

REGIONAL GROWTH AND REGIONAL PROBLEMS UNDER CAPITALISM

two connected types of analysis?

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Marxistic regional analyses are criticized for having focussed one-sidedly on the localization of capital and labour and neglected the human and environmental consequences of the capital's movements and localization. On the basis hereof a localization analysis is outlined as also an analysis of the regional differences in labour's working and reproduction conditions, and it is discussed how these differences and the localization of capital influence each other.

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The purpose of this paper is twofold:

1. To raise a discussion about our approaches to the study of regions.
2. To raise a discussion about the topics (subject-matter) of those studies.

The main idea of my paper is that the second point has never been clarified and that we try to use marxist approaches to bourgeois economic conception of the study of regions. To clear up our own conception of the subject-matter I shall propose that we consider the study of regions as two different but connected types:

	<i>Regional Growth</i>	<i>Regional Problems</i>
Topic:	Movement of capital and working places	Environmental and socio-economic consequences of these movements
Type of analysis:	Locational	Social spatial division of labour and relations of appropriation

If this typology is useful we must discuss 1) how we characterize the production process and reproduction process in a relevant way in the two analyses and 2) which approaches could be found suited in the two cases.

Turning to the analysis of imperialism I find in Denmark at least the same topical »dualism«: One type of study dealing with the internationalization of capital as its topic and

using the capitalogic school of thought as its philosophy and a second one analyzing the international division of labour and appropriation of surplus labour based upon the Althusserian school of thought. This is mentioned only to point out that the study of imperialism and that of regions share some epistemological problems.

As both types of analysis (locational and social spatial division of labour) is to be of practical use to the working people, political strategies ought to be based upon them as their final results.

A HISTORICAL-MATERIALISTIC APPROACH TO THE REGIONAL STUDY

The approach is based upon a theoretical work of the DDR geographer Schmidt-Renner. In his opinion the human geography is concerned about »the territorial division of labour to understand the causes of its creation, development and functions and to make this understanding useful to a reconstruction of the inherited economic and social structure of localities (standort)« p. 13. In spite of this definition his own theory is first of all a locational one.

His theory deals with the creation of geographical distribution (localization FH) of production localities. The dominant force behind this is the development of the mode of production and here the development of the productive forces is the crucial factor. It is their development and their localization influenced by the production relations he claims as being important to study. To these factors are added the superstructure, the nature and the growth of population as modifying factors. The model theme ends up with five groups of factors:

productive forces	}	dominant	crucial
production relation			modifying
superstructure			modifying
nature			modifying
population growth			modifying

Further we are told that our analyses have to start with the productive forces and that the human geography has its »roots in the dialectical and historical materialism plus the political economy« p. 16. His own theoretical arguments are exclusively based upon the historical materialism which - as we shall see - make them doubtful. Besides, he does not point out how the political economy could be used.

In the Buch-Hansen, Nielsen version the definition of the human geography has changed (deteriorated ? FH). Now our science is concerned about explaining the origin and the development of the territorial structure (TS). By TS which is made the key concept, at least Buch-Hansen means the forms of physical space in their functional unity.

Further they stress that »among all the elements of territorial structure, it is the location of the production processes which is the most dynamic, ultimately determining part. Therefore the study of the factors involved in the location of the production processes is central to an investigation into the development of territorial structure«, (p. 6).

In my typology their conception of the study of regions is exclusively a locational one, and the mode of production is the crucial locational factor, just like by Schmidt-Renner.

Using this general statement in his analysis of the capitalistic TS Buch-Hansen stresses that it is »Through an analysis of the central laws in the capitalistic economy, primarily the development of the productive forces and the centralization and the concentration of capital that we reach a comprehension of the connection between the unequal economic development and the unequal territorial development« (p. 54). Further he states that the interesting thing is »to deduce those central laws which give rise to the continual changes in localization of the production and therefore causes the unequal development of the TS«. (p. 56).

This programmatic statement is followed by an analysis where the production relations are discussed as a reference-framework in which development and the localization of the productive forces are studied. Economics of scale and agglomeration economics are made the key word in the study. The unequal development of the TS »is among other factors caused by those advantages the two factors give to capital«, (p. 59). Finally follows a purely empirical (and false? FH) argument stressing that the most technically advanced and most centralized capitals are those which could make best use of these advantages so they will be located in the greater cities.

