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Capitalist Globalization as World-Historic Context: A Response

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I am grateful for the opportunity to respond to these six commentaries on my essay, *Global Capitalism Theory and the Emergence of Transnational Elites*. An adequate response requires that I go beyond the particular matter of elites in development and the rise of transnational elites in the former Third World that is the focus of my essay. As well, the six commentaries approach my arguments from divergent angles and concerns; given the absence of a common thread running through them I will respond to each in turn.

Vijay Prashad suggests my work is moving towards a 'theoretical ethnography of Davos Man' – he is right – and then raises three misgivings related to such a theoretical ethnography. He suggests I may overstate the extent of new global circuits of accumulation and asks if 'semi-globalization' is 'a better description of reality?' But whether 'semi-globalization' or 'globalization' is a better description is to confuse globalization as a process with globalization as a condition or as a (presumably finished) state. Capitalist globalization is an ongoing, unfinished, and open-ended *process*, and one that is contradictory and conflict-ridden, driven by social forces in struggle; it is *structure in motion, emergent*, with no consummated end-state. In the dialectic, emergent means there is never a finished state, only open-ended process driven by contradictions, in this case by ongoing struggles among contradictory social forces worldwide.

In the dialectic approach, this qualitatively new epoch of global capitalism has evolved out of the internal dynamics of the system itself and does not imply that older aspects of the system, such as the nation-state, local or national capitals, or North-South inequalities, no longer exist. In this conception it makes no more sense to speak of 'semi-globalization' than it does to speak of a 'semi-epoch'. Mercantilism was a world-historic epoch that contained elements of prior tributary and feudal epochs and competitive industrial capitalism contained elements of both these as well as of mercantilism. What characterized the epoch of industrial capitalism was the hegemony of industrial-finance capital over mercantile, tributary, and other elements within a world capitalist system that articulated these different elements into a particular configuration of worldwide social forces and power relations.

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Hence, I do *not* suggest, either in this essay or in any of my work that in this new epoch of global capitalism global circuits of accumulation have done away with local circuits (whether sub-national, national, or regional). Rather, transnational capital is the hegemonic fraction of capital on a world scale. There are still local and national capitals and their circuits, as I state in my essay, but transnational capital is that fraction which imposes the general direction and character on production worldwide and conditions the social, political, and cultural character of capitalist society worldwide. I do not disagree with Prashad that 'the nation-state or regional containers [are] fundamentally important as zones of economic and political activity'. Yet these zones have for over five centuries been articulated to a larger world capitalist system. In what ways may these articulations be experiencing transformation and how may the world-historic transformations associated with global capitalism involve transformations in the class relations and social structures of particular nation-states or regions? Can we ask to what proportion or in what magnitude transnational capital and its social agents predominate around the world, or to what extent local capitalist groups are integrated into global circuits? In part, this will depend on the particular historical and contemporary circumstances of distinct countries and regions. However, surface appearance and outdated paradigms are unlikely to reveal the multilayered ties that bind local agents in new ways to global structures and processes.

Prashad observes that 80 percent of global stock market investment takes place in companies that are based in the nation-state of the investor, and that exports make up only a quarter of the world's economy. And he suggests that large Indian-based conglomerates such as Tata and Birla and Reliance are more national with transnational ambitions. But these observations do not tell us very much and are quite misleading. In recent decades stock markets have opened up in countries all over the world. There are now stock exchanges in some 120 countries, from Afghanistan and Vietnam to Bangalore in India, from Botswana and Nigeria to the capitals of all five Central American republics. These markets are integrated with one another. This means that an Argentine can channel investment via the Buenos Aires stock exchange into companies from around the world, while investors from around the world can channel their investment into Argentina via the Buenos Aires stock exchange. And beyond the stock exchanges, investors anywhere in the world need no more than internet access to invest their money through globalized financial circuits into mutual and hedge funds, bonds markets, currency swaps, and so on.

