

Workshop Material flows and the global division of labor: Inequalities and dependencies in the world economy.
 Jena, Germany
 The Research Group “Post-Growth Societies” at the University of Jena, Germany (<http://www.kolleg-postwachstum.de/en/Homepage.html>)
 Institute of sociology at the University of Jena
 17th and 18th January, 2019

Expropriations: post-growth or the expansion of capitalist social relations?¹

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The theme of growth, or of capitalist development, can be approached from various angles. I have insisted that although the reduction in economic growth rates and profit rates *affect* the capitalist system as a whole, triggering crises of various orders, there are no signs that the expansion of *capitalist social relations* is slowing down. The regressive movements and pressing new problems – especially extreme inequality and the environmental tragedy – have not limited the pace of global growth in capitalist social relations.

To understand this process, I avoid situating capitalism based on economic indicators, which dramatize the decline in growth, but rather based on the relations that sustain the system and that reveal capitalism’s ferocity *as it is* at present.

I attempt to address the analysis of contemporary capitalism from three angles: 1) relations between capital and labor, 2) class struggles, and 3) the forms of capitalist domination and the state. The link between these dimensions led me to define the long post-1945 period as *capital-imperialist*, since it modified imperialism by shifting it to a higher scale.

1) Capital and labor

These two categories can only be conceived jointly. Capital is a social relation that pits owners of dead labor in monetary form against workers that are forced to sell their labor power. The existence of fictitious sums of capital in cyberspace has the material effect of deepening the real conditions of labor’s subordination to capital.

The scale of concentration and centralization of capital has reached unprecedented levels in the last 50 years, involving a *tense and unequal* global consortium of imperialist bourgeoisies, under the predominance of the United States, joined by Europe and Japan. They have all transnationalized their capitalist corporations and enterprises, associating with other bourgeoisies (semi-peripheral or peripheral), who in turn expand their social relations within their own territories and thereby endeavor to ascend into the central inter-bourgeois agreement, as for example by establishing the BRICS group (Brazil, Russia, India, China, and South Africa).

In his time, Marx observed the separation between property and the moment of value extraction resulting from capital’s tendency to centralization and concentration. The owners of interest-bearing capital (money undergoing appreciation) *apparently* opposed the functioning capitalists (extraction of surplus value), whether or not those functioning capitalists owned the means of production³. Nevertheless, the larger the mass of monetary capital undergoing appreciation, the more it propelled functioning capitalist (who then acted through factory enterprises). This contribution was the point of departure for Hilferding and Lenin to identify the ‘intimate union’ between banking capital and manufacturing capital, namely financial capital.

We need to follow Hilferding and Lenin’s lead and return to Marx to unveil the material form by which the new scale heightens capital’s centralization and concentration. Contemporaneity

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3 Marx, K. *Das Kapital*. Public domain, 1985, Volume 3, especially Chapter 21.

highlights the characteristic of *specifically capitalist property*, or the *abstract* ownership of money, whose existence as capital impels it to self-appreciation by draining living labor. Capitalist ownership is not merely owning *things*, but the capacity to extract surplus value. It extends beyond all the previous historical forms and reveals its nerve center: *domination and command* over the *social resources of production* (and not only the direct control of the means of production), as well as the capacity to tie these resources to workers reduced to the need for (and availability for) the market.

The last two centuries have witnessed a tendency to take for granted a legal definition of property that would appear to encompass all forms of control over *things*. It appears to defend any and all property, but its core is the ownership of *capital*, which covers and updates the preceding forms of property, defends them nominally (juridically), while devastating them permanently and affirming its own prominence. Enterprises and corporations remain essential as spaces for functioning activity, but their functions can be dismembered, divided, outsourced, relocated, or closed, and not only through the excessive greed of shareholders or banks (although this also frequently occurs). The ownership of capital has been concentrated thenceforth in *enterprises of pure property* (holding companies or funds, including banks), while their needs for the extraction of surplus value became pharaonic, exerting enormous pressure on functioning capital and workers. As I mentioned in a previous study, the movement of this mega-concentration is threefold: it tends to *capture all the available resources* in order to convert them into capital; it needs to promote the *availability of growing masses* of the world population, reduced to pure labor power; and finally, it transforms *all human activities* into labor, that is, in forms of value production/extraction.⁴

The pace of centralization and concentration of capitals is the same as the expansion of various modalities of expropriation, which supply growing masses of workers for exploitation. The economic base on which capitalism is founded is the extraction of surplus value, but there is a social base that is necessary in order for surplus value to be extracted. Capitalism is permanent *expansion* and *intensification* of the massive availability of social beings, tending to encompass the entire global population, converted into pure need, in an unprecedented willingness (and even latent desire) to sell the labor power under any conditions. This is the social base needed for a supposedly free “economic” market to be able to spread.