To sum up: The study is of the localisational type. It is mainly based upon the historical materialism although part of the political economy is brought in as reference-framework. The relation between the two remains vague. The development and the localization of the productive forces is the essential part of it and it contains some purely empiric arguments.

FORMULATED AND NON FORMULATED CRITICS

These theoretic ideas (the SR model) were accompanied by a general frustration of their lack of political relevance. Radical students felt that they had to choose between human geography and politics and their choice fell in most cases upon politics not based upon their studies.

The more formulated criticism comes from different fronts 1) a criticism of its subject matter, 2) a criticism of the attempt to base it upon the historical materialism, 3) a

criticism of the version of the historical materialism used.

To 1. My own problems with the SR model derives from an attempt to use it in new »fields«. I could not use it in studies which focused on regional differences in the social structure of population and reproduction of labour. I found that it completely ignored creation of regional differences in concrete production relations, political intervention etc. As I regarded these topics as an essential part of politics and as praxis to the social sciences I could not accept this ignorance.

To 2. To the capitalologic school the SR model was at best a very vague theory which almost ignored the critique of the political economy and the marxist theory for capitalist accumulation. They (ex. Lynnerup et al.) themselves considered the latter as their starting point and tried to deduce a regional accumulation theory. Again the main stress was on the localization of capital and the organic composition of capital was regarded as a key characteristic in the locational analyses which also tried to use the marxist population concepts. The analysis failed in trying to deduce what could not be deduced (my subsequent rationalization FH) and it contained an empiric (and false FH) argument which »proved« that the capital with a high organic composition would be located in the great urban centres. Nevertheless, their criticism was correct and it can be sharpened: Is the SR model a theory? »The answer to this question depends on which status one gives the historical materialism: Some broad generalizations or a theory?

To 3. This criticism pointed out that the SR conception of the historical materialism was a stalinistic one. It operated with a productive force deterministic conception of society. To a given level of productive forces corresponds one and only one type of production relations. F.ex. did it not cope with an Asiatic mode of production, and changes in the production relations were automatically generated by changes in the productive forces.

Later the criticism under point 2 had developed into a general rejection of universal model a la SR. Andersen showed that Marx regards the relation between society and nature as being radically changed with the capitalistic society (p. 48). The same could be the case in other relations like the economic base/superstructure relation and the means of production/labour force relation.

What different stages of production have in common is not important to these stages, that means the factors which determine their development. On the contrary, generalizing is to miss the essential relations. This is several times expressed by Marx in his introduction to Grundrisse:

»To summarize: There are characteristics which all stages of production have in common, and which are established as general ones by the mind; but the so-called general preconditions of all production are nothing more than these abstract moments with which no real historical stage of production can be grasped.« (p. 88).

If the historical materialism is a set of generalizations

common to different stages of production it should not be regarded as a theory in the normal sense of the word but a methodological guideline warning us against:

1. idealistic studies of all kinds and
2. economic studies of the economic base.

But this historical materialistic world view cannot guide us to the »essential«. The only guidance here is to look at and react upon reality.

SOME PROBLEMS IN THE STUDY OF REGIONS

This brief section is trying to point out some philosophic problems. It adopts my dichotomy of analysis set up in the start. When I do not continue the discussion of the subject-matter of the two cases it is only because it would carry us too far - at least in the case of regional problems which the discussion has just started.

The locational analysis

Most of my statements are very general and not reflecting the special spatial level of analysis which is my topic. To me it seems clear that the factors to be discussed and their relative importance change with the spatial level. For example the national currency and national organization of the class struggle are two factors which cause a difference in the international and national locational analysis. The location in an urban area differs again f.ex. because of the greater importance of the competition between various types of capital (productive/non productive etc.) in a situation with a relative lack of physical space.

In every case the starting point of the locational analysis must be the accumulation theory as treated in the political economy. The localization of capital had to be seen as one element of the profit creation process among others (f.ex.-accumulation cycles, technological changes). It affects the amount of capital needed and the circulation time of that capital. Further can be shown at that level of generality two tendencies of a given (branch) capital:

1. to spread spatially either as commercial or productive capital,
2. to agglomerate production spatially in fewer units.

Both tendencies depend on the development of the internal market in the spatial unit concerned.