I am not particularly familiar with the Indian case, which cannot be generalized for the global South, much less for the world as a whole. Yet the Reserve Bank of India (RBI) allows foreign investment up to 49 percent in stock exchanges, depositories and clearing corporations, and *The New York Times* reported in 2010 that 'India has become a destination of choice for financial investors. In the first nine months of the year, foreigners invested $28.5 billion in Indian stocks and bonds – more than twice what they invested in the comparable period of 2009' (Bajaj, 2010). The Tata conglomerate is now the single biggest manufacturer in the United Kingdom, having bought Jaguar, Land Rover, Corus (formerly British Steel), Tetley Tea, Brunner Mond (chemicals), and other holdings. According to *The Economist*, its UK holdings account for 60 percent of the conglomerate's revenues (*Economist*, 2011b). But even if Tata were an exception, there is more than meets the eye when attempting to identify the connections that transnationalize class groups that at first blush may appear as national.

It may be true, as Prashad suggests, that most Indian capitalists invest their money in India-domiciled companies. But the domicile of a transnational corporation does not tell us very much because of the complex webs and onion-like layers of transnational ownership of these companies, including institutional investors, mutual fund investment, and so forth, which in turn bring together other sets of individual and institutional investors from around the world. General Motors is domiciled in the United States but that hardly means it is a 'US' company. Anyone in the USA who invests in GM is investing in networks of capitals spanning the globe and involving a circuitry of finance capital that is utterly impossible to disentangle along any national lines. The individuals that invest in a Chilean institutional investor group which in turn invests in GM, in a mutual fund managed on Wall Street (really, it is managed in cyberspace), or in global bond markets, will appropriate values that are generated in transnational circuits of accumulation and hence are inserted into transnational class relations. The domicile of a transnational corporation (TNC) tells us very little about identity and class interests. It does not allow us to ascertain where a TNC's production circuits are located nor where its products are marketed. Prashad states that exports make up only a quarter of the world's economy. But this tells us little about transnational class relations. If for instance much of what is traded locally in a single country is produced in whole or in part by TNCs, either directly, or through chains of subcontracting, outsourcing, partnerships and alliances, these are global economy products produced and marketed locally.

I could go on identifying the endless channels through which local agents are swept up into global class relations. But in order to appreciate the emerging global class structure we need to conceptualize in new ways, even to use new language. In the end, the problem is an outdated yet tenacious nation-state-centric framework of analysis, so that we tend to see data and conceive of social processes and relationships in terms of how they fit into nation-states and the inter-state system. Nation-state/inter-state paradigms place a particular template over complex and changing reality. Everything has to fall into place *within* the template – its logic, the picture it portrays. Explanations cannot be *outside* the template. In this sense, nation-state-centric paradigms are blinders. They prevent us from seeing structural connections and from conceiving processes, events and relationships in global society in new ways. Critical inquiry involves the ability to step out of established paradigms that become taken for granted even as the social and historical conditions that gave rise to these paradigms undergo transformation.

We need a paradigmatic break with nation-state-centric modes of conception in order to move beyond the incommensurability that imbues much of the debate on globalization.

And this is the problem with Prashad's second misgiving. He asks if 'Davos man [is] truly global or is this new evolutionary development a mask for G7 Man?' I am of course outraged by the neo-imperial arrogance and by the criminality of the practices of the historically metropolitan states as well as the grossly asymmetric power relations that adhere to *inter-state* relations. But this cannot blind us to an objective analysis that moves beyond a nation-state/inter-state framework. Even if elites that originate in historically metropolitan countries predominate in a snapshot of Davos Man, these elites and others from around the world rapidly joining the ranks of Davos Man do not accumulate their capital, and nor do they reproduce their status and power, from older national economies or circuits of accumulation but from new transnational ones that are open to investors from around the world and from which spring forth dense networks. If these G7 elites utilize their disproportionate power in the global system the significant questions are: to what end? In whose interest? Who (what class and social groups around the world) benefits from the wielding of that power? I suggest that the interests being met are those of transnational capital. The G7 meetings attempt to stabilize global capitalism, which is in the interests of those social and class groups around the world who are integrated from above into global capitalism and whose own reproduction depends on a stable, open and expanding global economy. This is in distinction to older anti-colonial, ISI, and nationalist elites whose interests were often in contradiction with those of metropolitan capital, and later on of transnationalizing capital. Third World elite groups in the previous epoch of world capitalism had to utilize local states and promote local accumulation in their aspirations for core social status or to acquire capital and power. This was so because of the structure of the world capitalist system in previous epochs, a structure generated by the particular form in which capitalism spread outward from its original heartland through colonialism and imperialism.

