Levels of Analysis in Marxian Political Economy: An Unoist Approach

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Nearly every major thinker and school of thought within contemporary Marxian political economy has made some reference to levels of analysis or levels of abstraction, and has shown some sensitivity to the difficulties in mediating more abstract levels of analysis with more concrete. According to E.P. Thompson, "The problem...is to move from the circuits of capital to capitalism; from a highly conceptualized and abstracted mode of production, within which determinism appears as absolute, to historical determinations as the exerting of pressures, as a logic of process within a larger process." Within the Althusserian framework, it was particularly Poulantzas who translated Althusser’s movement from ‘abstract-in-thought’ to ‘concrete-in-thought’ to a movement from ‘mode of production’ to ‘social formation’. The Regulation School could not avoid concern with levels of analysis since much of its theorizing has been mid-range theory that links more abstract theory to more concrete analysis. Finally, in Late Marxism, Jameson argues for three levels of analysis, which, in moving from the more abstract to the more concrete are: the mode of production, class and class consciousness, and immediate historical events.

Despite frequent mention of levels of analysis in contemporary Marxian political economy and even more frequent writing where some kind of sensitivity to levels of analysis is implied without being made explicit, there has been precious little extended and systematic theorizing of this exceedingly important idea. Just how are we to conceptualize these different levels of abstraction? How autonomous are they and how do they interrelate? What sort of epistemology or logic is appropriate to each level? It is my aim in this paper to move ‘levels of analysis’ from the wings to centre stage—to treat it as a theoretical object in its own right, a theoretical object which I believe to be of absolutely crucial importance to strengthening Marxian political economy as a social science.

Perhaps the most extended and self-conscious treatment of ‘levels of analysis’ within Western Marxism has been by the Althusserians, particularly in their efforts to theorize the interrelations between modes of production and social formations. Because the Althusserians were relatively unsuccessful in theorizing modes of production, social formations, and their interrelations, there are probably those who feel that the discussion of levels of analysis has already been exhausted or that the discussion has proved to be futile. In my view, such an attitude is mistaken. While it is quite true that the discussion is fraught with extreme difficulty, this should challenge rather than discourage us. Even small steps forward in this area might contribute immensely to the clarity and precision of Marxian social science.

The only non-Western school of Marxian political economy, that I am aware of, which has given any systematic attention to levels of analysis is the one founded in Japan by Kozo Uno. Indeed, it seems safe to say that Uno and his followers have focused more systematically on ‘levels of analysis’ than any other school of Marxian political economy. But even so, the result is not so much a fully developed theory as an analytic framework suggestive of the first conceptual steps required to sort out this problem. And even within the Uno school the difficulties and complexities surrounding the idea of levels of analysis have given rise to various sub-schools. In this paper, I shall both briefly introduce Uno’s perspective, and my further elaboration of it.

1. Uno’s Levels of Analysis.

According to Uno, Marxian political economy is the scientific study of capitalism, and the most important founding work of this science is Marx’s Capital. Although Marx’s ‘laws of motion of capital’ generally assume a purely capitalist society, because Marx was not clear and explicit about this, he at times mixed more concrete and contingent concepts with his theory of the inner logic of capital. Uno claims that Capital is at times weakened by eliding concepts from three different levels of analysis: the analysis of capital’s basic principles or inner logic, the analysis of the liberal stage of capitalist development which reached its apex in England in the 1850s and 60s, and the analysis of history. Uno’s greatest contribution was to reformulate the inner logic of capital based upon an explicit understanding that its rigorous formulation rests upon the idea that it is a logic operative in a purely capitalist society. At the same time, this reformulation was made possible by sharply separating the ‘inner’ logic from more concrete and contingent ‘external’ considerations. Thus capital’s basic principles were distinct from the more concrete levels of analysis that Uno referred to as stage theory and historical analysis. It is clear that Uno believed that at these more concrete levels of analysis the degree of necessity at work was considerably modified by contingency, but just how stage theory and historical analysis were to be formulated and interrelated to each other and to the basic principles remained rather sketchy and vague.

