

POLITICAL ECONOMY: A QUESTION OF THEORY

Henry Veltmeyer

Last issue's initial confrontation with the question of "The State and Political Economy" is very welcome.* Hopefully it will open up a debate that places a reviving interest in political economy into a theoretical perspective, as well as direct research to conditions that apply in Canada. In this hope I would like to make some observations about what seems to be the two key issues involved: the class basis of the state in capitalist society and the specific features of the Canadian state.

In regard to these two issues I would disagree with Wally Clement's suggestion that the basic theoretical problems have been thoroughly aired and that the major problem now is one of methodology (77). It seems to me that asking 'the right questions' is essentially a problem of theory, not methodology. It is true that the four commentators share a well-placed emphasis on the value of Marx's theory for directing analysis to the most relevant questions. However, there are a host of unsettled questions about Marx's theory based on the concept of the state as 'the executive committee for managing the common affairs of the whole bourgeoisie'. The various assumptions by which the state can be defined as a concept are still very much at issue, and except for Panitch's reference to the Miliband-Poulantzas debate, not even brought into focus. This is a real issue in that the problem as to which questions are asked about the state in capitalist society can be traced back to one's operative concept of the state. To define the state as a complex of institutions in the public sector is to develop an analysis quite different from that based on Poulantzas' broader structuralist definition. At the very least, the contrary assumptions and theoretical implications for the kind of questions asked should be addressed.

Be this as it may, the four commentators clearly appreciate the vital connection that Marx's theory makes between the state and the class structure of its economic basis. However, the theoretical and methodological conditions of this connection are not nearly as clear as one would think. On the one hand, Cle-

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ment rightly situates the state in its socio-economic context. On the other hand, he misleadingly talks of 'creating a theory of society' (73) as if one was not very much at hand. Part of the problem is below the surface. Clement's own work is valuable precisely because it follows Marx in analyzing political and economic relations not as separate systems but in terms of conditions created by society's group structure. The question is how do we specify the conditions of this structure. On the one hand, there is an ultimate (and too distant) reference to Marx's theory of capitalism. On the other hand, there is the ambiguity of two concepts (the ruling *class*, the corporate *elite*) defined by quite different assumptions. Simple references to class as a 'relational concept' (79) won't do. I think it would be useful to confront this question more directly (recent studies by the various commentators notwithstanding) as a systematic analysis of the Canadian state based on Marx's principles of class analysis still awaits us.

Another issue brought into sharper focus is that of the role of the state in the Canadian context of dependent capitalist development. As stated by Panitch and generally supported, this is indeed the central problem for questions of theory and research. The problem itself is clearly brought on by the increasingly large and visible role of the state. What is not so clear (except for Panitch's opening comment) is that this problem requires a careful distinction between the structural features of the capitalist state in general, and features specific to Canada. Without such a distinction, Chorney's comment that "the Canadian state has not thoroughly developed the features necessary for a modern capitalist state" (73) is useless if not meaningless — as is his seemingly misplaced emphasis on the bureaucratic form of the capitalist state. Admittedly, Marx himself left no systematic theory of the capitalist state, but its principles of analysis¹ are clear enough and Poulantzas for one has attempted to formalise them into a general theory of its structural conditions. Elements of this theory are picked up by O'Connor as well as by Chorney and Panitch in their reference to the state's role in terms of specified functions (accumulation, legitimation, repression). It is obvious that the class basis and structural (invariant) conditions of this functioning can be specified by a general theory of the capitalist state which is perhaps already available. What is required (and here I am in complete agreement with Clement) is a concrete analysis of its historically variable conditions in Canada.

As to the state's specific features, the four commentators each in his own way are quite sensitive to the problem involved, although some of the questions raised about this problem seem to be misplaced or disputable. It can be granted that 'the foreign presence' in Canada and the changing role of the state have to do with a process of capital accumulation and a class struggle based on condi-

1. In fact, Marx outlined the principles for several quite distinct theories of the state. On this see my 'Marx's Two Methods of Social Analysis' (*Sociological Inquiry*, forthcoming) and 'Marx's Theory of Revolution' (*Journal of Socialist Studies*, in projected first issue, 1978).

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tions so produced. However, what connection is there between these conditions and the interesting question raised by Philips and Clement (80) about the state as employer? Why, as Phillips argues, is the whole historical debate over capitalism and the national question in Canada so irrelevant? Whether or not the national policy favoured both merchant and industrial capital, as here suggested, or merchant capital alone, as suggested by Naylor and others, the connection between state policy and its class basis is highly relevant. It could and has been argued that the distinction on which Naylor's thesis is based is false, but even so the questions it raises remain important.

This, of course, gets us back to our first problem: the theoretical principles for asking the most relevant questions are not clearly established. This is even more urgent than Clement's legitimate concern over questions of methodology.

Sociology
St. Mary's University