

Review article

Making space for Marx

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DAVID HARVEY, *The Limits to Capital* (Oxford: Basil Blackwell, 1983. Pp. xi + 478. £15.00)

MICHAEL DUNFORD and DIANE PERRONS, *The Arena of Capital* (London: Macmillan Press, 1983. Pp. xiv + 410. £22.50 and £8.95 softback)

These two substantial books propose a marriage of human geography and historical materialism.^[1] Harvey presents “a treatise on Marxian theory in general, paying particular attention to the circulation of capital in built environments, the credit system and the production of spatial configurations” (pp. xii–xiv) while Dunford and Perrons “seek to set out an historical account of the process of uneven development indicating the connection between forms of spatial differentiation and forms of organization of production, distribution, consumption and circulation, and between territorial inequalities and phases of economic and social development” (p. 2). Both books are densely argued and raise a wide range of issues current in recent debates within human geography and Marxism. Harvey is principally developing his argument for and within Marxism, whereas Dunford and Perrons more explicitly address human geographers and “wish to argue that historical materialism provides a basis for resolving some of the methodological and conceptual problems faced by geographers” (p. 33). A further complementarity is that, while Harvey regrets that “time and space force me to write down the theory as an abstract conception, without reference to the history” (p. xiv). Dunford and Perrons are especially concerned to go beyond the logical structure of the theory to the actual history which “was infinitely more complex” (p. 83). In evaluating historical materialism as a framework for analyses, historical geographers will be interested in the relations between theoretical abstractions and historical materials and this essay gives this topic some attention after a consideration of the central arguments of the books under review.

David Harvey’s *Social Justice and the City* (1973) was an influential text in the early attempts to develop a Marxist approach in human geography.^[2] In that series of essays on urbanism under capitalism, Harvey moved from a “liberal” emphasis on patterns of inequality within the city to a “radical” commitment to the identification and overthrow of the social relations by means of which these inequalities are continually produced and reproduced. Harvey now finds these earlier formulations inadequate but also suggests that a coherent theoretical framework for the study of the urban process under capitalism has yet to be worked out within Marxism. In fact, while Harvey can find several spatial themes mentioned in Marx’s own work,^[3] he notes that “Marxist work on the problem of spatial organization has been remarkably sporadic and unsystematic” (*Limits*, p. 374). It is an axiom of Harvey’s that this is unsatisfactory and he therefore

proposes to rework Marxist theory in order to instate spatial organization, including urbanism, as a central concern.^[4] He pursues this intention in two ways: by commenting on the spatial implications of the picture of capitalism presented by Marxism, and by reworking the Marxist theory of crisis around an ultimate spatial limit to profitable production.

Harvey's reading of the Marxist analysis of capitalism is organized around the concepts of "disequilibrium" and "crisis".^[5] *Limits to Capital* opens, as does the first volume of *Capital*, with a discussion of the nature of the commodity; an object of use, an object to be exchanged and, simultaneously, an object that has been produced by work. Yet it has been produced, at the direction of the capitalist, solely in order to secure a sale. In other words, all production is guided by the desire of the producer to secure a sale (and hence recommence production on a larger scale) rather than by the wish of the consumer to satisfy a need. All successful production secures a sale (and a profit, and thereby expands subsequent production). Only in this way can production be said to have satisfied a need; only after a sale has been secured. Consequently, production for production's sake and expansion for expansion's sake are strategies forced on each individual capitalist by the pressures of inter-capitalist competition. In addition to the uncertainties associated with the anticipation of consumer wishes (i.e. producing the desired use values), there are under this system, argues Harvey, certain structural tendencies for the anarchic direction of production to issue in a glut of goods unmatched by effective purchasing power (regardless of genuine need or desire). The specification of these structural tendencies is a controversial aspect of Marx's economic theory, generally termed the tendency of the rate of profit to fall.^[6] Harvey rejects, probably correctly, certain formulations of this "law" presented by Marx as being out of sympathy with the overall aim of *Capital*, which is to show the problematic articulation of the organization of production with the organization of sales.

