

ABOUT BILL WARREN

Political economists will know of Bill Warren mainly through his two magnificent articles in New Left Review: "Capitalist Planning and The State", New Left Review, no. 72; and "Imperialism and Underdevelopment", New Left Review, no. 81.

In the first of these works, Bill cut through the fuzzy social democratic rhetoric about "re-structuring" of the modern capitalist economy and the absurd contradiction of socialist planning being conducted by liberal-capitalist parties, even if "socialist" happened to have been written on their banners and the "Red Flag" was sung by Harold Wilson, Foot, Callaghan and other Labour ministers at the Annual Conference of their party. After a meticulous examination of OECD plans, Keynesian demand management proposals, the structure of classes in modern capitalism and the known predilections of the State apparatus, he concluded:

From the perspective of the individual capitalist states, the adoption of an incomes policy and planning represented an attempt to improve their relative position vis-à-vis one another as well as against their own working class. From the perspective of the OECD, however, these policies had higher policy objectives relating to the rationalisation of capitalist economic policy as a whole, including the integration of the working class into the new planned capitalism and generally to maintain the social consensus internationally.

This is certainly a document for the political economist to have with him at gaffests on economic planning and seems certain to haunt, for many years yet, such gatherings as the current Australian series of "Conferences of Labor Economists".

The second article changed the thinking of many political economists, including Marxists, on the question of whether the West is actively de-developing the Third World. Warren set his face against that school of thought represented by Malcolm Caldwell, Samir Amin and A. Gunder-Frank. It evoked thoughtful and serious replies from A. Emmanuel, James Petras, P. McMichael and others. Warren argued that a definite process of industrialisation had been set in train in the last twenty years by multi-national capital, in combination with local cheap labour, in such countries as Indonesia, the Philippines, etc. At first this shocked many people, but with Stuart Holland's visit to Australia, and his interesting lectures on the new trends in the world economy and the "multi-national" mode of production, there has been a discernible shift towards the kind of view Warren was putting, even where people disagreed on particular estimates that he made of the rate of growth or definitions he used of "progress".

The article we print below should be seen in the context of this ongoing debate and some of the questions being re-kindled: do we get better insights from Rosa Luxemburg or Lenin on the impact of imperialism on Third World countries? Is cheap labour a necessary guarantee of high profit levels in the context of a Third World country? If not, will the local power holders become increasingly favourable

to a multi-national corporation's presence? What role is played by the state in mediating the demands of local and multi-national capital? If there is an economic growth process taking place in the Third World today, and not a "de-development", what is the character of this growth, and what are its economic, social and political side-effects?

The article that follows should be seen as a re-statement of the need to study the growth of productive forces (and especially industrialisation) in the Third World — something he sees as having almost dropped out of sight in the welter of dependency theories about de-development of the area.

The reader may feel that he is getting a lucid catalogue of criticisms of the dependency approach but a rather strong emphasis on productive forces at the expense of "social relations". It is an approach which involves all-out attack on the approach of Bettelheim, Poulantzas and the Louvain Maoist-Jesuits for leaning too much the other way, almost ignoring productive forces and their growth. It led Warren to approve both the Common Market of Europe and the internationalisation of capital as essential steps on the way to a socialist economy via the maturing of capitalism. Unfashionable in the 1970's? Perhaps. Yet it is an approach congenial to an earlier (pre-Althusser) generation who learned about productive forces and the dynamic role of the economic base as expounded by Labriola, Boudin and Maurice Dobb.

Agricultural development in Asia has been focussing in recent years on one aspect of productive forces — the Green Revolution. Here, perhaps, the Marxian political economy toolbox can be more useful than Warren seems to have realised. In the chapter on absolute rent in Volume III of Capital the following conclusions were drawn:

(a) the "organic composition of capital" in agriculture is less than in industry, so in agriculture, value is greater than price of production and market price is also greater than price of production. This surplus is the basis of feudal ground rent and will be kept by landlords and will not enter into formation of the average rate of profit;

(b) a rise in productive forces and investment will cause the source of absolute rent to crumble, and with it the feudal relations of production. Rent in kind inexorably takes on the character of capitalist rent and not "absolute" rent.

Looking at the "Green Revolution" in Asian countries we can see that State intervention to promote it and the "kulakization" of land tenure which followed can be explained in terms of Marx's analysis: the organic composition of agricultural capital has come up to the level of the average rate of profit, undermined the possibility of absolute rent and has changed the form of "social relations". Land reforms which were undertaken with the Green Revolution turned farmers into capitalist farmers by imposing ceilings on the land that could be held individually and turned small landlords, via mechanization, into "kulaks".

When Warren looks at these issues (in Parts III, IV and VI) he indicates his worry about the productivity of land but he is very skimpy on social relations in agriculture and on how mechanization is supposed to "transform" subsistence agriculture. Here again, his instinct is to concentrate on outward results such as "growing income differentials" rather than the collapse of "absolute" rent, the growth of agricultural wage labour, and the change-over in the method of expropriating the surplus with its specific effects on the mode of production.

These points have been made to illustrate (for the agricultural sectors of the Third World) the need for a judicious combination of objects of analysis: productive forces and ownership structures. However, it will be up to the reader to decide whether Warren's present analysis, which at the general level holds the "social relations" relatively constant, and charges ahead with the productive forces, represents an adequate political economy.

Bill Warren was a life-long Marxist. Until 1974 he had a long association with the British Communist Party, but grew increasingly critical of its policies in the 1970's and eventually ceased his membership. However, he continued to write vigorously within the Marxist perspective and to take an active part in the debates and conferences of the British Left, defying the effects of a severe kidney disease which restricted his mobility. His death was a sad loss for Left forces everywhere. We are pleased to publish the present article, his last, which focusses on issues which seem to be crucial, not only to debate, but to the political strategies needed to complete the final overthrow of oppressive forces still meddling in the people's welfare and economic life in Asia, Africa and Latin America.

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