Where the theory of a purely capitalist society analyzes capital accumulation in the abstract and in general, stage theory analyzes types of capital accumulation characteristic of different world-historic stages of capitalist development. According to Uno there are three stages of capitalist development: mercantilism, liberalism, and imperialism. And these stages are analyzed according to: (1) different modes of accumulation, (2) different forms of capital, and (3) different types of economic policy. The aim of stage theory is to delineate the abstract types or the dominant forms that characterize accumulation at its most successful and
most capitalist during different historical epochs. Historical analysis was less fully specified by Uno, but it is clear that its aim is the analysis of historical change with a view, ultimately, to clarifying strategic considerations involved in the transition from capitalism to socialism.

Uno's layered approach to Marxian political economy is highly suggestive, but only the most abstract layer is developed by Uno. Exactly how are we to formulate the other two levels, and how are the three levels interrelated? Are stage theory and historical analysis to be deduced from the inner logic? Neither deduction nor induction seem appropriate because the levels as conceived by Uno are relatively autonomous.

There are a significant number of followers of Uno in Japan, but only two of them have written a great deal in English: Makoto Itoh and Thomas Sekine. Itoh has made important contributions to the theory of capital's basic principles and to the analysis of contemporary capitalism and Japan's place in the world economy. In my own work, I have been most influenced by Sekine's reflections on epistemology which have been a rich source of hints for the further elaboration of levels of analysis. In particular, Sekine has explored the sense in which the theory of capital's inner logic has a dialectical structure parallel in many respects with Hegel's Logic. Thus, for example, according to Sekine, the contradiction between value and use-value plays a similar role in the dialectic of capital to that played by the contradiction between being and nothing in Hegel's dialectical logic.

2. The Theory of Capital's Inner Logic.

Deconstructionist critics of Western metaphysics have been critical of its binary oppositions such as that between interiority and exteriority. But in the case of the 'inner' logic of capital, the distinction is not something posited by the metaphysician Marx, but is something that arises out of the object of knowledge itself. Thus, for example, the reason that Marx and not Aristotle could arrive at a conception of abstract homogeneous labour power is that with the increasing commodification of labour power accompanying the development of capitalism in history, labour power in reality became more homogeneous and 'abstract'. In other words, as societies become more capitalist, to a certain extent, their social relations become more reified, more objectified, and more abstract in the sense that they become more governed by the self-expansion of value.

If capital is to some extent self-reifying in history, then it is possible in theory to extend these tendencies to completion. Once we assume that all the inputs and outputs of production are entirely commodified, capital can operate as a commodity-economic logic totally indifferent to everything but profit maximization. When we theorize the expanded reproduction of an economy based upon the principles of total commodification and profit maximization, the result is an 'inner' logic, in the sense that we get a picture of how capital accumulates when not interfered with by any 'outside' other, whether an agent or some sort of contingency which disrupts capital's own logic.

The theory of capital's inner logic is a thought experiment in which capital is allowed to get its way without any interference. It is a theory constructed strictly from the point of view of capital and of what capital requires materially to reproduce society while expanding itself. Indeed, it assumes total reification, or, in other words, the ideal conditions for capital 'commodity-economically' to manage social reproduction. Any aspect of social reproduction that cannot be managed strictly and directly by commodity-economic means is beyond the purview of capital and hence beyond the theory of its inner logic. Thus, for example, capital in its inner logic is totally indifferent to biological reproduction, which is simply left to our instincts of self-preservation.

Sekine has shown that the theory of a purely capitalist society has a dialectical logic embedded in it, and that such a logic of necessary inner connections becomes possible once we assume total commodification and reification. According to Sekine, the doctrines of circulation, production, and distribution in the dialectic of capital parallel the doctrines of being, essence and notion in Hegel's Logic. In the first doctrine of the dialectic of capital the contradiction between value and use-value generates the commodity-form, money-form, and capital-form as circulation forms. In the second doctrine, the motion of value subsumes the use-value obstacles generated by the labour and production process, and in doing so generates specifically capitalist production relations. In the third doctrine, the motion of value deals with the use-value heterogeneity within itself and the use-value obstacles posed by land. The motion of value does this by generating an average rate of profit which finally subsumes use-value heterogeneity to the self-expanding motion of value and in the process generates a set of capitalist distribution relations. Like Hegel's Logic, the dialectic of capital is a necessary unfolding of an inner logic that involves the progressive deepening of its basic contradiction. Thus the value/use-value contradiction is deepened as circulation forms are transformed into production relations, and these two together are transformed into distribution relations.