The version of Marx's law of the falling rate of profit which Harvey sees as consistent with Marx's general aims, runs roughly as follows. There is an endemic conflict between the cumulative efforts of individual capitalists and their collective class interest. The collective interest of capitalists lies in the balanced expansion of production which would guarantee profits for all. However, balanced expansion is only possible if the production of each particular good is accompanied by the creation of an effective demand for that good. This harmony is prejudiced by the effect of technological change on the relative production of, and effective demand for, machines, on one hand, and consumer goods, on the other. Marx proceeds by dividing the economy into two sectors: Department 1 (producing machines) and Department 2 (producing consumer goods). For balanced expansion the flows between the two sectors must balance; more specifically, Department 1's effective demand for consumer goods (or the demand for consumer goods represented by the labour employed in Department 1) must expand at the same rate as Department 2's effective demand for machines. However, technological developments in *both* Departments will more than likely induce capitalists to substitute spending on machines for spending on wages. The result will be that Department 2 will be sending consumer goods to market at an increasing rate while Department 1 will not be expanding wages at as fast a rate. This is the gist of Harvey's "First-Cut Theory of Crisis". He is claiming that balanced expansion is unlikely and would only occur by chance if it was ever achieved: "individual capitalists, in short, necessarily act in such a way as to destabilise capitalism" (*Limits*, p. 188). His two further cuts, or attempts, at a theory of crisis add greater realism by building in temporal and spatial aspects of crisis management.

Harvey insists that economic crises under capitalism arise out of the anarchy of production. They do not always manifest themselves as a glut of goods because the crises are frequently displaced to other areas of the economy by means of various, ultimately unsuccessful, attempts to manage this basic form of economic crisis. Harvey's second- and third-cut theories of crisis examine these displacements. Time becomes incorporated

in the capitalist economic system through the operation of the credit system. The credit system holds out the prospect of spreading fixed capital costs over more than one cycle of production and thus of attenuating the imbalance between Department 1 and Department 2 which results from capitalist competition. The crisis, however, soon pops up as a crisis of confidence in the monetary system. The extension of credit commits the fiscal circuit to support expenditure which ultimately outpaces the production of commodities on which it claims to rest. Money as a medium of exchange undermines money as a measure of value and its ability to call forth production through the provision of credit proves less and less powerful.

However, the lurch of capitalism toward Armageddon can be further postponed by the administration of what Harvey calls a "spatial fix" to stimulate its jaded palate for production. This, a theory of imperialism, is Harvey's "Third-Cut Theory of Crisis". Imperialism represents the incorporation of new areas into the arena of capital; new areas where the productive system is not already over-capitalized; new areas which can initially simply be pillaged but which later hold out the possibility of a fresh start for investors. Here, however, the whole process is simply played out again and the imperialist addiction brings the capitalist countries to world wars, initially over access to new areas for their investors and, ultimately, with the socialist countries over the opening-up of socialist economies to imperialist investment and capitalist accumulation. In these ways, time and space become central aspects of crisis information and the contradictions which originate in production are finally transferred through the sphere of exchange to the arena of world politics.

