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Abstracts

Towards a Marxist theory of European integration
by Peter Cocks

Hitherto, studies of the European Communities (EC) have been ahistorical. Having failed to understand European integration in the context of the long-term development of capitalism in western Europe, mainstream authors have misconstrued the meaning of the EC. Classical and contemporary Marxist analyses of capital and the state provide an indispensable framework for correcting these failures. Successful cases of national and international-regional integration are best conceived as the spread of state functions in proto-capitalist and capitalist societies across increasingly large territorial areas in response to certain contradictions intrinsic to the growth of capitalism. The crucial contradiction is that between the imperatives of the accumulation of capital and the realization of surplus value, and the legitimation of the institutions within which these forces operate. By examining integration in early capitalism (particularly the unique case of Britain), in conditions of delayed industrialization (nineteenth century Germany), and in mature capitalism (the EC), we get a clear sense of both the functions of integration at national and international-regional levels and the essential threads of continuity between their various historical manifestations.

First World-Third World linkages: external relations and economic development
by Michael B. Dolan and Brian W. Tomlin

Structural theories of dependency have proved difficult to test empirically, but attempts to do so have yielded significant findings about relationships between First World-Third World economic linkages, on the one hand, and various aspects of economic development in the Third World, on the other. The cross-national, multiple regression analysis reported here assesses relationships between the independent variables of direct foreign investment, trade and aid, and three dependent variables: economic growth, sectoral imbalance, and income inequality within countries. In the short run, direct foreign investment is positively associated with economic growth, but in the longer run (three to six years) it is negatively associated with growth. Aid and trade levels are not significantly associated with economic growth. Sectoral imbalance is significantly related only to trade linkages. Income inequalities within countries are unrelated to patterns of direct foreign investment, aid, or trade.

Foreign enterprise and forced divestment in the LDCs
by Stephen J. Kobrin

Once one abstracts from a relatively limited number of countries where mass ideologically motivated expropriation has taken place, forced divestment can be seen as one of a number of policy options used to achieve host country political-economic objectives. Within this framework, enterprise vulnerability to selective forced divestment is posited to be a function of industry and firm specific structural and behavioral characteristics. Specifically, it is posited that, ceteris paribus, probability that forced divestment is the vehicle of choice is a function of three interrelated characteristics of foreign investment: industrial sector, ownership structure and level, and maturity of technology. Data on 511 acts of forced divestment involving over 1500 firms in 76 less developed countries over the years 1960–76 are analyzed. Conclusions are generally consistent with the hypotheses. In the vast majority of countries forced divestment is selective. Furthermore, selection of firms is far from a random process. Vulnerability is clearly a function of industry and firm specific characteristics which increases the probability that perceived benefits of the investment are no longer seen as sufficient to justify the costs and that alternative regulatory or administrative policies are not likely to be effective.

Access to society: a neglected dimension of power
by Barbara G. Haskel

Much of what countries want from others they want not from other governments but from actors in other societies and economies, which are, to very varying degrees under the control of those governments. Examples from the North-South arena are the extraordinary range, sophistication, and comprehensiveness of economic capabilities ("softwear" as much or more than "hardware"), which are for sale. States are also able through their access to another society to buy help in obtaining access to its government. The politics of East-West trade and investment give a striking example of *contingent access in the context of highly asymmetrical state-society relations*. West-West relations highlight the extent to which access to the society of another country can be used to circumvent that country's government and its policies. Striking examples are first, the current political strategy of the Parti Québecois which bet on the behavior of non-governmental economic actors in the rest of Canada and in the United States, and second, the apparent inability of the U.S. governmental Goliath to moderate the Swedish David's harassment during the Vietnam era.

In order to assess properly a state's "power" in its relations with others, one must assess both the state's ability to direct, for foreign policy purposes, what are conventionally deemed its resources, and also its access to the economies and societies of others. The increasing volume of social and economic transactions redistributes capabilities to those who 1) have access to others, and 2) can control access to their own society-economy. Neither aggregate economic indicators nor advantages in specific sectors, but instead the overall organization of economic interests and their normal relationship to the state, much discussed in the literature on corporatism, becomes crucial. In the contemporary world the power of a state vis-à-vis actors in its domestic arena may be an increasingly important ingredient in a country's international power.

Small states as aid donors
by J. Stephen Hoadley

Small states belonging to the OECD follow foreign aid policies different from those of the six largest OECD countries. Small states give aid more generously, channel more of their aid through multilateral agencies, and conform more closely to international targets on aid volume and ease of terms, than large states. On a composite index of donor performance for seventeen states, the five top-ranking states, and nine of the top ten, had populations below 24 million. Size is a better predictor of aid performance, as measured by this composite index, than relative wealth of the donor.