Contemporary expropriations are complex phenomena. Some authors have attempted to understand them as a moment prior to capitalism, assuming a non-coercive ‘normalization’ after reaching the peak expulsion of workers from the land. In this sense, the current process supposedly differs from the ‘original’⁵. Marx does not appear to assume this. For him, expropriations are the initial social condition, means, and the result of capitalist expansion.

Since capitalism constitutes and depends on states but is not limited to them, the movement of imperialist expansion beyond the borders of the central countries extended the expropriations of peasants throughout the world. In the early 21st century, when the vast majority of the world population lives in cities, the expropriative movement continues. Masses of workers are tossed into urban capitalist social relations – with or without jobs – and need to exist. They are encapsulated in their home countries (until when?) by states, borders, languages, cultures, and passports⁶. Their national isolation prevents direct competition with workers from other countries.

However, the movement of capital itself, destroying barriers to its circulation, produced brutal competition between workers living thousands of kilometers from each other and created the

4 FONTES, V. *O Brasil e o capital-imperialismo. Teoria e história*. Rio de Janeiro, Ed. UFRJ/Ed. EPSJV-Fiocruz, 2010. Available from: http://www.epsjv.fiocruz.br/sites/default/files/brasil_capital_imperialismo.pdf

5 See HARVEY, David. *The New Imperialism*. Oxford University Press, 2003.

6 A recent article highlights that the majority of the Honduran migrants heading for the United States are actually urban, “belonging to the precarized middle class and poor, exploited people and stigmatized groups like LGBT”, while the peasants continue to struggle bravely to resist being thrown off their lands. ALMENDAREZ, Juan. *El Hambre declara la guerra ao Estado Necropolítico Imperial*. In: <https://www.alainet.org/es/articulo/196558>, 15/11/2018. Accessed 16 Nov. 2018.

conditions for new expropriations, quickly and widely affecting the already urbanized populations. These secondary expropriations reproduced the format of the old Parliamentary Enclosure Act⁷, extinguishing employment rights (promotions, careers, retirement pensions, etc.) and then encroaching on labor contracts (flexibilizing them, outsourcing them, or even suppressing them), backed ruthlessly by the necessity of such masses, stripped of their means of subsistence.

The secondary expropriations did not stop at this point. They proceed relentlessly, impacting the biological attributes of natural beings and humans, freshwaters and seas, forests and their inhabitants, among other environmental factors, and human reproductive care, and not only expropriating the social beings but turning the previous means of subsistence into capital, subordinating them all to capital's commands. Workers' layoffs are not identical to the expropriations, because the latter turn the means of subsistence into capital. Mass layoffs (for technological or other reasons) may nevertheless level the field for new expropriations by intensifying the competition they impose on workers.

2) Class struggle

Social struggles appear to have found a new starting point in the 1970s, when many authors celebrated the end of class struggles with the emergence of 'new' social movements. Many authors were fascinated by the 'new' possibilities for inclusion, citizenship, and democracy and were either troubled by or celebrated what was purportedly the 'end of labor'. They criticized, with good reason, the parties (communist or social-democratic) for failing to perceive the new social conditions. Some even approached the discourse of capital which has announced the end of labor from time to time, ever since the introduction of steam-powered spinning jennies and looms in the late 18th century.

Still, capital is not a 'thing', but a social relation. It does not exist without labor. On the contrary, the most totalitarian characteristics of capitalist relations were aggravated, their scale of activity having been launched in the post-war period, altering ways of life unequally, but in practically the entire world. The resulting conditions of mega-ownership of capital and the increase in the number of workers in the world disorganized the traditional forms of organization of the workers, whose collective defenses (economic and by industry) depended on rights, considered almost as the workers' collective 'property'. Growing masses of workers who were stripped of rights and needed and wanted to sell their labor power – inside and outside the states' borders – created growing and devastating competition.

