
If Prabhat Patnaik was right to suggest that by the 1990s the topic of imperialism had “virtually disappeared from the pages of Marxist journals” (1990: 73), the opposite must now be said to be true: the last decade has seen a wide variety of work attempting to update, and in many cases transcend, existing Marxist theories of imperialism in an attempt to account for globalization and various neoliberalizing experiments around the globe.

It must be admitted, however, that there is no less controversy this time around. While some authors question whether the character of capitalism today necessitates the wholesale transformation of existing political and economic structures (see, for example, Gill 1998; Hardt and Negri 2000; Robinson 2004), the major debate appears to be between those who see contemporary circumstances as framed by either the decline or extension of US hegemony (on decline, see Harvey 2003; Arrighi, 2005; Callinicos 2009; on extension, see Gowan 1999; Meiksins Wood 2003). Leo Panitch and Sam Gindin’s latest book, *The Making of Global Capitalism*, is situated firmly in this latter camp. Based on almost a decade’s worth of research, the book attempts to situate the actions and practices of the US state in the context of a broader historical analysis and theorization of imperialism.

The book’s central theoretical argument is that “the state needs to be placed at the centre of the search for an explanation of the making of global capitalism” (p.1). In contrast with competing theories of globalization that emphasize the extent to which global capitalism now constrains nation-state sovereignty, Panitch and Gindin argue that the spread of capitalism around the world wasn’t the “inevitable outcome of inherently expansionist economic tendencies” (p.vii) but, rather, that it has depended on the agency of states - especially, the US state.

Much of the book is devoted to explaining why and how the US state developed the capacity to both construct and superintend global capitalism in the post-WII era. After a short section focusing on the dynamic character of America’s early capitalist development (Part I: Prelude to the
New American Empire), Panitch and Gindin argue that free trade is what made American empire possible. Using the example of the transformation of export capital after 1945, they attempt to demonstrate the means by which the US state increasingly took responsibility (albeit begrudgingly, in many cases) for creating the political and juridical conditions for the extension and reproduction of capitalism internationally. This included constructing international institutions in their own image, and providing capital to competitor states on the basis of equal treatment to all capitals, despite nationality (Part II: The Project for a Global Capitalism); the incorporation of foreign national bourgeois classes into the American empire (Part III: The Transition to Global Capitalism); the various American legal changes that made the global financial system possible (Part IV: The Realization of Global Capitalism); and the US state’s role in the continued management of an increasingly unstable global economic system (Part V: The Rule of Global Capitalism). Despite contemporary appearances, Panitch and Gindin wish to make it known that the current crisis is simply a case of America sharing its problems with the world - itself further evidence of the nature and extent of its so-called ‘informal empire’ (Part VI: The Global Capitalist Millennium).

For those interested in a political and economic history of the US state, the book will be highly rewarding. Panitch and Gindin have done well to provide an immense amount of empirical data to back up their claims, and thus as a critical text on the historical development of the US state the book is extremely helpful. David Harvey is indeed correct when he is quoted on the back cover, stating that Panitch and Gindin tackle their task with the “ferocity of investigative reporters”. For scholars who wish to better understand the nature of contemporary imperialism, however, the book does have a number of significant theoretical and methodological downsides.

One issue that has already been pointed out by Göran Therborn (2013) is that nowhere do Panitch and Gindin define or date global capitalism. This not only makes any discussion of global capitalism unclear from the outset, but it also allows Panitch and Gindin to dismiss the various debates that are unfolding in regard to whether capital remains predominantly national, or whether it has indeed ‘gone global’. In their view, it is a global capitalism without global capital, as globalization is understood as merely the interpenetration of national capitals. Consequently, there is little to no examination into the changing nature of the relation between capital and the state or
state structures themselves, and how we might begin to theorize them.

Similarly, by failing to acknowledge the qualitatively different character of global capitalism (and thus the potential rise of global or transnational capital), there is no discussion about the changing spatial boundaries and limits of this new political economic configuration; in *The Making of Global Capitalism*, the entire nation-state system is unproblematized, making national boundaries seem more solid than ever. And this is despite a wide-range of scholars in geography, such as Neil Brenner or David Harvey, say, writing in the Marxist tradition. By failing to point out the social and historical construction of space in relation to the development of capital, Panitch and Gindin neglect the way in which global capitalism is transforming existing spatial boundaries whilst still being rooted in a nation-state system. While the nation-state certainly remains an important feature of global capitalism, has the manner of its various functions or operations changed in response to changing conditions? If so, what are the implications? And if not, why not? Such questions seem incredibly relevant to understanding the character of contemporary imperialism.

These problems are further confounded by the treatment of the nation-state itself as a social actor, agent or author. By taking such a position, Panitch and Gindin reify the nation-state by giving it an ontological reality outside of the social relations that constitute it. This has the effect of making the entire construction of global capitalism appear as the ‘conscious’ long-term result of the actions of the US state. This not only raises the serious theoretical question pointed out earlier by Ralph Miliband (1979) - that if the state doesn’t, as such, exist, how can it act? - it also has the effect of distorting history in the manner of which Marx warns us about in *The German Ideology*: “so that later history is made the goal of earlier history” (1994: 122). In many ways this theoretical problem is related to their methodological choice of examining the construction of global capitalism through the analysis of a single state. While the ‘history-to-the-present’ approach is certainly a worthwhile methodology, it is unclear as to whether it is possible to understand a totality from one of its parts, as Therborn (2013) has pointed out. Consequently, the book’s subtitle, ‘The Political Economy of American Empire’, is a much better description of the actual content given the wide variety of states involved and the complex interactions between them.

All that said, the book remains one of the best analyses of the historical development of the
US state; it masterfully weaves together a variety of analyses of US capitalism, state capacity, domestic politics, and the export of business law and corporate practices, into a single explanation of the making of global capitalism. Despite all of its problems, the book is a must-read for any serious scholar who wishes to grapple with the confounding complexities and contradictions of global capitalism, and the question of US hegemony today.

References

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