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On the Silk Road with Giovanni Arrighi

A conceptual study on systemic cycles of
accumulation and the rise of China

Author: Simon Frohland

Supervisor: Olle Frödin

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Abstract

This thesis explores contradictions, inadequacies, and competing formulations within Giovanni Arrighi's theory of systemic cycles of accumulation (SCAs) as a Kuhnian scientific paradigm. This has been carried out through a comparative study on how the theory has been applied by scholars on the issue of the prospective hegemonic rise of China in the contemporary setting. The study finds that there are theoretical issues with the theory's Braudelian distinction between capitalism and markets and assumptions on the state. These issues are interrelated to Arrighi's view of China as a decisively non-capitalist market society where the concepts within SCAs are not fully applicable. Consequently, there is ambivalence as to how the theory could be applied to China. This creates a theoretical impasse for future theorising on China. While there are several research strategies for dealing with this impasse, failure to solve this dilemma points towards anomalies in the theory which eventually could lead to the crisis of SCAs as a paradigm for studying China and hegemonic transitions.

Key words: World-systems analysis, Systemic cycles of accumulation, Hegemonic transitions, China, Scientific paradigms

Word count: 21 630

Popular science summary

This thesis explores the currently ongoing emergence of China as an economic and political superpower and whether the country could possibly come to replace the US in its role as an international leader that sets the agenda for international political and economic cooperation. This is done by studying how Giovanni Arrighi's theory of systemic cycles of accumulation (SCAs) has been applied by researchers to study how and why China has been able to attain greater influence internationally. This theory argues that the history of capitalism can be understood as a series of cycles where a leading state has been able to generalise a particular way of accumulating capital that other states must follow. In each cycle the leading state (or hegemon,) has at first gained its advantage over other states by means of trade and production. Eventually, the leading state has switched to primarily making profit through financial investments. At the end of each cycle, there has been a crisis in profitability of finance and a new hegemonic state has instead emerged by introducing a new period of accumulation through trade and production. Scholars using SCAs theorise that we are living in the late phase of an US-led hegemony and that China could possibly come to inherit its position.

The study finds that there is a problem in applying the theory to China because the concepts used to explain how transitions between hegemonies occur only apply to capitalism, which according to the theory is something different than a market economy, and among other things only exists in societies where the capitalist class controls the state. Scholars have diverging opinions on whether China is capitalist in this sense. The possible solutions to this problem are taking an agnostic stance to whether China is capitalist, routing around the issue by finding new particular explanations for China, treating China as capitalist according to the definition of the theory, or disputing the assumptions in the theory that makes it difficult to apply the concepts to China. To gain a better understanding of the issues within the theory, the

study relates these findings to Thomas Kuhn's theory of paradigm shifts that basically argues that some theories constitute paradigms, or general assumptions that researchers build upon and solve problems within. In Kuhn's terms the issues with studying China through SCAs could generate anomalies that the theory fails to explain, and which leads to incremental modifications, possibly leading to a crisis within the theory and to SCAs being rejected as a model for theorising the hegemonic rise of China.

Preface

I would like to begin by thanking everyone that has supported me throughout the writing process. First, thanks to my supervisor Olle Frödin for good advice throughout the writing process. An immensely big thanks to Pål Brunnström and Roger Johansson at the Institute for Studies in Malmö's History (IMH) for supporting me both before and during the writing process. Thanks to John Hörnqvist for reviewing my draft. I am especially grateful to My Sirenius for her several thorough proofreadings of my drafts. On a last note of thanks, it simply would not do to complete my degree in Lund and not give thanks to Café Karna & Ilias for providing affordable coffee and sandwiches throughout my years at the university. As Friedrich Engels puts it: “mankind must first of all eat, drink, have shelter and clothing, before it can pursue politics, science, art, religion, etc”.

Finally, a note on the thesis itself. My hope with this essay is that it contributes in some ever so small way to the immensely complex answer to the exceedingly simple question: in which direction is our world heading? I have tried to explore this question by bringing some light to a theoretical framework based on the simple truth that every hitherto existing socioeconomic system seemingly has contained the seeds to its own destruction. Grasping at these ongoing processes is vital in order to understand how we can change our world for the better.

List of abbreviations

BRI	Belt and Road Initiative
CCP	Chinese Communist Party
IPE	International Political economy
IR	International Relations
MSRI	Maritime Silk Road Initiative
SCA	Systemic Cycles of Accumulation
WTO	World Trade Organisation

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1.Introduction and research question

1.1 Introduction: the rise of China and the end of US hegemony(?)

China rising

José Ángel Gurría, secretary-general of the OECD, begins his foreword to the second edition of *Chinese Economic Performance in the Long Run* with the following words: “When historians look back at our period, it is likely that few developments will appear quite so striking as the economic emergence of China. When those historians step back a bit further, though, they will see that this was not an emergence, but a re-mergence. China may well be on course to become the world’s largest economy, but it has held that title before – little more than a hundred years ago” (Maddison 2007 p.4). Indeed, the much spoken of “rise of China” is certainly among the most dramatic events of our times. The rapid transformation of the Chinese economy from the end of the twentieth century has turned it from an internationally isolated nation into the new proverbial workshop of the world. Along with this there has been massive increase in urban populations, large-scale infrastructure investments and the uplifting of millions out of poverty. At the same time there have been major concerns over income inequality and environmental issues, among other problems. The world outside of China has hardly been left untouched by the country’s economic boom either. There has been a fear that low wages and non-existent labour rights in the private sector will lead a global race to the bottom in terms of wages (Chan 2003). Seemingly growing apace with the economy is the political leverage that the Chinese state has in the interstate system. Amid this there are several ongoing political issues that relate to China’s role in the world. This includes but is not limited to unrest in Hong Kong, the Uyghur situation in Xinjiang,