To the extent that this global capitalist epoch continues to emerge transnational capitalists and globalizing elites in the former Third World – *and* from the former First World – can now aspire to detach themselves from local dependency – the need to generate a national market, to assure the social reproduction of local subordinate groups, and so forth – and instead utilize the global economy to accumulate capital, status, and power. This does not resolve, and indeed aggravates, the legitimation crises of local states in both North and South; this is the contradictory and crisis-ridden nature of global capitalism. Yet British and US elites no longer need to build up a domestic labor aristocracy in pursuit of their class and group interests. The fact is that Carlos Slim has inconceivably more social power than the mass of US workers, as do the Middle Eastern or Chinese elites that control sovereign wealth funds, and so on. I will return to the matter of uneven accumulation momentarily.

More to the point, the global capitalist system developed out of the historical structures of world capitalism. The system's centuries-long expansion out of its European birthplace and later on out of other metropolitan centers means that emerging global structures are disproportionately dominated by agents from those regions. What has concerned me and what I have consistently emphasized in my work are:

1) the direction of change; and
2) the qualitative change and discontinuities associated with the epochal shift from nation-state to transnational capitalism from the 1970s and on.

Regarding the first, there is no doubt that Davos Man is moving towards an ever greater integration of transnationally oriented elites from across the globe. The World Bank reports that the South to North share of cross border mergers and acquisitions rose from 4 percent to 17 percent between 2003 and 2010, and that southern firms account now for more than one-third of worldwide foreign direct investment (FDI) flows (*Economist*, 2011a). The World Economic Forum is qualitatively different in this regard from earlier Northern transnational elite forums such as Bilderberg or the Trilateral Commission. Davos Man is disproportionately European (and vastly disproportionately male). Yet this is less Colonial Man of yesterday than Global Capitalism Man of today.

This brings us to Prashad's final misgiving. He asks if there are not fundamental contradictions between the G7 and the BRICS (Brazil, Russia, India, China, and South Africa) countries. I think not. A fundamental distinction we want to make in the social sciences, one essential to understanding global capitalism, is between surface phenomena and underlying essence. We must move from the surface level dynamics of inter-state political relations in order to get at the underlying meaning of G7-BRICS dynamics. We must not overemphasize political jockeying in the arena of international relations. The relationship between politics and economics is complex. Latin American Marxists have understood a number of left-populist revolutions in that region in the 1960s and the 1970s, such as that led by Juan Velasco Alvarado in Peru in 1968, less as anti-capitalist challenges than as movements to bring about more modern class relations in the face of the tenacity of the antiquated, often semi-feudal oligarchies, and thus to renovate and free up capitalism from atavistic constraints to its full development (see e.g. discussion in Robinson, 2003). Similarly, BRICS politics aim to force those elites from the older centers of world capitalism into a more balanced and integrated global capitalism. As I note in my essay, China has repeatedly proposed not that the yuan become the new world currency but that the IMF issue a truly world currency not tied to any nation-state. Such a move would help save the global economy from the dangers of continued reliance on the US dollar, an atavistic residue from an earlier era of US dominance in a world system of national capitalisms and hegemonic nation-states.

