Spread of Nationalism* (London: Verso, 1991).

<sup>41</sup> Karl Polanyi, *The Great Transformation: The Social and Economic Origins of Our Time* (Boston, MA: Beacon Press, 1957), p. 202.

<sup>42</sup> The existence of a highly integrated capitalist world market in this period may not be apparent because tradition leads us to look at the indicators of integration among the leading political and economic powers in continental Europe. Trade and capital flows into and from these countries was clearly limited, but it is crucial to note that it was not these countries on which Britain's world economy was built, not least because they were, arguably, not capitalist. Instead, we should look to the colonies and semi-independent areas, in which British capital and emigrants recreated capitalist social relations with strong ties to the core; cf. van der Pijl, *Transnational Classes*, pp. 66–74.

the industrialisation of its future continental European rivals. But the states that went on to challenge this British hegemony also, as Philip McMichael points out, ‘internalized the conditions of (world) capitalist competition in their commercial policy’. Most crucially, they secured the ability of the capitals on which they placed increasing ‘national limits’ to reproduce themselves in the world market through the adherence to the gold standard. ‘Thus, in the center of world-capitalism in particular, the *nation*-state emerged as the characteristic political structure of the world market’.<sup>43</sup> In this sense, it would be completely mistaken to understand the efforts of states to nationalise capitalist society as an absolute reality, or even to regard a complete such containerisation as *feasible* within the framework of capitalism. McMichael therefore concludes correctly:

It was not that capitalism was a national phenomenon in the nineteenth century, but rather that the structural constraints particular to the era of British hegemony gave it this appearance. However, this should not detract from the global character of this structuring process.<sup>44</sup>

In other words, even if the forms of economic transactions become more ‘international’ following the containerisation of society after the dissolution of the transnational British world economy, they continued to mediate a global social relation. In order to understand this dynamic process of mediation, it is necessary to move beyond the dichotomy of ‘national/international and global’ as if they were successive stages of modern social organisation. It is inadequate, however, to conceptualise them as ideal-types and to show how each captures *some* aspects of *all* periods of modernity.<sup>45</sup> Such a perspective will not allow for the full recognition of the tensions and contradictions between the national and the global scales of capitalist modernity. For even when the nation-state was at the height of its control over social space, the social and geopolitical dynamics of modern development expressed the impossibility for capitalism to be merely national/international.

An alternative perspective would look at the changing *spatialisation strategies* of states, classes and firms (and their actively produced conjunctures), through which they seek to bridge the ‘non-coincidence’ of the spaces of regulation and accumulation, and which structured successive historical epochs in a non-linear way.<sup>46</sup> The *dialectic* of nationalisation and globalisation, of the territorialised and the de-territorialised preconditions for the reproduction and expansion of capital relations, thus has to become a central focus of IR/IPE.<sup>47</sup> Within this dialectic, we could then distinguish regimes of socially produced space, which mediate capital’s global class relations and thereby cut through the simplistic international/global dichotomy.

<sup>43</sup> Philip McMichael, ‘State Formation and the Construction of the World Market’, *Political Power and Social Theory*, 6 (1987), pp. 187–237, at p. 193–4.

<sup>44</sup> McMichael, ‘State Formation’, p. 194; note that the ‘era of British hegemony’ here also includes the age of rival imperialisms and the elaboration of the nation-state.

<sup>45</sup> Cf. Hirst and Thomson, *Globalization in Question*, ch. 1.

<sup>46</sup> On ‘territorial non-coincidence’, see Robin Murray, ‘The Internationalisation of Capital and the Nation State’, *New Left Review*, 67 (1971), pp. 84–108.

<sup>47</sup> This perspective is developed historically in Lacher: *The International Relations of Modernity*, ch. 8; also see Neil Brenner, ‘Between Fixity and Motion: Accumulation, Territorial Organization and the Historical Geography of Spatial Scales’, *Society and Space*, 16 (1998), pp. 459–81.

### World markets and territorial states: whither historical materialism?

In the pursuit of an alternative to both the state-centrism of the past, and the globalism purporting to represent the future, it is necessary to insist on the transnational nature of capitalism. Yet our understanding of capitalist modernity cannot be *simply* transnational, either, and submerge the international in the global along the lines of world systems theory. In fact, we have to challenge all the prevailing sociologisms, which can only conceive of society in unitary terms – whether as bounded national society (with the corollary of inter-national anarchy) or a single global society. To replace state-centrism with any sort of globalism cannot be the way forward for IR/IPE, whether for the present or modernity as a whole. As Fred Halliday points out:

To stress the broader, capitalist, character of the international system is not to argue that the social relations are in any simple sense transnational. Marx in the nineteenth century and much apparently contemporary sociological thinking make the same mistake in assuming that the state was simply being swamped by transnational processes.<sup>48</sup>

The structuration of capitalism's social relations cannot be understood in abstraction from the (changing) role of the national state in the spatial and social reproduction of capital (and *vice versa!*).