Geography and space, therefore, become for Harvey central to historical materialism and this integration "allows us to construct a framework for theorizing about the historical geography of the capitalist mode of production" (p. xvii). There are a number of questions which must be raised about the architecture of Harvey's argument. It is not clear that calling imperialism a "spatial fix" amounts to developing a geographical approach within Marxism; it smacks more of Tom Wolfe than any works in human geography. More significant is Harvey's failure to specify how the system's requirements of capitalism are identified by agents competent to undertake the social, political and economic management that Harvey sees those requirements as calling forth. This is not just a question of inserting a theory of the state, an omission Harvey concedes, but involves an explicit consideration of a range of agents from the joint-stock companies to the World Bank. These agents are not obviously at the beck-and-call of the contradictions of capitalist production as Harvey's displacement of crises from sphere to sphere suggests.^[7] At the very least, a historical geography of the capitalist mode of production at a world scale would involve a consideration of the internal logic of international trade, national monetary policy and political nationalism.^[8] Furthermore, Harvey unduly cramps his consideration of imperialism by excluding use-values from particular attention and seeing imperialism solely as an outgrowth of a crisis of realizing exchange values. Finally, to use "space" as a surrogate for productive opportunity, as Harvey does in his conception of imperialism, is to elevate the pursuit of virgin lands over all other forms of economic reorganization as the desirable displacement of the tendency to crisis. Yet this depends on the balance of political forces within imperialist countries as well as between them and their new colonies. Alternative strategies for avoiding such economic crises include: dilution of the workforce, devaluation of capital and labour, and cartelization. Harvey is aware of these possibilities but sees them as ultimately doomed but, then, so is the pursuit of virgin lands and no good reason is given for the order in which these different strategies are introduced, and then condemned, in this book. Consequently, no good reason is given for organizing the whole architecture around the spire of the "spatial fix" other than a wish to save Armageddon till the last pages.

However, the details of Harvey's book are a good deal more satisfying than its overall structure. In particular, the discussion of rent is magnificent and the various asides

directed at static equilibrium analysis in economic geography are very telling.

Dunford and Perrons' book has three distinct sets of concerns: an argument that the adoption of historical materialism can solve certain theoretical and methodological problems in geography; an account of the changes in the organization of the British economy since 1066; and the insertion of certain well known historical-geographical studies into this framework. This is primarily a work of reinterpretation.

Dunford and Perrons start with a valuable consideration of four definitions of the object of geographical analysis. If one concedes the highly questionable assumption that reality is constituted by a range of objects each of which is appropriated by a distinct science, then their case in favour of giving geography an independent existence as the science of the study of landscapes, which science will have to consider both observable and unobservable processes, is as strong as any that could be made in favour of an alternative definition. They next proceed to show that historical materialism can supply geographers with an appropriate body of concepts for the study of landscapes. Against geography's traditional environmentalism, they urge greater attention to the social organization of people's work in the environment and propose that the interaction between people and environment is always indirect in that it is mediated by this social organization of the economy.^[9] It follows, then, that the physical environment, or space, is both the cumulative end result of earlier work by people as well as the raw material available for, and conditions under which, further production will have to take place. This leads them to suggest that "the aim of human geography can be defined as the analysis of space as the context for and an expression of the natural and social processes involved in the process of social reproduction, and as the study of the use and production of space by historically determinate societies" (p. 70).

There is much in these early chapters which is useful as a summary of certain debates in human geography but their presentation of the argument is weakened by the way they distinguish between the objects and methods of geographical inquiry. Having presented "Geography as the study of the relationship between 'man' and Nature" as but one, among four, prominent conceptions of the object of geography, they proceed to attack environmentalism as a general characteristic of the geographical method. It could certainly be demonstrated that the "naturalism" of which Dunford and Perrons write (p. 50) has a wider influence within human geography than simply among the environmental determinists^[10] but they need to document its effects a little more carefully if readers are not to be put off by the whiff of burning straw. The remainder of the book looks in two directions. It aims to show "that concepts developed by Marx can in fact be used to study geographical phenomena" (p. 79), and that it can be used to understand "the spatial forms of human appropriation of nature and of human social organization" (p. 78). Furthermore, it presents an example of "the construction of theoretically informed studies of concrete processes of spatial development" (p. 78), that is, an attempt at "developing more concrete historical accounts and analyses of the internal dynamics and actual evolutions of different types of society" (p. 83).