There is nothing in BRICS politics and proposals that stands in any significant contradiction with global capitalism. On the contrary, by and large the BRICS platform pushes further integration into global capitalism. Brazilian and southern opposition to the subsidy regime for agriculture in the North is not opposition to capitalist globalization but precisely to a policy that stands in the way of such globalization. BRICS politics have sought to open up further the global system for elites in their respective countries. Some of these efforts do clash with the G7, but BRICS proposals would have the effect of extending and contributing to the stabilization of global capitalism, and in the process, of further transnationalizing the dominant groups in these countries. This is not a case of the old anti-colonialism and cannot be explained in the context of earlier First World-Third World contradictions that do not capture the current dynamics. Prashad misreads the economic and political protagonism of BRICS elites. Far from indicating a polarized confrontation or antagonistic interests, this protagonism has for the most part been aimed at constructing a more expansive and balanced global capitalism.

Let us look at this matter further. Brazil has led the charge against northern agricultural subsidies. Its argument was that such subsidies unfairly undermined the competitiveness of Brazilian agricultural exports. Brazil was seeking *more*, not *less*, globalization; a global free market in agricultural commodities. Who in Brazil would benefit from the lifting of northern agricultural subsidies? Above all, it would benefit the soy barons and other giant agro-industrial exporters. And who are these barons and exporters? A study of the Brazilian economy reveals that they are agribusiness interests in Brazil that bring together Brazilian capitalists and land barons with the giant TNCs that drive global agribusiness, and that themselves in their ownership and cross-investment structures bring together individual and institutional investors from around the world, such as Monsanto, ADM, Cargill, and so forth (Patel, 2007: 197–200). Simply put, 'Brazilian' agricultural exports are transnational capital agricultural exports. Adopting a nation-state-centric framework of analysis makes this look like a Brazilian national conflict with powerful northern countries. If Brazil had got its way it would have furthered, not curtailed, capitalist globalization and would have advanced the interests of transnational capital. Breaking with nation-state-centric analysis does not mean abandoning analysis of national level processes and phenomena or inter-state dynamics. It does mean that we view transnational capitalism as the world-historic context in which these play themselves out.

Prashad says the national bourgeoisie – what 'national' bourgeoisie? I believe this term itself is highly misleading – has 'ambitions that exceed a simple comprador alliance with the Davos crowd'. Of course it does – that is my whole point! The bourgeoisies of the former Third World seek to become full-fledged members of the Transnational Capitalist Class (TCC)!

For her part, Murray summarizes my arguments as they appear in the present article and in other works of mine. She reviews some of the debate these works have generated, observing that my critics have charged me with being ahistorical, with dismissing the nation-state, with conflating description with explanation, and with a reductionist approach to the analysis of state power. She dismisses several of these criticisms, and I have addressed a number of them elsewhere (see e.g. Robinson, 2009). What I wish to highlight here is Murray's own path-breaking work on stock ownership in TNCs. What is interesting about her research on Australia is the increasing ownership of Australia-based companies by giant transnational private financial institutions such as Citibank and HSBC, as these institutions even more so than industrial or commercial undertakings bundle together worldwide investor groups through transnational financial circuitry.

Carroll accuses me of 'planet level generalizations, offering only a blunt instrument for sociological analysis'. Carroll should know that macro-social theories are by definition 'blunt instruments' insofar as they only become 'sharpened' to the extent that they are applied and tested empirically in the concrete world. The back-and-forth movement from the abstract to the concrete and from the general to the particular is the hallmark of good social science. It is not clear if Carroll expects to find satisfaction for his sweeping concerns in the single 15-page essay I have published here that has a specific focus and is not intended as an empirical or historical case study. Barahona (2011) observes in her review essay of my *oeuvre* that many of my critics may have read some of my theoretical essays but not my empirical works.[1] It is in these works that I move back and forth between the abstract and the concrete, the general and the particular (see especially Robinson, 1996, 2003, 2008). I thresh out theoretical propositions (actually, my theoretical propositions have been arrived at inductively), operate in the concrete historical, and provide a wealth of empirical evidence and case studies to substantiate 'planet level generalizations'. I find Carroll's commentary so full of misrepresentations, distortions, straw men, and ignorance of my work that I have a hard time separating these from legitimate points of debate.