Are capitalist social relations therefore national or transnational?<sup>49</sup> If the best answer to this question is: both, it is nevertheless clear that this answer can itself be no more than a starting point on the road to a theoretical alternative. The problem, of course, is to conceptualise this relationship adequately and in a non-reductionist way. And even if historical materialism, on which I have relied to excavate modernity's global dimensions, may be better suited to excavating modernity's transnational aspects than most rival approaches, it is much less clear whether Marxists are also able to provide a convincing theory of its national and international aspects. In particular, can Marxism account for the role of the state and the interstate system in modern history, or does it simply replace state-centrism with class-centrism or economic determinism and replace the ahistorical theories still dominating IR and other social sciences with a transhistorical evolutionism?

That the conceptualisation of the international system, in particular, is a weak spot within the historical materialist framework has long been argued by its critics, Fred Halliday and Andrew Linklater foremost among them in the IR context;<sup>50</sup> it has also been accepted by at least some Marxists. Eric Wolf, for instance, notes that the 'division of the competitive arena among a number of rivalrous nation-states is one of the moot points of Marxian analysis'.<sup>51</sup> This lacuna needs to be filled; the issue

<sup>48</sup> Halliday, *Rethinking International Relations*, p. 92.

<sup>49</sup> Cf. Gamble, 'Marxism after Communism', p. 136.

<sup>50</sup> Halliday, *Rethinking International Relations*, ch. 4; Linklater, 'Marxism'; cf. Giddens, *The Nation-State and Violence*, p. 26; Michael Mann, 'Capitalism and Militarism', in Michael Mann (ed.), *States, War and Capitalism: Studies in Political Sociology* (Oxford and New York: Blackwell, 1988), pp. 124–45, at p. 140.

<sup>51</sup> Eric R. Wolf, *Europe and the People Without History* (Berkeley, CA: University of California Press, 1982), p. 419. In time-honoured fashion, Wolf immediately goes on to suggest: 'We can now see, more clearly than was possible in the nineteenth century, that nations and nation-states may be but historical products, built up over time and perhaps withering away in the face of new, transnational processes'.

confronting historical materialism is not simply the formation of state policy, but, more fundamentally, the explanation of the existence of bounded political communities in capitalist modernity. As we seek to understand contemporary 'globalization', Andrew Linklater points out, the 'challenging question is how to complete the unfinished Marxist project of problematizing the state and its boundaries'.<sup>52</sup> Without a clear understanding of the international system of sovereign, territorial states, analyses based on the extrapolation of current transnational tendencies may once again turn out to be as one-sided as those of Marx and Engels themselves.

*Does a historical materialist theory of the inter-state system already exist?*

We have to take note, at this point, of the emergence during the 1990s of a new body of Marxist scholarship on the international system that seeks to answer just this question. These 'open Marxists' share the notion that the crux of historical materialism is not the economic determination of politics (and other 'superstructures').<sup>53</sup> Instead, they see the starting point for a historical materialist theory of the international system in the idea that the capital relation is constitutive of the differentiated spheres in which modern society is organised.

In this perspective, the state and the market are *both* necessary social forms of the capital relation, as the very possibility of capitalism is premised on the removal of political coercion from the process of production and surplus extraction. The relocation of this modern form of 'political' power, which is no longer directly implicated in the privatised form of exploitation characteristic of capitalism, in a 'purely political' state is thus as much a capitalist social form as the capitalist market itself.<sup>54</sup> This, according to open Marxist theorists, is the basis for modern sovereignty. In fact, Justin Rosenberg suggests that sovereignty should be defined as 'the social form of the state in a society where political power is divided between public and private spheres'.<sup>55</sup> Simon Bromley similarly argues that 'the historical spread and social reproduction of these new types of social relations . . . accounts for both the national form and for the universal interdependence of global capitalism'.<sup>56</sup> Moreover, Bromley suggests that this simultaneously national and global existence of capital was no more threatened by the nation-state at the end of the nineteenth century than it is today by 'globalization'. Indeed, he argues that the

<sup>52</sup> Linklater, 'Marxism', p. 139.