The internal dynamics of the British Economy are related, claim Dunford and Perrons, to "mechanisms of surplus appropriation" (p. 357). These mechanisms were different under the feudal than under the, present, capitalist mode of production.^[11] Feudal societies are seen as organized around agrarian production on feudal estates. The economic trajectory of these societies was set, on this account, by the demands the feudal lords made of the peasants. In pressing for an ever greater and more flexible rent from their serfs, the lords inadvertently undermined the feudal relations of authority on which their wealth was based by promoting the extension of market relations. As communities came to specialize, under the commercial pressure of competitive advantage, local self-sufficiency was reduced, an increasingly smaller proportion of the social surplus passed through the lords' hands or ended up in their pockets and industrial activity developed beyond the production of luxury goods for the lords, to the provision of basic goods for the whole rural sector. The urban system thrived under the pulse of this commercial

activity but the pursuit of cheap labour and the avoidance of guild restrictions drove merchants outside the towns and lead to the proliferation of the handicrafts sector in rural areas organized on a putting-out basis. Dunford and Perrons propose that the origins of the factory organization of labour lie in the fact that indirect control of production by the merchant ran up against the seasonal rhythms of manufacturing activity imposed by the agricultural demands on labour characteristic of a dual economy and against the sluggishness of the demographic response to increased demand for labour. For these reasons, and others, factory production, with its promise of greater supervision of and control over the quality and pace of production, proved attractive. This system of industrial capitalism was consolidated by the development of a technology to which its larger scale of production alone was suited. The cycles of surplus appropriation under industrial capitalism have each been characterized by a different way of organizing the labour process in the interests of capitalist profit. In fact, in the period 1790 to 1940 there have been three distinct long cycles,^[12] or Kondratieff waves, each of about fifty years' duration and corresponding to the dominance of three different ways of subjugating labour: manufacture, machinofacture and scientific management (Fordism). These three cycles were divided by commercial crises during which restructuring was pushed through.

Dunford and Perrons provide a clear exposition of the central theses of much Marxist writing about the economic history of Great Britain. They indicate the regional effects of some of these changes; relating the "peripheralization" of the Celtic fringe within Britain to the manner in which the peasantry were eliminated in different areas; they speak of the separation of the resulting core area into a northern coal-based industrial heartland and a southern commercial centre; they refer to the contrast between highland and lowland in the development of agricultural specializations; and, finally, they comment on the twentieth-century growth of clean industries away from the smoke and trades unions of the older industrial valleys of the north. In addition, at each stage of their account they refer to works by historical geographers which illustrate the operation of some of the economic forces of which they speak; thus, for example, they summarise D. M. Smith's work on the putting-out organization of hosiery manufacture, and B. L. C. Johnston's work on the regional production system organized by Foley capital in the charcoal iron industry.

There is much that will already be familiar to many historical geographers in Dunford and Perrons' specifically geographical analyses. This is a little worrying for it makes one wonder whether there is anything specifically geographical about their conception of historical materialism at all. To propose that the geographical shifts that geographers have traditionally explained in terms of sectoral shifts in the economy can only be fully understood when those sectoral shifts are in turn seen as components of long-term cycles of surplus appropriation, is really to change the conception of the economy in economic geography and appears to be quite independent of the arguments they present earlier in the book about the nature of the geographical approach *per se*. Furthermore, to the extent that they can cite historical-geographical works to illustrate their arguments, they undermine the sketch of human geography on which their earlier remarks are built.

These difficulties point to a more serious problem and that is the failure to develop concepts relating to the translation of economic structures into spatial structures. Dunford and Perrons' historical materialism seems to relate almost exclusively to economic structures and to be elaborated at a scale which seems incommensurate with the processes producing the spatial forms. To write more adequate accounts of the bonding of economic and spatial structures, greater attention must be paid to a least two further topics. First, Dunford and Perrons need to describe more clearly how the "commodification" of space relates to the production of particular spatial forms. Here, Harvey's work is of value with his comments on inertia (*Limits* p. 399) and his demonstration that the importance of rent lies in its encouragement of competition for land and hence of a more fluid spatial organization of society (*ibid* p. 398). Secondly,

there is a need to put the “material” back into historical materialism by recognizing and paying attention to the inherent organization of the raw materials which become components of the economy. Marxists will need to look more explicitly at a wide range of systems, or structured flows of energy and matter, including demographic systems, ecological systems and the information systems embedded in the organization of the market.^[13] This involves nothing less than a radical reworking of historical materialism: a whole middle range of concepts is absent from this theoretical structure.