The classic factory configuration of the working class was changing, but not the processes of partisan encapsulation at the national levels. The grand social struggle that emerged since 1968 no longer fit in these spaces: women's struggles, the fight against racism, and environmental and urban struggles.

However, the masses and working classes do not struggle in a vacuum. Capital reduces them to workers, but they remain active, creative beings. Their energy in the struggle can produce immediate defeats for the bourgeoisies, but if they do not deal with the general conditions for capitalist sociability, their action can result in more acute forms of their own subalternity⁸.

In the post-1945 period, workers in the central countries made a series of gains, but barricades were erected and institutionalized (under the direction of the United States) to contain the expansion of these popular struggles. These included official international agencies such as the North Atlantic Treaty Organization, the World Bank group, and the International Monetary Fund, as

7 WOOD, Ellen M. *As Origens do Capitalismo* [The Origins of Capitalism], Rio de Janeiro: Zahar, 2001, p. 91-92

8 Marx defended wage strikes but identified their limitation, namely that they stayed within capitalism's own terrain. When workers succeed in obtaining wage increases, they gain experience in the larger struggle. However, their action can result in changes in capital's organic composition, leading to new decreases in labor's value. Marx concludes: "Instead of the conservative motto, 'A fair day's wage for a fair day's work!' [the working class] ought to inscribe on their banner the *revolutionary* watchword: 'Abolition of the wages system!'" Marx, Karl. *Value, Price and Profit*. New York, International Co., Inc. p. 30.

well as semiofficial organizations like the World Trade Organization, all with strategic roles in the economic and intellectual fields⁹. Academic intellectuals and occupants of high government positions circulated through them all.

More subtly, since the end of World War II, private devices for corporate hegemony were expanding¹⁰, focusing on the explicit exercise of political functions, although defining themselves as nonpartisan. Some modalities were central to the growth of this corporate civil society¹¹, such as research centers and think tanks and/or ‘development’ associations that promote inter-bourgeois consensuses, mitigating occasional tensions and fostering the dissemination of similar ‘non-profit’ entities in the countries where the multinationals are installed.

Under a philanthropic cloak, they attempted to adjust intellectual sectors (through grants, calls for projects, and scholarships) and to establish palliative measures for the lower classes, given the conditions resulting from capitalist expansion. Rather than dealing with the causes of the production of inequality, they sought to stabilize poverty. In all the cases they opened an enormous breach in the defenses of the masses and working classes.

These private devices for corporate hegemony, or corporate civil society, did not present themselves as defenders of specific companies, but furnished *pragmatic, technical, management, cultural, and programmatic* elements for conflict mediation in the action and expansion of capital-imperialism. They were more agile than governments or armies to disseminate standards of bourgeois action, consumption, and sociability. Especially beginning in the 1990s, they promoted cosmopolitan careers by training and employing militant ideologues capable of acting in different cultures and at different paces.

The class struggles were complexifying, and given their growing internationalization (visible in the dimensions of inequality, feminism, anti-racism, or environmental defense), various business groups invested in private apparatuses of hegemony to channel them, even into official institutions like the World Bank Group.

Some authors doubt that these are class struggles. The only obstacle to understanding them this way is the historically limited assumption that the working classes are defined by the labor contract and by the factory type of activity for extracting surplus value. This would be tantamount to claiming that the working classes are not defined by their social condition, but by what the bosses say about them, that they are defined not by their struggles, but by their juridical definition. For this type of interpretation, the social extension of expropriations only means the production of an ‘excess’ population, unnecessary for capital and disposable. The actual forms of exploitation by capital that impacts them become invisible.

This interpretation fed – and still feeds – a recurrent corporate discourse, echoed by their private apparatuses of hegemony, that praises capital while threatening to eliminate ... workers. The growing industrialization of education and health evidences new formats for the extraction of surplus value, as do the so-called ‘technological’ or shared activities like Uber, which in January 2018 was extracting value from more than 3 million motorists in the world, of whom 500 thousand

9 cf. PEREIRA, João Márcio Mendes. *O Banco Mundial como ator político, intelectual e financeiro*. Rio de Janeiro, Civilização Brasileira, 2010.

10 My point of departure is the analysis by Antonio Gramsci on the capitalist state and the close link between civil society (private apparatuses of hegemony) and political society (or state institutionality). See GRAMSCI, A. *Selections from the Prison Notebooks*, ElecBooks, London, 1999, especially “Brief Notes on Machiavelli’s politics” pp. 316-332.