But this tells nothing about where capital will locate! The localization of capital will depend on a range of factors (processes) which theoretically lie beyond the political economy, but which, nevertheless, in most cases are subsumed to the capitalistic accumulation as it is treated in the political economy. Some of these factors are not varying spatially, but influence nevertheless the importance of those which are spatially differentiated. By the last ones we mean the localization factors. By localization factors is understood factors which vary spatially and influence the level of profit. They are economic factors and factors influencing the economy. As to the latter we can be guided by the historical materi-

alism. They are physical, social, political and ideological factors, varying spatially.

I find it important to stress that both the use-value and the price of the elements of the production process are varying spatially. This varying unity of use-value and price is influenced by the factors mentioned. An example: the political consciousness of the labour force is among other factors influencing both its own use-value and its price. As the political consciousness of the labour force is varying regionally so will the unity of use-value and price of the labour force. In certain regions there could be a political intervention in order to lower the price of a given use-value of the labour force or to make the use-value higher etc.

For each element in the production we have to discuss those factors that influence the unity of its use-value and price and make the unity vary spatially. (See also appendix A).

The relative importance of the localization factors depends on the use-value produced, the economic cycle, the technological development, the political intervention etc. with the economic conjunctures and the technological development as essential factors in the locational analysis. Here we have to remember that the technological development subsumed to the accumulation process is part of the class struggle.

If we shall be able to tell something (predict) about »locational tendencies« to certain branches in a certain period our statements must be related to tendencies in the technological development and/or in the conjunctures making special localization factors dominant and special areas preferable to capital.

I regard f.ex. the theory of the »uneven regional growth« as such a tendency indicating that some branches and/or regions will flourish - others characterized by crisis. Coal and textile regions could be such examples of former flourishing regions by now for more decades in crisis. This gives the impression of a very unstable regional growth with its continual ups and downs. In my opinion this picture is only partly true: We find regions which through the whole capitalist history have been up and down respectively. A fact which cannot be grasped by the locational analysis but by the social spatial division of labour analysis.

The social spatial division of labour

The general purpose of this type of study is to analyze the conditions of work and reproduction (WR) of the less favoured class fractions at a regional level given, the level of the productivity of labour. For an outline of WR, see Appendix B.

This raises immediately a problem because the class struggle about these conditions is mostly organized (takes place) either at a national or at a communal (production unit) level and not at a regional level. In such a context we

can only define a region as an aggregation of communes with similar WR problems as met with by the less favoured class fractions. The definition is only useful if it is correct to organize part of the struggle in such a way.

I consider the creation of problem regions of different types as a byproduct of the movement and development of capital influencing that movement and development. The problems are due to the form of subsumption of noncapitalistic production, capitalistic labour (population) and nature to capital within a regional division of labour on the one side and the political ability of the labour force (population) to fight those negative consequences of the capitalistic development. All regions are problem regions!

One example (a major social problem) is the creation of regional differences in the social composition of the population. They are founded either in an existence of non-capitalistic forms of production in certain regions or in a regional concentration of capitalistic technological forms using less skilled labour. The latter could be either complete undertakings or some parts of an undertaking. The essential characteristic is in both cases their technological form (their concrete mode of production).

The concepts of overpopulation and reserve army of labour may be useful in this connection.

To this map of regional differences in the social structure of population we must add a regional system of appropriation. By that I point to the fact that economic surplus is appropriated by capitalists in one region from social groups in another region. The form could be unequal exchange, interests and labour, depending on the type of capital (commercial, finance, productive) and form of subsumption. Together with the regional differences in productivity of labour the regional system of appropriation is essential elements of the economic conditions of the class struggle at a regional level.

These regional economic conditions and regional social structure of population are crucial factors in the understanding of regional differences in personal income and revenues as well as in the reproduction based upon these sources. I find it politically very relevant to map out these regional differences of reproduction related to their economic and social conditions. This calls for a marxist discussion of »conditions of living« in order to avoid an empiricist approach with no connection to the social forms of production (or parts of production) in the given region.

My brief arguments concern only two types of problem regions:

1. one where the problems are caused not by dominance of agricultural production but by its »blocked«, non-capitalistic form. This we find in greater parts of southern Europe and Ireland. In my own case study (Yugoslavia) the rapid economic growth in the underdeveloped regions is associated with stagnant structures in private agriculture, falling activity rates, increasing unemployment and work abroad etc.

2. one where the causes of the problems should be sought for in a dominance of the location of forms of capitalistic technology using non or less skilled labour, often with little trade union experience and consciousness. I think that we can point out such regions in most capitalistic countries.