Carroll claims that according to me globalization means that locality is transcended and that I do away with place. He charges me with an 'abstract dualism' between the global and the national/local; that I see the global and the national/local as mutually exclusive. He says that I do not engage in regional level analysis, and that I ignore uneven development. Carroll should go back to my 2004 book that he cites, as in it I harshly criticize global-national/local dualisms and insist that the global emerges out of contradictions arising *within* the local/national and the system of nation-states, that it is nested in the national. I assert, for instance, 'Far from the "global" and "national" as mutually exclusive fields, the global becomes incarnated in local social structures and processes' (2004: 110). I take up this proposition consistently in all my work, showing how the global and the local/national are interpenetrated and mutually constitutive; how trajectories of integration into global capitalism are conditioned by and emerge from particular local national and regional histories and by contingency, and as well how local agents and processes shape the trajectory of global processes as much as the global affects the local or the national. As far as regional level analysis, I state in my 2003 study on Central America:

> It is not possible to understand anything about global society without studying a concrete region and its particular circumstances; a part of a totality, in its relation to that totality. All knowledge is historically situated and … requires a synthesis of nomothetic and ideographic. The general is always (and only) manifested in the specific; the universal in the particular … globalization is characterized by related, contingent and unequal transformations. (2003: 56)

I continue:

> To evoke globalization as an explanation for historic changes and contemporary dynamics does not mean that the *particular* [emphasis in original] events or changes identified with the process are happening all over the world, much less in the same way … It does mean that the events or changes are understood as a consequence of globalized power relations and social structures. (2003: 55–56)

And more recently, in a 400-page study of Latin America as a region in the global system (2008):

> As each country transforms its social relations and institutions, it enters a process conditioned by its own history and culture. Thus uneven development determines the pace and nature of local insertion into the

> global economy … the key becomes their relationship to a transnational system and the dialect between the global and the local. It is crucial to stress in this regard that distinct national and regional histories and configurations of social forces as they have historically evolved means that each country and region undergoes a distinct experience under globalization. Moreover, these social forces operate through national and regional institutions. Hence there is variation in the process of globalization and concomitant processes of institutionalization of the new social relations and political structures of global capitalism. What we want to avoid in conceptualizing the dynamics and dialectics of global-regional-local change, nonetheless, is a reversion to the nation-state/inter-state system as the framework of analysis, to the notion of national and regional competition as causal to processes of uneven accumulation, and so on. Instead, we want to see how transnational social forces from above are able to reproduce and utilize regional distinctions to serve global accumulation and how transnational social forces from below continue to operate politically through local and national institutions in struggles against global capitalism. (2008: 47–49).

Carroll's conception of the regional is flawed. The key questions are:

1) whether regional particularities are in fundamental contradiction with the global or reflect particular historically determined patterns through which the global is emergent; and
2) whether or not we can find similar transnational processes, such as transnational class formation, integration into new globalized circuits of accumulation, the transnationalization of the state, and so forth, at work across regions.

With regard to the first question, it was popular in the 1990s to argue that the emerging global economy was characterized by three poles in competition with each other – North America and its Latin American periphery, Europe and its African and Eastern European periphery, and Japan and its Asian periphery. But there was no empirical evidence to support such a proposition; the evidence points to expanding cross-integration of the three regions and to competition among consortia of transnational capitals that do not correspond to distinct regions but rather are spread across regions.