While the logical parallels between Hegel's Logic and Marx's theory of the inner logic of capital are sufficiently striking to warrant extensive exploration and analysis, here I want to point out, that despite parallels in logical form, the epistemological substance of the two dialectics is quite different. These differences stem primarily from the spiritualist setting of Hegel's, as opposed to the materialist setting of Marx's, dialectic. Hegel's dialectic theorizes the inner logic of the absolute idea; whereas Marx's dialectic theorizes the inner logic of capital: a historically specific mode of production. Flowing from this basic ontological difference, I see four differences in their epistemologies.

First, for Hegel concrete reality is largely the concretization of the idea. The extent to which reason condescends to determine the concrete particular reaches amazing proportions with Hegel. For example, if a criminal is found guilty of murder and is executed.
What is being theorized is the principles will become effective in history or how history will extends from the most abstract universal to the most concrete anything else can be so theorized.

The fact that the inner logic of a historically specific mode of production. Furthermore, the dialectic of capital can be theorized as a dialectical logic does not imply that it does not show how the dialectic of capital is neither. A dialectical logic is inapplicable. Thus, the second difference is approach there are three different logics, a dialectical logic is not an ‘expressive totality’ but an centred totality, where materially autonomous social institutions are all subsumed to the motion of value, which, as it is completed first as a set of circulation forms, then a set of production relations, and finally a set of distribution relations, becomes capital-in-and-for-itself. It is only the assumption of total reification which enables the motion of value to subsume materially autonomous social institutions.

The rather paradoxical conclusion to this argument is that we find great similarities in the form of logic in the dialectic of capital and Hegel’s Logic, but because the dialectic of capital is a materialist dialectic, its epistemological substance is radically different from that of Hegel’s dialectic. To understand the differences better, it will help to consider the sorts of logics and epistemologies consistent with my formulation of stage theory and historical analysis.

3. Stage Theory

It is more common to find approaches to Marxian political economy that either explicitly or implicitly utilize two levels of analysis rather than three. The Althusserian ‘mode of production’ as opposed to ‘social formation’ is perhaps the most fully developed and influential two-level approach. Bhaskar’s critical realism, with its transfactual generative mechanisms at one level and empirical analysis at another, also implies at least a two-level approach. Bhaskar makes it clear that the object of knowledge is different at the two levels, and he marks this difference with the distinction between ‘intransitive’ and ‘transitive’ objects.

Three-level approaches are less common, are more complicated, and typically have not been well developed in the literature of Marxian political economy. Some interpreters of Regulation theory have referred to it as ‘mid-range theory’, thus implying both a higher- and lower-range theory, but there has been little effort systematically to develop these three different ranges and their interrelations. Jameson explicitly refers to three levels of analysis, but he then leaves the idea almost totally unelaborated.

Un’s three levels – constituted by the theory of capital’s basic principles, the theory of stages of capitalist development, and the analysis of capitalist history – seem, intuitively, to make good
sense. And yet when we begin to ask questions about the independence/dependence of the distinct levels, we are immediately plunged into difficulty. The difference between capital’s inner logic (an ‘intransitive object’) and the analysis of history (a ‘transitive object’) is readily apparent, but what is the justification for a distinct middle range theory that mediates the two?

It is difficult to separate the justification for stage theory from a consideration of its substance, since we need to know what stage theory is in order to appreciate its necessity. However, there are two initial considerations in favour of stage theory that are at least worth mentioning. First, there is a great gulf separating the inner logic of capital from the analysis of the twisted, impure, and uneven development of capitalism in history. It therefore makes sense to have some kind of mediating theory bridging the gulf between these two levels. Second, capitalism does seem to pass through various stages of development, there being important qualitative differences between the most characteristic forms of organization and modes of accumulation of capital in its different stages of development.