11 These private apparatuses of hegemony forge an ‘organic elite’ which acts as the conscience of an organized dominant class, “producing studies, analyses, and surveys on the principles of public policy and corporate policy (...) while the state establishes the mediation between the structure of the dominant class and class conflict – conducting *private diplomacy and effective policy in contraposition to the official public policy*”, in addition to implementing “mobile action fronts” by which it ensures that its own terms and purposes are taken for granted. DREIFUSS, René Armand. *A Internacional capitalista. Estratégia e Táticas do Empresariado Transnacional (1919-1986)*. Rio, Espaço e Tempo, 1986, pp. 27-30. My italics, VF.

in Brazil alone¹². Or the data capture and election formatting companies (see Brexit, Trump, and recently Brazil). The high-tech activities work in various directions and contribute to expanding the direct subordination of labor power, with no contractual intermediation or rights. It is not the end of the working classes, but their expansion and profound reconfiguration¹³.

3) the forms of capital-imperialist domination and the state – The tense and contradictory interlocking ownership of the means of production and the highly centralized ownership of the *social resources* of production, alongside corporate civil society, shaped a peculiar profile for the dominant classes on an international scale, but without breaking away from the bourgeois foundations of their original states and territories. It complexified the tensions between the bourgeois sectors, which began to involve domestic and international issues simultaneously. Many of the characteristics identified by the Marxist theory of dependency (especially by Ruy Mauro Marini) persist, but the social terrain of the international division of labor changed and needs to be taken into account.

The role of the states was focused on ensuring the reproduction of the set of dominant processes of production, reproduction, and sociability and to contain and adjust the working classes, even while incorporating some of their demands subordinately. This role was adapted (in fits and starts) to impositions by capital's reproduction as a whole. The enormous tensions generated by capitalist expansion only found an escape valve in a handful of central countries until the late 1970s, when they began to be treated as obstacles to capitalism. From then on, far from producing partial solutions to the social crises (as previously), they themselves began to produce social crises to guarantee solutions for the expansion of capitalist social relations.

The tensions within classes and the struggles between social classes that resulted in the exponential growth of private apparatuses of hegemony, springing from the people's demands and sensitivities, or on the contrary, various corporate devices, had a profound impact on the states. We hypothesize that through some entities in this corporate civil society (nonpartisan but not apolitical), foreign capital interests coupled with similar domestic sectors entered into public policymaking itself¹⁴ (first economic policies and then public initiatives as a whole, including diplomacy). In the Brazilian case, this is evident in the definition, implementation, and evaluation of public policies in education and health. Another example of this corporate hyper-activism, demanding development and acting in various directions through its private apparatuses of hegemony, steadily undermined the classic bourgeois institutions themselves, depleting even the party structure itself¹⁵.

New issues

In light of this current context, I conclude by identifying some contradictions stemming from the explicit imposition of capital's totalitarianism. The rise in inter-capital-imperialist tensions is the first such contradiction; the second is the growing difficulty in containing the masses of workers within borders made porous by capital's own pressure (Africa, Middle East, Latin America); the planetary scale of the environmental and social tragedy counterposed to the limitation of struggles encapsulated within states; the increase in widespread confrontations arising from masses of unequal workers; and finally the encroachment of autocratic and violent modalities to

12 <https://www.uber.com/pt-BR/newsroom/fatos-e-dados-sobre-uber/>, accessed 10 Nov 2018.

13 FONTES, V. Capitalismo em tempos de uberização: do emprego ao labor. *KALLAIKIA – Revista de Estudos Galegos*. Galiza (Espanha), N. 2, junho de 2017, pp. 88-112.

14 The issue of foreign interests sustained by native imperialist bourgeoisies was analyzed accurately by Nicos Poulantzas, who nevertheless did not analyze corporate civil society's activity. See POULANTZAS, Nicos. *Les classes sociales dans le capitalisme d'aujourd'hui*. Paris, Seuil, 1974.

15 See FONTES, V. Hegemonismos e política: que democracia? In: MATTOS, Marcelo Badaró (Org.). *Estado e formas de dominação no Brasil contemporâneo*. Rio de Janeiro, Ed. Consequência, 2017.

contain popular struggles. Whoever imagines that it is possible to turn back in time and resume attempts to control or civilize capital is doomed to failure.