<sup>53</sup> Peter Burnham, 'Open Marxism and Vulgar International Political Economy', *Review of International Political Economy*, 1 (1994), pp. 221–32. The substantial similarities between Burnham's premises and the starting points of other Marxist scholars of IR/IPE, like Mark Rupert, Justin Rosenberg, and Simon Bromley permit the application of the label 'open Marxism' to their theories. Note, however, that the term has also been used in reference to the rather different work of Robert W. Cox and other neo-Gramscian theorists; cf. André C. Drainville, 'International Political Economy in the Age of Open Marxism', *Review of International Political Economy*, 1 (1994), pp. 105–32.

<sup>54</sup> Cf. Rosenberg, Burnham, Rupert, Bromley.

<sup>55</sup> Rosenberg, *Empire of Civil Society*, p. 129. Cf. Mark Rupert, 'Alienation, Capitalism and the Inter-State System: Towards a Marxian/Gramscian Critique', in Stephen Gill (ed.), *Gramsci, Historical Materialism and International Relations* (Cambridge: Cambridge University Press, 1993), pp. 67–92.

<sup>56</sup> Bromley, 'Marxism and Globalisation', p. 287.

strengthening of state apparatuses since the late nineteenth century was itself part of the further globalisation of capital:

the growth of regulatory bodies and practices has, on the whole, served to provide the conditions for the expanded reproduction of capital on a global scale, thereby *underwriting* the sovereign form of political power that is the basis of the liberal capitalist states system.<sup>57</sup>

Conversely, today's globalisation, according to Peter Burnham, should be seen as but one particular instance of the ongoing 'national processing of global class relations'.<sup>58</sup>

Does this, then, constitute the basis for a theory of the international system that has eluded Marxists so long?<sup>59</sup> Unfortunately not.<sup>60</sup> The attempt of these open Marxists to ground the national/global dialectic in the conceptualisation of sovereignty as a capitalist social form is a solution that is more apparent than real. In the final analysis, the notion that, as Burnham formulates it, 'national states . . . are the political form of capitalist social relations',<sup>61</sup> is based on a fallacy of composition, moving too quickly from a state to the existence of multiple states. For, while their arguments accurately point to the close and systemic relation between the state and the market in capitalist modernity, they are insufficient to establish the *necessity* of the capitalist state being a national, territorial state which is itself part of a system of territorial states.

Capitalist modernity, then, may indeed involve and be premised on the separation of politics and economics. But that only explains the existence of *the* capitalist state, not of the *many* states of modernity. Put differently, the specifically capitalist separation of politics and economics, which gives an institutional form to the social relations of capitalist exploitation and domination, can only explain why capitalism entails a particular form of 'abstract' authority. It cannot explain, however, why the differentiated political space of capitalist modernity is itself fragmented along national/territorial lines, and thus why there is a multiplicity of capitalist states.

Open Marxists seem to focus on the former, while taking the latter for granted, accepting rather too quickly that the capitalist state *has to be* a national state simply because the capitalist state *is* a national state. Once again, these theories take the territorial state as given, rather than explaining its origin and relation to capitalism. Justin Rosenberg's equation of sovereignty with the abstractly political form of statehood characteristic of capitalism, for instance, patently conflates the particular nature of capitalist politics with its spatial organisation and does not establish why capitalist sovereignty is also based on exclusive (political) territoriality.<sup>62</sup> Marxism,

<sup>57</sup> *Ibid.*, p. 300.

<sup>58</sup> Peter Burnham, 'Open Marxism and Vulgar International Political Economy', *Review of International Political Economy*, 1 (1994), pp. 221–32.

<sup>59</sup> Note the similarity of these arguments, which suggest that the nation-state will remain the form of organisation of capitalism's political space as long as capitalist modernity exists, to the conclusions of Krasner and Thomson. Neither perceives a fundamental tension between the spaces of accumulation and regulation, though they differ on the interpretation of the sources of this differentiated system.

<sup>60</sup> Cf. Hannes Lacher: 'Making Sense of the Modern International System: The Promises and Pitfalls of Contemporary Marxist Theories of International Relations', in Mark Rupert and Hazel Smith (eds.), *Historical Materialism and Globalization* (London: Routledge, 2002), pp. 154–67.

<sup>61</sup> Burnham, 'Open Marxism', p. 224.