This question of the appropriate level of abstraction at which to develop concepts for historical accounts of the development of spatial forms is tied to the use of evidence in such accounts. There are problems of style and epistemology in both of the works under review. Harvey observes that “the Marxist intellectual tradition has undergone a remarkable resurgence during the past decade, a resurgence marked by lively disputations and vigorous polemics spiked with not a little vitriol” (p. xvii), but he promises that “. . . I tend to forego polemics and simply mention in passing those who have been the most active participants in the debate. I hope that the smoothness of flow will make up for the lack of verbal pyrotechnics” (p. xviii). Dunford and Perrons adopt a similar approach and explain that “the reason for our not referring explicitly to debates that have played an important role in forming our ideas lies not in any wish to devalue them, but simply in our desire to avoid too many deviations from our main goal, which is to present an analytical reconstruction of the process of uneven development and of the evolution of the geography of contemporary Britain” (pp. xi–xii). No doubt many readers will be grateful to the three authors for the mercy thus shown. However, by neglecting the opportunity of showing that much of what they are saying is hotly contended among the Marxists, the style of their exposition of the central theses of historical materialism may appear unduly dogmatic. Less understandable, perhaps, is Dunford and Perrons failure to signal the highly contentious nature of their interpretation of British economic history, an interpretation they do not defend against alternatives developed in mainstream economic history,^[14] and in fact at only one point, in describing the breakdown of the feudal system (pp. 98–9), do they mention any such alternatives.

Neither book wishes to deny the connections between evidence and theory, Dunford and Perrons devoting their second chapter to an exposition of a realist epistemology and Harvey asserting that “at some point or other tangible connections must be made between the weft of theory and the woof of historical geography” (p. 451). These connections are necessary to guarantee that the core concepts of historical materialism do indeed capture the basic determinations of social life^[15] and that the theoretical structures through which these core concepts are elaborated also reflect a movement from basic categories, “born out an actual historical experience” (*Limits*, p. 450), towards the full richness of the world of appearances, “the more specific, less general characteristics of the object in question” (*Arena*, p. 45). Yet Harvey’s conceptual elaboration proceeds almost entirely through the pursuit of the internal consistency of Marx’s own basic categories which were forged over a century ago while Dunford and Perrons appeal to a division of labour beyond their book in turning to British Marxist economic historians for their substantive propositions. However, in neither case, was the “object in question” the same as the project in hand.

The theoretical abstractions of Marxism in highlighting the social organization of the physical fabric of society, can certainly take historical geography beyond the mere mapping of artefacts but the relations between historical geography and historical materialism cannot be captured in the opposition of history to theory, as in Harvey, or of local modification to “general determination” (*Arena*, p. 88), as in Dunford and Perrons. There is a need to reopen the dialogue between evidence and concepts in order to develop the theory of historical materialism at a scale and in directions more appropriate to the central concerns of human geography.