Carroll asserts that 'national states have typically pursued regionalization strategies (NAFTA, EU, MERCOSOR [sic, should be MERCOSUR], etc.).' But it is questionable if any of these three cases can be qualified as 'regionalization strategies' to the extent that all three have served not to carve out separate regions but as regional transnational platforms for furthering capitalist globalization and to the extent that transnational capital is in command of these regional economic formations. Carroll's whole thesis in his 2010 work is premised on the misleading notion that there are national identities to TNCs and that these identities are largely determined by domicile. Here, as I noted above, we need to be very cautious. Domicile tells us little about the structure of ownership of the TNC and its integration into networks of cross-ownership and cross-investment that in the end generally extend across the globe and involve expansive transnational class relations.

Moreover, if extra-regional TNCs – such as the Tata conglomerate that I discussed above – are inside the EU then their accumulation is part of what Carroll terms a 'regionalization strategy'. And the fact is that TNCs from all around the world are inside the EU, the NAFTA area, and MERCOSUR. 'Regionalization strategies' are quite functional to transnational capital regardless of its regional origin to the extent that they diminish region-wide restrictions to global accumulation. Moreover, if the ownership of a 'German' company such as Siemens, even putting aside its global reach, includes individual and institutional investors from Brazil, China, the United States, and the UAE, let us say, then these investor groups are accumulating via EU 'regionalization' and have an objective interest not in their region's competition with the EU but in Siemens's profit line.

With regard to the second question, the evidence that such transnational processes as I identify in my work have been unfolding in all regions of the world is simply overwhelming. Carroll negates my thesis on the competition between descendant nationally oriented and ascendant transnationally oriented elites on the basis of a single country, Canada, which according to him does not display such tensions. In the first instance, my article addresses the patterns and conflicts involved in transnational class formation in developing nations; Canada does not fit that bill, and even if it did, the case of one country would tell us little or nothing about worldwide patterns. Yet there are plenty of instances of tension and competition between national and transnational capitalist groups in developed nations, including in the USA, where in recent years demands for protection from certain steel and agribusiness interests have clashed with other sectors and have in turn been expressed in tussles over policy. And in her commentary, Murray makes reference to such fractionation in Australia.

More to the point, the evidence of the rise of transnationally oriented groups and of such tension from around the world, and in particular from the global South, which is the object of inquiry of my article, is overwhelming, from Latin America, Southern and West Africa, the Philippines and India, to Turkey, Iraq, Palestine, the Gulf, Eastern Europe, China, Egypt, and Jordan (for a sampling, see Baker, 2011; Hanieh, 2011; Harris, 2009; Madrid, 2009; Patel, 2007; Robinson, 1996, 2003, 2008; Senalp, 2011; Sener, 2008; Upadhya, 2004). Nowhere have I elevated the particular histories of fractional competition 'into a general theory', as Carroll claims. The fact is that such struggles between nationally and transnationally oriented fractions *did* take place in many countries around the world. Those struggles are central to the story of the shifting configurations of class and social forces in distinct countries and regions around the world and to the emergence of globalist blocs in these countries and regions that have pushed from within the process of capitalist globalization. I do not put forward these particular histories as a 'general theory' but as a widespread pattern that has been empirically and historically demonstrated and that can be situated within my theory of global capitalism that involves three overarching theoretical claims – the rise of a globalized production and financial system, a TCC, and transnational state apparatuses (Robinson, 2004).

Carroll puts forward an exceedingly narrow conception of what constitutes criteria for transnational capitalist class formation (Carroll, 2010). He defines a TCC on the sole basis of interlocking corporate and elite policy planning boards of directors. While this is one important empirical marker there are numerous other mechanisms and processes that cross-penetrate and transnationalize capitals, such as: flows of foreign direct investment; cross-border mergers and acquisitions; the spread of stock markets around the world; the increasing transnational ownership of capital shares; the spread of TNC affiliates; new forms of organizing and aggregating capitals that lend themselves to transnationalization, i.e. the panoply of secondary derivative markets and of mechanisms for securitizing, bundling and managing capitals from across the globe, such as mutual and hedge funds and holding companies (and in particular the role of giant global financial conglomerates in drawing in individual and institutional investors from around the world as they circulate unfathomable amounts of capital into productive, commercial and service circuits); vast global networks of outsourcing, subcontracting, strategic alliances and joint ventures of all sorts, the global integration of national financial systems, and so on. These mechanisms can be located more expansively within the very emergence of a globalized production and financial system out of what were previously national systems linked together through trade – a *structure* that involves a vast cross-penetration and integration of capitals. Harris, citing Goldman Sachs CEO Richard Gnodde, refers to this 'ecosystem of global capital' that integrates contingents of the TCC 'even when investments are minority shares without board membership.