<sup>62</sup> Rosenberg, *Empire of Civil Society*, p. 129. John Ruggie, conversely, takes this exclusive territoriality to be the defining aspect of international modernity, ignoring the crucial differences in the *social relations of sovereignty* that have existed since the fifteenth century; Ruggie, 'Territoriality and Beyond'. A viable conceptualisation of the international of modernity requires equal attention to both aspects.

too, is caught in the ‘territorial trap’, and will remain caught in it as long as it fails to provide an adequate answer to the fundamental question formulated by Fred Halliday: ‘why, if there is a world economy in which class interests operate trans-nationally, there is a need for states at all. What, in other words, is the specificity and effectivity of distinct states within a single economic totality?’<sup>63</sup>

*The non-capitalist origins of territorial sovereignty*

In this final section, I will outline an alternative approach to this question, which starts from the idea that the institutional differentiation of coercive and extractive power relations is indeed a key to understanding capitalist social relations and their expression in social forms like the state and the market. But I suggest that if capitalist modernity is not characterised by the existence of *a* state and *a* market, but was and is organised in the specific form of many territorial states and a (world) market, this has little to do with the nature of capital itself, and all with the way in which capital came into existence.<sup>64</sup> Indeed, the territoriality of capitalist statehood may best be understood as a *historical legacy* from the pre-capitalist period. This argument ultimately hinges on the interpretation of absolutism in the development of modernity.

The view that both the ‘modern’ state and capitalism have their origins in the post-feudal period, and that their development was linked, is one that is shared very widely among theorists of IR and IPE, irrespective of paradigmatic orientation.<sup>65</sup> In this perspective, the absolutist state is taken to be at least the prototype of modern statehood, if not, indeed, the modern state itself.<sup>66</sup> A certain modification of this view has been developed by Perry Anderson, who argues that while the early modern period did see the rise of capitalist production relations – and in this sense pointed towards modernity – the absolutist state was developed as a bulwark to defend the aristocracy’s privileges and incomes in the face of the dissolvent powers of money. In this sense, the early modern state represents a form of political organisation that stands between feudalism and capitalism, and only becomes fully part of capitalist modernity through a series of bourgeois revolutions.<sup>67</sup>

<sup>63</sup> Halliday, *Rethinking International Relations*, p. 91.

<sup>64</sup> This argument, and its implications, are developed at length in Lacher, *The International Relations of Modernity*, ch. 6; the present summary, by necessity, raises more questions than it answers – but that is its purpose.

<sup>65</sup> As this perspective is so dominant, it may suffice to cite John Ruggie’s influential exposition of this perspective: Ruggie, ‘Territoriality and Beyond’.

<sup>66</sup> R.B.J. Walker critically notes that much of the understanding of ‘the state’ prevalent in IR is still shaped by an absolutist image of statehood: ‘questions about political identity, and thus about the legitimisation of various forms of inclusion and exclusions, are no longer adequately answered in the territorial terms we have inherited from early-modern Europe and reproduced so readily in the name of state and nation’: Walker, *Insidel/Outside: International Relations as Political Theory* (Cambridge: Cambridge University Press, 1993), p. 21. It should be noted that Walker’s critique of state-centrism does not suffer from most of the defects of the critique of state-centrism surveyed above, as his work, though influenced by the globalist rhetoric, does not assume that the modern state is fully comprehensible through its representations in the modern social sciences.

<sup>67</sup> Perry Anderson, *Lineages of the Absolutist State* (London: Verso, 1974), p. 19.

Now, current historical scholarship has had some difficulty identifying a capitalist bourgeoisie in supposedly 'bourgeois revolutions' like 1789; much doubt has even been cast on the presence of capitalist social relations in most parts of early modern Europe, including France. Historians like William Beik, David Parker, and Robert Brenner have therefore suggested that absolutism should be understood as a social formation *sui generis*, a fundamentally non-capitalist form of social organisation characterised by a form of state that was precisely not modern in the sense of being abstractly political.<sup>68</sup> The absolutist state was thus not simply, as Anderson would have it, the locus of political power through which the aristocracy reasserted its political power over a society in which surplus appropriation increasingly took place in a private 'economic' sphere; rather, this state was itself the apex of both the social relations of domination *and* exploitation, with the specifically absolutist 'tax/office structure' at its centre.

In short, then, there was no separation of politics and economics in absolutist society, precisely because this was not a capitalist form of society, not even one on a transitional trajectory. The transition from absolutism to capitalism only took place during the nineteenth century, under economic and geopolitical pressure from the only country in which a capitalist transformation had in fact taken place during the early modern period: Britain.<sup>69</sup> Rosenberg makes the important point that in this transition from absolutism to capitalism, the character not only of society, but of 'the political' was fundamentally transformed, as the state became a political state, institutionally divorced from the appropriation of surplus in the newly constituted economic 'sphere'.<sup>70</sup> But that does not imply that sovereignty can simply be decoded as a capitalist social form. To be sure, the social relations of sovereignty were transformed, but this transformation took place within a historical context in which the differentiation of the domestic and the international had long been achieved (the real accomplishment of the absolutist state). The capitalist separation of politics and economics thus took place within the framework of a pre-existing system of states claiming exclusive sovereignty over territorially demarcated realms.

