

## Capital & Class 96

### References

- Kagarlitsky, B. (2002) *Russia under Yeltsin and Putin: Neo-liberal Autocracy* (Pluto Press).  
Wallerstein, I. (2000 [1974]) 'The rise and future demise of the world capitalist

system: Concepts for comparative analysis', in I. Wallerstein (ed.) *The Essential Wallerstein* (New Press).

Owen Worth

## Hegemony, International Political Economy and Post-Communist Russia

*Ashgate, 2005, 183 pp.*

*ISBN: 0-7546-3757-3 (hbk) £60*

reviewed by Richard Connolly

This book attempts to place the development of post-communist Russia within a wider international context, arguing that events in Russia 'cannot be understood without understanding those developments that have occurred at the global level' (p. 5). In order to attempt this, Worth employs a neo-Gramscian framework that uses Russia as a test case to 'help to add greater emphasis to the study of neoliberal hegemony' (p. 4). With this in mind, Worth sets out to provide a bridge in 'understanding the national/global dichotomy of hegemonic relations as it draws from both the Coxian framework of analysis and that which has been offered by area specialists' (p. 5). This emphasis on the international dimension in post-communist political economy is welcome given the fact that many accounts often neglect the importance of factors at the international level of analysis. Using Russia's reintegration into the world economy as a case study enables Worth to focus on the degree of freedom that the Russian state enjoyed in negotiating its reintegration within the global order, thus bringing attention to the interplay between international and domestic variables in accounting for developments within Russia. Unfortunately, while the aims of the book are laudable, many who do not agree with the

neo-Gramscian analytical framework may feel that the execution falls short in several important areas.

Chapter 1 outlines the neo-Gramscian conceptual framework used by Worth throughout the book. Here, positivist approaches to international relations (IR) and international political economy (IPE) are critiqued, and in particular the hegemonic stability theory advanced by realist and liberal scholars. In their place, Worth proposes an approach that mixes elements of the works of Antonio Gramsci and Robert Cox, with the main emphasis placed on the concepts of hegemony (the process by which a ruling class exerts control over society through building consent, rather than resorting to coercion), and *trasformismo* and Caesarism (passive and non-passive responses at the national level to the hegemonic project). Here, it is suggested that the strategies employed by rulers to enforce the neoliberal hegemony are contingent on the unique circumstances prevailing within a given society. It is the focus on how state-society relations within individual states mediate the effects of neoliberalism at the international level that is a strength of this book. As Worth argues, many existing studies within the neo-Gramscian and Coxian tradition are too 'top-

down and even reductionist' in their understanding of the effects of hegemony on states. Worth seeks to provide a more balanced approach, albeit from within a firmly neo-Gramscian framework.

Chapter 2 describes how the twin processes of globalisation and neoliberalism characterised a new stage of capitalism in the 1990s — one in which the powers of regulation of markets were transferred from the sovereign state to international agencies and institutions such as the World Trade Organization. The process of globalisation — presented by its proponents as a 'natural' and 'irreversible' force, the logic of which is one of 'common sense' — is in fact, Worth suggests, a socioeconomic formation created by key self-interested organisations (p. 44). Chapter 3 moves on to discuss the manner in which opposing ideological traditions within Russia have historically resulted in Russia's opposing Western-inspired socioeconomic projects, the culmination of which was the formation of the Soviet Union. Worth then outlines the flaws that were inherent within the Soviet Union and the reasons why this model ultimately failed to create a credible alternative to the world hegemonic order.

The post-Soviet period and the interaction between the global economy and domestic organisations within Russia are discussed in the final three chapters. The years between 1991 and 1999 are presented as a period in which Boris Yeltsin, with the assistance of international neoliberal intellectuals, Russian plutocrats and the occasional use of authoritarian measures, moved Russian society towards a point in which the global neoliberal hegemony was only weakly rooted in Russia. This failure to embed the neoliberal project within Russian society led to the emergence, in the 1990s, of diverse sources of ideological contestation, and these are discussed in Chapter 5. These 'counter-hegemonic' discourses are categorised along a somewhat simplistic *zapadniki-derzhavniki* (Westernisers—nationalists) spectrum. Worth argues that the failure of Gorbachev and

Yeltsin in introducing social democracy and a neoliberal order, respectively, was due to the fact that both projects, rooted as they were in the cosmopolitan tradition of the *zapadniki*, did not appeal to a strong constituency in Russia. Chapter 6 discusses Vladimir Putin's first few years in power. Here, it is argued that Putin succeeded in co-opting a more diverse range of Russian social forces than had Yeltsin, ensuring that Russia increasingly conformed to the norms imposed by the international neoliberal hegemony.