If the dialectic of capital theorizes capital’s laws of motion in the abstract and in general, and historical analysis theorizes the historical evolution of capitalism, what is left for stage theory that is logically distinctive? In my view the theoretical raison d’être of stage theory ought to be the exploration of capital’s principles of operation in its various stages of development. Like the theory of pure capitalism, its aim is to clarify how capital accumulation works and not how it came into being. But it is distinguished from the more abstract level in not assuming total reification. As a result, at the level of stage theory only some use-value production is subsumed to the motion of value, it may be only partially subsumed, and even this partial subsumption may require ideological, legal, and political supports. Like the level of the historical analysis of capitalism, stage theory is context-specific, but it differs from the more concrete level in focusing on stage-specific abstract types of structure and their operating principles and not on processes of historical change.

Globally, capitalism develops very unevenly, and stage theory is limited to exploring the most capitalistically developed forms in their most successful operation. Thus central to stage theory are stage-specific types of use-value, subsumed to the motion of value in stage-specific ways, located territorially in that country or those countries which are most capitalistically developed.

At the level of stage theory, there is too much contingency and plurality for a dialectical logic to operate. Because reification is only partial, the economic is not self-subsistent, but is instead conditioned by the ideological, legal, and political. Althusserian terms such as ‘structural causality’, ‘relative autonomy’, and ‘overdetermination’ indicate the kind of logic appropriate to a theory of abstract types. Because it is a theory of abstract types, stage theory may appear not only Althusserian but also, to some extent, Weberian. This apparent similarity is, however, rather shallow since Weber’s ideal-types are informed by an individualist ontology borrowed from marginal utility theorists such as Menger, Wieser, and Böhm-Bawerk. In the case of stage theory the formation and organization of abstract types is informed by a more abstract dialectical logic.

Thus, for example, in the stage theory of liberalpism, the most typical form of capital accumulation is cotton manufacturing, and the stage of liberalpism reaches its ‘golden age’ or its most typical forms in Britain between 1850 and 1870. Now the above claims are not based on my subjective judgement or my ability to spin ideal types out of my head, but upon an understanding of what capital is and how it operates attained through the theory of capitalism’s inner logic. Using the dialectic of capital as a source of guidelines the abstract types of stage theory are abstracted from those times and places where stage-specific types are most fully developed. Thus for the stage of mercantilism it is England between 1700 and 1750, for the stage of liberalpism it is England between 1850 and 1870, for the stage of imperialism it is Germany and the U.S. between 1890 and 1914, and for the stage of consumerism (Uno did not theorize a fourth stage, but I think there are good grounds for so doing) it is the U.S. between 1950 and 1970.

I conclude so far that at its most abstract level Marxian political economy can formulate a theory of capital’s inner logic and that this logic is dialectical. A dialectical logic appropriate to a theoretical object that is totally reified is not appropriate to a theoretical object that is only partially reified and shot through with historically specific contingencies. At the level of stage theory, therefore, we not only move to a different level of abstraction, but to a different logic altogether. At this level, where we are trying to typify stage-specific structures, the appropriate logic is structural in at least a partially Althusserian sense. It should be clear, at the same time, that some aspects of Althusser’s epistemology are not applicable to a stage theory limited to a historically specific mode of production, and that is a mid-range theory informed by a higher level dialectical logic and by a lower level logic as yet to be specified.

4. Historical Analysis of Capitalism

Probably for good reasons, historical analysis has always had a strong empiricist bent. By this I do not mean that it has adhered to some rigorously empiricist epistemology, but rather that it has adopted a kind of common sense empiricism in which the aim is continually to improve our understanding of history by gathering more and better confirmed information about the past and by improving our interpretations of this information.