The crucial point is, then, that the political space of capitalist modernity is fragmented along territorial lines not because of the nature of capital, nor as a result of the functional requirements of early (mercantile) capitalism. Capitalist world society is structured by an international system because it was born in the context of a pre-existing system of territorial states; this territoriality was reproduced even while the social relations of sovereignty were fundamentally transformed. The conceptualisation of the international relations of capitalist modernity thus has to start from the recognition that the modern international system is not of capitalist origin, yet has had (and continues to have) a profound impact on all aspects of the social, political, and economic reproduction of capital. That is not to say that there is an independent, transhistorical logic of 'the (geo)political', or that capitalist modernity somehow

<sup>68</sup> William Beik, *Absolutism and Society in Seventeenth-Century France* (Cambridge: Cambridge University Press, 1985); David Parker, *Class and State in Ancien Regime France: The Road to Modernity?* (London: Routledge, 1996); Robert Brenner, 'Bourgeois Revolution and Transition to Capitalism', in A. L. Beier, et al., *The First Modern Society* (Cambridge: Cambridge University Press, 1989), pp. 271–304.

<sup>69</sup> Brenner, 'Bourgeois Revolution'; Wood, 'Modernity'.

<sup>70</sup> Rosenberg, *Empire of Civil Society*, p. 130ff.

still coexists with an ‘absolutist’ international system. We need a mode of theorisation that goes beyond historical sociologies of both the Weberian and the Schumpeterian type; yet clearly, the various Marxist alternatives – from economic determinism to Hegelian and Althusserian concepts of ‘totality’ – are equally inadequate to conceptualise the ways in which territoriality has become internalised into the very logic of the process of capitalist development. However, such a methodology is required in order to come to an adequate understanding of the simultaneously national and global form of capitalist social relations, and of the national/global dialectic.

## Conclusion

The argument of this essay has been that current processes of global integration cannot be understood through theoretical models that posit a transformation from the international to the global. Rather than shift social theory from methodological nationalism to globalism, these processes should make us rediscover the global dimensions of modernity itself. I have stressed that nation-statism was not simply a methodological assumption whose usefulness may have come to an end as the world has changed as a result of the operation of global forces. Without recognition of the praxeological dimensions of state-centric social theory, there is a great danger that we will once again reify supposedly ‘objective forces’ beyond social control, and replace one myth with another. What we need is an approach to understanding social life that is capable of grasping the dialectical relationship between the national and the global in modernity. I have suggested that historical materialism provides the most promising resources for this undertaking. Its problem, however, is the conceptualisation of modernity’s national/international dimension, and the theorisation of the dynamic relationship between the national and the global.

The suggestion that Marxists, and other approaches embracing the critique of state-centrism, may need to spend more effort on understanding the territorial state may be regarded with irony by some readers who remember that the aim stated at the outset of this article was the excavation of modernity’s global aspects. Ultimately, however, my argument suggests that only a dialectical understanding of the relationship between modernity’s national and global dimensions (and a theory of *why* there is such a dialectic of differentiated special scales in capitalist modernity) can prepare the ground for an answer to the question whether, this time around, our future will be marked by the transcendence of the territoriality of political authority, or whether it will be just another episode in the ‘rise and rise of the nation-state’.<sup>71</sup>

We transcend state-centrism not by shifting to globalism, but by questioning the ‘nation-statist conceit’, the notion that the nation-state was the true master of space over the last century (if not three) before ‘globalisation’ started to ring in the new age. Indeed, as Cameron and Palan note, the irony of the contemporary globalisation debate and the critique of state-centrism is that ‘the concepts of the nation-state and the national economy have never been so widely and uncritically accepted

<sup>71</sup> Cf. Mann, ‘Globalization’.

as at the time of their (alleged) passing'.<sup>72</sup> One of the most debilitating consequences of globalisation theory is precisely that it entices us to hold on to the myth of the nation-state, if only for the past, even while postulating an equally mythical (and often mystic) global future that supposedly takes us beyond modernity. The dualism that informed the state-centric construction of reality is thus reproduced in the globalist reconstruction, even while the polarities are switched. The real challenge of globalisation is to begin the reappropriation of the past in order to understand the present – and to shape the future. Historical materialism still provides some keys to this endeavour, though theoretical advance may, as I have indicated, require a change of tack from previous paths of exploration.

<sup>72</sup> Angus Cameron and Ronen Palan, 'The National Economy in the Contemporary Global System', in Martin Shaw (ed.), *Politics and Globalisation: Knowledge, Ethics and Agency* (London: Routledge, 1999), p. 53.