This is, however, only examples. The less favoured class fractions in these regions have other problems and in regions with other social compositions of the population they have a lot of problems, too. I have only tried to outline some vague ideas about the subject matter in this type of analysis.

The processes studied here are almost exclusively beyond the fields of the political economy, but they are processes subsumed to the accumulation of capital like the subordination of non-capitalistic production, the development of technology, development of population, the deterioration of nature etc. They make up a lot of destructive effects of capitalistic economic growth and call for a discussion of the »subsumption to capital« in relation to the different types of processes.

Finally we have to investigate the connection between the two types of analysis. Firstly, the subject matter of the second type of analysis must be considered as consequences of the movement and location of capital. Secondly, these locations are not random, but part of a general social division of labour. Thirdly, some of the conditions and relations central to the second type of analysis act as location factors in the first type of analysis. The brief outline is only a first attempt.

After this has been written, Massey has put forward arguments close to mine in a recent paper where she connects the new tendencies in the locational demands of capital and the changing geographical division of labour in UK. Her article is at the same time a sound criticism of the chorological approach to regional analysis.

RESUME

Artiklen kritiserer marxistiske regionale analyser for ensidigt at have fokuseret på kapitalens og arbejdskraftens lokalisering samt for at have negligeret en egentlig analyse af de menneskelige og miljømæssige konsekvenser af kapitalens bevægelser og lokalisering. På denne baggrund skitseres der en ramme til såvel en lokaliseringsanalyse som til en analyse af regionale forskelle i arbejdskraftens arbejds- og reproduktionsvilkår, og det diskuteres kort, hvorledes lokaliseringen af kapitalen påvirker og påvirkes af disse regionale forskelle.

APPENDIX A

Outline of some ideas about the locational analysis

1. The choice of location is a way to rise the profit.
2. The choice will depend on both general (ex. conjuncture, technology, trade politics) and spatial varying factors (ex. physical and social properties of given places).
3. Their relative importance will depend on the geographical level of the analysis and the use value/activity concerned and change with time.
4. It has to be analyzed in relation to the elements of the production process and to factors influencing the realization and the financing process.

5. The different elements must be regarded as a unity of price and use-value. A unity which first of all is determined by economic factors and physical and educational properties respectively, but moreover influenced by social actions and political intervention.
6. For each element we have discussed those factors which are influencing its price and its use value. Take the ground: Its use value will f.ex. depend on its physical properties and its relative location. Its price will mainly depend on the ground-rent, the technology used in its preparation and the price of the used labour power. But the price could be lowered by political intervention.

	Elements of Production			Transportation	Finance	Reproduction
Price						
Use-Value ▶	<u>Objects</u>	<u>Instruments</u>	<u>Labour P.</u>			
	Energy	Ground	Academic	Infrastructure	Money	Housing
	Raw Materials	Buildings	Skilled	Means	Tax	Culture
▲		Machines	Unskilled	Distance		Recreation
Economic Factors		Outlet of				
		Pollution				
Physical and Educational Properties			▲			
	----- Social contradictions and/or political intervention -----					

APPENDIX B

Outline of some ideas about spatial division of labour analysis

1. The problems are due to such factors as:
 - a) accumulation and movements of capital
 - b) unemployment, underemployment, surplus population
 - c) the modes and forms of production
 - d) the productivity of labour and the forced accumulation
 - e) the political strength of the »poor«.
2. The spatial differentiation of modes and forms of production has to be seen in a spatial division of labour context.
3. The problems will be different in different types of regions:
 - a) — with a great part of the population dependent on noncapitalistic forms of production
 - b) — where the capitalistic production is hit by crisis
 - c) — dominated by cap. prod. forms using unskilled non-militant labour power
 - d) — with huge agglomerations of capitalistic production and administration.
4. A tentative list of problems to study (examples):
 - a) Income-Employment situation
 - Employment, underemployment, surplus population
 - Wage revenue
 - Qualification

b) Working conditions

Intensity

Working time
Shift working etc.
Accidents

c) Conditions of reproduction

Taxation
Housing, Health
Education, social security
Culture, recreation
Transport etc.

d) Pollution

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▲		Machines	Unskilled	Distance		Recreation
Economic Factors		Outlet of				
		Pollution				
Physical and Educational Properties			▲			
	----- Social contradictions and/or political intervention -----					

APPENDIX B

Outline of some ideas about spatial division of labour analysis

1. The problems are due to such factors as:
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 - c) the modes and forms of production
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