There are several flaws in Worth's argument, both conceptual and empirical. Worth suggests that the ideology of neoliberalism precedes and facilitates the material process of globalisation. This would seem to confuse the direction of causation. The process of globalisation (i.e. the increased flows of trade and capital between states) has been proceeding apace since the end of the Second World War, with the ideology of neoliberalism only gaining prominence much later. Indeed, this might explain why neoliberal ideas have often flourished in Russia, a country that is only integrated with world trade patterns in a very patchy manner (i.e. primarily as an exporter of primary products). An appreciation of the varying degrees of reintegration with the world economy that have occurred across the Russian economy might point towards explaining why certain ideas have been successful or otherwise in Russia. Most of Russia's successful export sectors are primary product 'enclaves' (Wade, 2004), characterised by monopolistic or oligopolistic market structures, and owned by either (increasingly) the state or Russian plutocrats. Either way, such interests hardly constitute fertile ground for the emergence of neoliberalism as a hegemonic force in Russia. Indeed, the argument that neoliberalism has become more accepted in Russia since Putin's time in office is also spurious. After two or three years of relatively liberal economic policy, Putin's Russia has developed a very distinctive form of capitalism far removed from that

associated with the neoliberal paradigm, characterised by increasing levels of state ownership in 'strategic' sectors, the abuse of property rights (with the Khordorkovsky case being one of many), and the exclusion and ill-treatment of foreign investors (particularly in the energy sector). If anything, this is indicative of a country that is rejecting neoliberal ideas in many areas, and developing its own form of state capitalism. Overall, this book might appeal as a case study in the

application of neo-Gramscian IR/IPE theory, but its treatment of political and economic transformation in Russia is less effective.

---

### Reference

Wade, R. (2004) *Governing the Market: Economic Theory and the Role of Government in East Asian Industrialisation* (Princeton University Press).

---

Andrew Kliman

## Reclaiming Marx's Capital: A Refutation of the Myth of Inconsistency

*Lexington Books, 2007, xviii + 230 pp.*

*ISBN: 978-0-7391-1852-8 (pbk) £18*

*ISBN: 978-0-7391-1851-1 (hbk) £45*

reviewed by Andrew McCulloch

---

The status of Karl Marx's theory of value has always been a matter of contention. Some writers have regarded this important regional theory of Marxism as a central weakness and even as its Achilles heel, which either requires correction or exclusion from the Marxist canon. Others, such as Andrew Kliman, have claimed that Marx has been (sometimes wilfully) misinterpreted. Some time ago in the last century, Kliman and several others established an international working group on value theory (IWGVT). Not unexpectedly, it was a deeply divided group, and its members were forced to hammer out a set of guidelines for debate. Kliman has evidently tried to follow the group's admirable guidelines, but perhaps not always successfully. A reading of this book suggests that what chiefly divided the group was whether Marx valued production inputs and outputs simultaneously in his system or whether, as Kliman argues, Marx was a temporalist whose labour theory of value necessarily resulted in valuing outputs and inputs differently. They were also

divided over the question of whether or not Marx had a single system of values and prices or a dual system — that is, whether or not there was a 'transformation problem' of values into prices.

This lucid text is written for those Marxists like myself who would never have joined the IWGVT, and who have not immersed themselves in value theory but nonetheless would like to know what is at stake and what is going on when Marxists disputing value theory metaphorically tear pieces off each other. Kliman believes that he has imposed a limitation on himself in addressing this particular audience. That is, he assumes that those who are not professional economists and proficient in algebra would not be able to follow or profit from a treatise that expressed all its main propositions and arguments in mathematical language. I am sure that he is right, although he has retained some illustrative algebraic formulations. The drawback, he suggests, is that his arguments here necessarily lack complete precision when

**Sheila Cohen** is a writer and activist in the field of rank-and-file trade unionism. Her recent book, *Ramparts of Resistance: Why Workers Lost Their Power and How to Get It Back* (2006), is an analysis of trade union struggle in the USA and UK since the 1968-1974 'upsurge'. She is currently updating a 1998 pamphlet on workplace trade unionism, and is a part-time senior research fellow at the Centre for Research in Employment Studies, University of Hertfordshire. She is a member of both the UCU and the NUJ.

**Richard Connolly** is a Ph.D. candidate at the Centre for Russian and East European Studies, University of Birmingham.

**Christine Cooper** is a professor of accounting in the Department of Accounting and Finance at Strathclyde University. Her research is concerned with the impact of accounting on our everyday lives, and she has published work on privatisation, performance measurement, the Iraq war, feminism, insolvency and progressive taxation systems. Her work is based on the belief that it is the role of academics to try to engage with the world in the hopes of making a more equitable society.

**Gerard Cotterell** is a Ph.D. candidate in the Sociology Department at the University of Auckland, New Zealand. His doctorate is a comparative analysis of recent welfare reforms for the unemployed and low paid in Britain and New Zealand under their respective labour governments. Using a political economy framework, he seeks to explain the extent of continuity and change between these 'post-conservative' governments and their conservative predecessors.

**John Hassard** has a BA in organisation studies from Lancaster University and a Ph.D. in management studies from Aston University. He is currently a professor of organisational analysis at Manchester University and a senior research associate in management learning at the Judge Business School, Cambridge University.

**George Lawson** is a lecturer in international relations at LSE, having previously taught at Goldsmiths, University of London. He is convener of the British International Studies Association's working group on historical sociology and international relations – <[www.historical-sociology.org](http://www.historical-sociology.org)> – and author of *Negotiated Revolutions: The Czech Republic, South Africa and Chile* (2005).