Notes

- [1] An historical materialist approach in historical geography is developed in: R. A. Butlin, *The Transformation of Rural England c. 1580–1800. A study in Historical Geography* (Oxford, 1982); R. A. Butlin, The Late Middle Ages, c. 1350–1500, in R. A. Dodgshon and R. A. Butlin (Eds), *An Historical Geography of England and Wales* (London, 1978) 119–50; D. Gregory, The Process of Industrial Change, 1730–1900, *ibid* 291–311; D. Gregory, *Regional Transformation and Industrial Revolution: a Geography of the Yorkshire Woollen Industry* (London 1982); R. A. Dodgshon, The Modern World System: A Spatial Perspective, *Peasant Studies* 6 (1977) 8–19; A. Charlesworth (Ed.) *An Atlas of Rural Protest in Britain 1548–1900* (London 1983)
- [2] These beginnings are surveyed in: R. Peet, The development of radical geography in the United States, *Progress in Human Geography* 1 (1977) 240–63. An excellent bibliography of “Marxist and Radical Geographical Literature in English” is appended by Russell King to M. Quaini, *Geography and Marxism* (Oxford 1982)
- [3] This is the central concern of Quaini, *op. cit.*
- [4] It is notable that the only comparable attempt to theorize the spatial perspective from within Marxism, the stimulating works by Henri Lefebvre, also starts from a consideration of contemporary urbanism; see H. Lefebvre, *The Survival of Capitalism: Reproduction of the Relations of Production* (London 1976), *La Pensée Marxiste et la ville* (Tournai 1972) and *La Production de l’Espace* (Paris 1974)
- [5] The inadequacy of analyses of capitalism predicated on notions of equilibrium is argued in: M. Aglietta, *A Theory of Capitalist Regulation: The U.S. Experience* (London 1979) 9–33
- [6] See, for example: B. Fine and L. Harris, Controversial issues in Marxist economic theory, in R. Milliband and J. Saville (Eds) *The Socialist Register 1976* (London 1976) 141–78 and I. Steedman *et al.*, *The Value Controversy* (London 1981)
- [7] The understanding of economic agents as subjectivities is a difficult and unresolved issue in Marxist economics but see: A. Cutler, B. Hindess, P. Hirst, A. Hussain, *Marx’s “Capital” and Capitalism Today* 2 vols. (London 1978) vol. 1 263–88
- [8] On the first two, see: R. Parboni, *The Dollar and Its Rivals: Recession, Inflation and International Finance* (London 1981); some implications for geography are drawn out in S. Corbridge, Crisis What Crisis: Monetarism, and the Geopolitics of Debt, *Political Geography Quarterly* (forthcoming). On the last, see: T. Nairn, *The Break-up of Britain* (London 1981). B. Anderson, *Imagined Communities* (London 1984), and H. B. Davis, *Towards a Marxist Theory of Nationalism* (New York 1978)
- [9] The most influential Marxist works on the relations between society and nature have been: A. Schmidt, *The Concept of Nature in Marx* (London 1971) and S. Timpanaro, *On Materialism* (London 1975). The implications for geography are summarized in: R. A. Sayer, Epistemology and conceptions of people and nature in geography, *Geoforum* 10 (1979) 19–44
- [10] John Marshall documents the environmentalism of much regional geography: J. U. Marshall, Geography and Critical Rationalism in J. D. Wood (Ed.) “Rethinking Geographical Inquiry” *Atkinson College. Geographical Monographs 11* (Downsview, Ontario 1982) 75–171
- [11] There is an unresolved debate within Marxism over the balance between subject and structure in accounting for such shifts. Some Marxists emphasise the role of class struggle in explaining economic trajectories while others emphasise the importance of contradictions within the economic structure. Harvey is within the latter camp while Dunford and Perrons, although aware of the problem (*Arena*, p. 88), draw on but do not resolve, both approaches. See: P. Anderson, *In the Tracks of Historical Materialism* (London 1983) 33–6; P. Anderson, *Arguments within English Marxism* (London 1980) 16–58
- [12] Their account may be supplemented with E. Mandel, *Long-Waves of Capitalist Development—The Marxist Interpretation* (Cambridge 1978)
- [13] On ecology and demography, see: M. Harris, *Cultural Materialism: The Struggle for a Science of Culture* (New York 1980) 46–76; A. Gorz, *Ecology as Politics* (London 1980); W. Seccombe, Marxism and Demography, *New Left Review* 137 (1983) 22–47; T. Carlstein, *Time Resources, Society and Ecology: On the Capacity for Human Interaction in Space and Time in Pre-industrial Societies* (Lund 1982) 1–37. On the information-costs of organizing a market, see J. Kornai, *Anti-Equilibrium* (Amsterdam 1971)
- [14] In contrast to the excellent K. Tribe, *Genealogies of Capitalism* (London 1981) 35–100
- [15] The indispensable starting point is G. A. Cohen, *Karl Marx’s Theory of History: A Defence* (Oxford 1978) but also see R. Johnson, Reading for the Best Marx: History-Writing and Historical Abstraction in R. Johnson *et al.* (Eds) *Making Histories: Studies in History—Writing and Politics* (London 1982) 153–201