Historical analysis as a level of Marxian political economy differs from other historical analysis in first of all focusing primarily on the history of capitalism, and, secondly, in being unusually self-conscious about how it is informed by more abstract levels of theory. The aim of historical analysis thus understood is to clarify the extent to which, and the ways in which, capitalism and modern history have influenced each other’s development. The theoretical object of historical analysis is first and foremost change, and this differentiates it from the two more abstract levels which are primarily concerned with how something works rather than with how it came into being and is changing.

No doubt it would be possible to insert much more consideration of change than I do into the level of stage theory. My reason
for not doing so is not simply to bolster what might appear as a rather artificial distinction between stage theory and historical analysis. Rather, I see the analysis of historical change as highly complex, whilst this complexity has far too often been reduced to a simplicity in which historical change is reduced to little more than a function of mid-range theory. I want to problematize the relation between stage theory, which is highly structural and synchronic, and historical analysis, which is primarily process-oriented and diachronic. I believe that the two more abstract levels of theory can inform historical analysis, but not necessarily in direct and unproblematic ways. Above all I want to avoid any temptation to fall back into any rendition of the 'logical-historical method', where the historical is destroyed by being made a function of the logical (as in economism) or the logical is destroyed by denying it any utility at all in the analysis of history (as in some forms of spontaneism or voluntarism).

Having emphasized the integrity and autonomy of historical analysis, it is important to grasp that the more abstract levels can significantly inform historical analysis. Marxian historical analysis tends to be particularly interested in the larger, more long-term trends and forces at work, and hence with history conceived structurally. This structural orientation tends to align historical analysis more closely with stage theory than it might otherwise be. But even with a historical sea-change like World War I, the stage theory of imperialism as I conceive it can only provide a series of useful guidelines as to how to understand the role of capital accumulation in fuelling the tensions that eventually erupted in World War I; it cannot itself provide a historical account of the role of capitalism in World War I.

A HEALTHY HOME MEANS A HAPPY HOME!

Since historical analysis as a level of political economy is primarily concerned with change, the logic appropriate to such a theoretical object is a logic of process. This does not mean that historical analysis is not concerned with structures (and even relatively enduring structures), but that these structures themselves are understood in process terms as structures which are maintained/changed by on-going processes of reproduction, alteration, or destruction.

Because historical analysis may be more global or more local, concerned with long- or with short-term developments, or concerned more with structures or with agencies, it is difficult to generalize about the methodological principles that might inform or guide its logic of process. However, I want very briefly to recommend three general methodological principles: the principle of agency, the principle of critique, and the principle of multiple points of view.

First, historical analysis should not adopt an epistemology that makes it difficult or impossible to understand agency. Agency implies an agent that acts, but an agent need not be an individual. Indeed, in the study of history the most important agents are generally collectivities, and collectivities are typically highly conditioned by structures and processes. Furthermore, collectivities tend to be heterogeneous, complex, decentred, and open totalities. If we think of agency first and foremost as agency by collectivities; and consider agency by individuals as derivative, rather than vice-versa, then we are not likely to fall into the trap of privileging the originating, willing individual subject as the typical agent—a trap into which a great deal of social science has fallen (most particularly those schools inspired by methodological individualism).

The second principle is the principle of critique. At the level of the theory of the dialectic of capital, the critique of capital is only implicit. It is implied by an economic system that is totally reified and as a result generates a capitalistic rationality which pursues profit regardless of the cost in human or ecological terms. It is implied by an economic system based on exploitation. But in the context of pure capitalism, where the dialectic is limited to drawing out capital’s basic operating principles, it is not possible to develop any criticism of capitalism beyond implications that flow from a totally reified economy. At the level of stage theory, the critical dimension of Marxist-Marxist political economy can be extended to the consideration of stage-specific abstract types of exploitation and oppression. But here too, the full development of the critical dimension is constrained by the fact that the stage theory is principally concerned with the point of view of capital and how capital accumulation works. To the extent that capital accumulation systematically marginalizes or silences certain realms of social life, certain voices, or certain alternatives, we need to consider not only how capitalism works but also how it systematically excludes or suppresses. Thus capital accumulation may be accompanied by an ‘informal sector’, or by various sorts of ‘colonialized sectors’, which are heavily shaped by capital accumulation but relatively invisible from the point of view of its dominant forms. It is only at the level of historical analysis that these issues can be fully analyzed in the concreteness that they require. It is only at this level that we situate capital accumulation in the concrete totality of social life and consider how what is most internal to capital can be related to all that is most external, and indeed how capital may to some extent generate that which is external.