In fact, minority investments imply a shared trust, common strategic outlook and similar beliefs about how the world works and their ruling role within it' (Harris, 2009: 30).

Curiously, Carroll goes on to charge me with an 'overinvestment in agency' in my conception of a TCC. First, my conception is based on sets of processes and structures that I have referred to above and that taken as a whole point to a (global) *structure*. Yet Carroll's own analysis of a TCC is driven by agency. He reduces structural analysis to network analysis and at that to networks not as structures that develop independently of and behind the backs of agents but as a result of the conscious decisions of capitalists and managers to appoint board members. And what could be more agentic than his assertion that in Canada 'the shift to a regime of transnational neoliberalism was not accomplished through fractional struggle, but through a *revisioning* [my emphasis] of accumulation strategies within the big bourgeoisie [through a] developing global vision'?

Carroll claims that I underplay 'the importance of *structure* [emphasis in original] in the dynamics of capital accumulation and class formation'. He says I do not acknowledge the structural power of transnational capital to shape local processes, the diminished distinction between cross-border and domestic flows, the determination of domestic economic calculations by international calculation, competition functioning in a globalized field which imposes structural conditions on local agents, and that it has often been local agents that have pressed neo-liberalism (in his childish caricature, I am said to view neo-liberalism as 'the pet project of a global capitalist class'). Yet these themes that he lists and this type of structural analysis they imply imbue *all my work* over the past 20 years, both my theoretical and my empirical and historical studies. It is enough to provide an extended citation from the one book of mine (2004) that Carroll cites:

> The structural power of transnational capital allows it to exercise economic coercion in a way hitherto unseen, and to, in part, supplant the earlier forms of direct or extra-economic coercion such as military force by colonial states and imperialist intervention, in the drive to shape and reproduce the dominant social structures and practices. This structural power of transnational capital over the direct power of national states has been utilized to instill discipline or to undermine policies that may emanate from these states when they are captured by popular classes or by national fractions of local dominant groups …. (2004: 118)

> The debt crisis of the 1980s and 1990s imposed the power and authority of global capitalism within the very structure and functioning of Third World national states. Debt led to the reinsertion of countries and regions around the world into a reorganized global economy. The massive infusion of recycled liquid capital into the Third World in the 1970s, linked to the concentration of economic power in transnational finance capital, had profound effects on existing groups and class constellations in the periphery. The need to earn foreign exchange to pay back the debt (the structural power of transnational capital over debtor states along with the direct pressures of core national states enforced payback) forced nations to restructure their economies in favor of exports in accordance with the changing structure of world market demand. Over an extended period, debt contraction and subsequent reservicing had the consequence of strengthening those sectors in the local economic structure with external linkage, redistributing quotas of accumulated political and economic power towards new fractions linked to transnational capital (2004: 121–122).

> While the TNS [transnational state] does impose neo-liberal adjustment programs, the supranational integration of national state apparatuses does not necessarily come from the outside. This is not a one-way penetration: it is as much the result of strategies pursued by local dominant groups in the process of transnationalization as it is of external imposition that is generally emphasized in the literature (reflecting the national-global dualism). When state managers adjust national economies to the global economy they are doing so not necessarily because they are compelled to by some 'external' (extra-national/global) force. This national-global duality is a mystification. (2004: 133–134).