Third, according to the principle of multiple points of view, historical analysis as a level of Marxian political economy analyzes modern history from the point of view of the impact of capitalism on that history. An indefinite number of other points of view on history are possible. For example, one could look at modern history from the point of view of the impact of religion, gender relations, ecology, or war. Those adopting the perspective of Marxian political economy do so, at least in part, because they think capitalism has played an important role in modern history. But just how much can be explained by this perspective as opposed to others remains an open question.

The above considerations should provide some indication of the difficulties involved in offering any simple epistemological characterization of historical analysis’ logic of process. There are not only the above principles to be considered, but also the ways in which historical analysis is informed by both the dialectic of capital and stage theory. In the approach I am advocating, histori-
cal analysis is accorded much more autonomy than usual in Marxian political economy. I believe this is important for breaking with the logical-historical method which has too often bred a kind of theoreticism or reductionism. Historical analysis has its own internal integrity and is in no sense determined by more abstract levels of analysis, but is only informed by them.

5. Conclusion

If it seems that the emphasis placed upon the autonomy of the levels here is too strong, it is well to consider that all three levels in one sense or another have capitalism as their theoretical object. Thus, instead of working against each other, the three levels are essentially a division of labour for working on the same project. Consider, for example, the analysis of capitalist exploitation across the three levels. At the level of pure capitalism, exploitation is governed entirely by a commodity-economic logic and is expressed in a rate of surplus-value. At the level of stage theory, exploitation cannot be simply encapsulated in a rate of surplus value, but is better seen as one of four world-historic stage-theoretic types of capital/labour relation with economic, ideological, legal, and political dimensions. At the level of historical analysis, the evolution of capitalist exploitation can be examined world-historically, regionally, or in any particular locale, as it intersects with any other set or sets of social relations. Although it is clear that the three levels can combine to analyze exploitation, I am suggesting that they work together best when they keep their own logics to themselves. In this way each logic aims to be appropriate to a particular degree of reification, a particular level of abstraction, and a particular set of theoretical tasks.

Starting with Uno’s highly suggestive notion of three levels of analysis, I have arrived at a complex layered epistemology which combines Hegelian, Kantian, Humean, and even Postmodern elements into an entirely new synthesis that is not easily slotted into any of the old epistemological camps. I am proposing a plurality of epistemologies that can work together best by preserving their own relatively autonomous identities. And these separate logics are required because of the differences in the theoretical object at each level: a totally reified self-expanding economic system, a stage-specific type of capital accumulation, and an historical process of change seen from the viewpoint of capitalism.

The epistemology that I have only sketched here can no doubt be further developed once more substantive work has been done in accord with the levels of analysis approach to Marxist political economy. Hitherto most work has been focused at the level of the theory of capital’s inner logic. Very little work has been done at the level of stage theory, but this work is crucial for ultimately strengthening historical analysis.15 Indeed, without this mediating level of theory, work on capital’s basic principles remains isolated from the real world. If such work is directly applied to historical analysis, it must do so across a rather large gulf and in the process nearly always produces some degree of economism and reductionism. Improved historical analysis can also feed back and strengthen stage theory. I believe that a more self-conscious and theoretically rigorous approach to levels of analysis is the key to Marxist political economy advancing as a social science.

Notes

2. This framework generated a debate that became large enough to be given its own name: ‘the modes of production debate’.
7. Uno’s only book on stage theory, Types of Economic Policies Under Capitalism, is in the process of being translated into English by Sekine.
9. See, for example, his ‘Introduction’ to Uno’s Principles.
10. This is most fully elaborated in his two-volume work The Dialectic of Capital.
12. Ibid., p. 137.