For her part, many of De la Barra's observations are complementary to my analysis, such as the hegemony of finance over productive capital, the subversion of democracy, and the rise of the super rich. I take issue, however, with several of her assertions. She notes that the North-South divide still exists. I need not repeat here what I have said in this regard in the very article on which De la Barra is commenting. But she adds under the sub-heading 'On Global Inequalities' that 'development assistance' serves the interests of donor country TNCs. This misses the point on two counts. First, as I have already alluded to above in response to Prashad, the TNCs that De la Barra associates with a particular nation-state are actually just what she terms them, *transnational* corporations and the benefits brought to these corporations by conditionality accrue to investor groups from multiple countries tied to these corporations. For instance, General Electric (GE), a 'US' company, is cross-invested with the France-based conglomerate Safran, so that investors in Safran benefit from conditionality that may benefit GE. Safran is actually a holding company enmeshed with other Europe-based and extra-EU capitals. One of its subsidiaries, Safran Morpho, has operations in over 100 countries and many partnerships in these countries (see http://www.morpho.com/qui-sommes-nous/?lang=en, consulted 24 January 2012). And so on. Once again, the tangle of transnational capitals is such that to identify underlying class relations and social group interests we need to break free of nation-state-centric analysis.

Second, the hundreds of structural adjustment programs imposed on countries in the South in recent decades (and increasingly in the North, viz. Greece) by the IMF and the World Bank have not opened up these countries to capital from any specific national origin but to transnational capital from anywhere in the world. Brazilian investors have been able to expand in South America as a result of structural adjustment programs in the 1980s and 1990s as much as investors from outside the region. And Argentine capitalists themselves benefited from neo-liberal programs imposed on Argentina during the Menem years of the 1990s (Robinson, 2008). Dependency theory is outdated; it is unable to account for the emerging dynamics of global capitalism. As well, for reasons I have already indicated above, I reject her notion of regional blocs (EU, MERCOSUR) in competition with one another.

Meanwhile, if Carroll says I am too invested in agency Madrid charges me with privileging the structural over the conjunctural. He raises a litany of concerns, most of which I have addressed above in my response to Prashad and Carroll. If Madrid wishes to find discussions on 'variations among countries and regions in the process' I would refer him to my full-length works and to other studies I have cited. I find disturbing Madrid's apparent disinterest in the general or the universal. Post-modern tendencies reject on ontological and epistemological grounds the importance of uncovering general patterns and universals in the social world that can be distilled from the particular. While I have taken up the historically particular in specific studies my underlying interest *is* indeed to identify general patterns; to draw generalizing conclusions on the nature of social change in the late 20th and early 21st centuries. Curiously, much of Madrid's commentary is devoted specifically to Chile. If he wishes to see how I have applied my general theoretical propositions to the particular case of Chile I refer him to my chapter on Chile in Robinson (1996) and to the sections on Chile in my 2008 work.

Finally, I could not agree more with Dello Buono's call for a critical sociology of resistance. His essay has less to do with response to my article than with his analysis of Latin America in global capitalism. In this regard, I agree with much of what he has to say. His discussion on the transnational capitalist nature of South American regional integration, apart from ALBA, is a good antidote to misplaced views that these integration schemes represent confrontation and competition with extra-regional groupings. I would simply add here what Dello Buono has left out: global capital is deeply ensconced in South America; it is as much the beneficiary of regional integration in South America as are regionally based elites. And these integration processes themselves facilitate the transnationalization of local social and class forces.

Note

1 Barahona writes: 'His methodology … is to study historical facts, filtering them for their significance through the lens of Marx and Gramsci, and formulate inductive theory from them. Once the theory has been universalized, he goes back and does more research to test how well the theory works, "unpacking" the theory to see if it "fits" new sets of facts. In the process of reading these books the reader is confronted with much information to support Robinson's theoretical arguments. The main problem with critics of Robinson's theory is that they have failed to address his supporting case studies.'

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'StrikeStrikeStrike' (p.418).
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