the south china sea conflict, Chinese economic expansion on the African continent and the trade war with the US. These are all major issues which are connected to both the economic and political expansion of China and which have come to involve political scientists from all conceivable fields. An overarching and much debated question in this is whether this incremental rise will amount to a qualitative change: a change in the current world order or a challenge to it (Ikenberry 2008, Chin & Thakur 2010, Allan et al. 2018). Officially the CCP leadership has repeatedly disavowed the pursuit of hegemony, as encapsulated in then-president Hu Jintao's 2004 proclamation of four no's: "no to hegemony, no to force, no to blocs, no to the arms race" (Bulard 2005). Yet the outcome of world-historical processes rarely conforms to the intentions of any actors involved. The question remains: will China take over the hegemonic role that the US has had in the interstate system since the second world war? Are we seeing the *hegemonic* rise of China? The latest Chinese venture to become part of this debate is The Belt and Road Initiative (BRI). Slated to be completed in 2049, the BRI is a massive project for international trade and infrastructure development which involves two components: The New Maritime Silk Road and the Silk Road Economic Belt. Both of which run through multiple economic corridors, encompassing a total of over 70 countries (World Bank 2019 p.3). The initiative involves major infrastructure investments which are estimated to be worth between US\$144 billion and US\$304 billion. Along with investments in "hard" infrastructure, "soft" infrastructure is being implemented in the form of new institutions that promote free trade and economic integration (World Bank 2019 p.67). There is a large and currently ongoing academic debate on the BRI which explicitly frames it in terms of US decline, Chinese challenges to the current interstate system and hegemonic transitions (Zhou & Esteban 2018, Ikenberry & Nexon 2019, Ferdinand 2016, Kim 2019). How, then, can we further advance the academic debate on the hegemonic rise of China and hegemonic transitions generally?

Enter world-systems analysis.

To engage the question of whether we will see a hegemonic transition where China supersedes the US there is a need for a mode of analysis for approaching the issue which is both theoretically and historically grounded. In this, world-systems analysis is a theoretical movement which has long studied the rise and fall, and the geographical shifts of hegemonic states connected to the division of labour and hierarchy between core and peripheral production processes (Wallerstein 1983). World-systems analysis is inherently undisciplinary and therefore interfaces somewhat awkwardly with the “traditional” social scientific fields of economics, political science and sociology, or even multidisciplinary fields such as global studies or international political economy, yet the theoretical perspectives and advances of world-systems thinking contribute a great deal to theoretical discussion and puzzle-solving within the more conventional disciplines and interdisciplinary fields (Scholte 2005 p.89, p.129, Giddens & Sutton 2017 p. 8, Yeung 2009 p.213). Researchers within world-systems analysis have long theorised on the rise and fall of dominant states within the interstate system as well as how this coincides with changes in the structure of the interstate system. This discussion can be broadly understood by the terms “hegemonic cycles” and “hegemonic transitions”. These transitions are understood to have operated in a cyclical manner and have served as a major mechanism within world-systems analysis to account for changes in the functioning of the world-system over time as well as shifts in the positions of states within a core-periphery hierarchy. Particularly the concept has been used to give a historical basis for reading the developing role of the US since the crisis of the 1970s as a current expression of a late phase in a hegemonic periodisation, a phase that could result in the end of US dominance over the interstate system (Wallerstein 1983). What happens afterwards is more contested within world-systems thinking. Wallerstein thought the end of US hegemony would result in the terminal crisis of the entire capitalist world-system (Ibid.). Others working within the

framework have not ruled out a second round of US hegemony (Hung 2017) or that China will replace the US while leaving the workings of the interstate system intact (Karatasli & Kumral 2017). It is this open-ended approach to studying hegemonic transitions that will be the topic for this thesis.

Introducing Giovanni Arrighi

Among world-systems thinking on hegemonic transitions, Giovanni Arrighi's theory of systemic cycles of accumulation stands out for two reasons and is therefore worth special attention: First, in *The Long Twentieth Century* (1994/2010) he provides a theory of hegemonic transitions which is historically grounded yet systematic enough that it provides several theoretical concepts which could be used to interpret the ongoing rise of China through the lens of such a transition. Second, the theory has paid special attention to east Asia. In Arrighi's final book *Adam Smith in Beijing* (2007) China is looked at as the prospective source of American decline. The possible advantages of such a theory are that it would enable a discussion of the dual trajectories of the US and China that is based on previous examples in the history of capitalism. As one review of *Adam Smith in Beijing* put it, the historian can act as a haruspex, picking up hints of the future by studying the entrails of the past (Elvin 2008). The overhanging risk in this is that it could all amount to speculation and projections of the past onto the future. There is no shortage of controversies and ambiguities within world-systems analysis, the critique against Arrighi has included doubts about the definition of hegemony, the unorthodox understanding of capitalism among other things. One of the larger issues is that Arrighi himself did not consider the theoretical framework he developed to be directly applicable to China, yet the supplementary theory he developed to solve this issue has itself generated considerable criticism. With this background, it is sufficiently clear that there is good reason to revisit the theory of systemic cycles of accumulation in connection to the rise of China to identify potential problems within the theoretical framework. Potentially this could lead to improvements

to the theory, and by extension provide better analytical tools for world-systems analysis, and by extension IPE, sociology or any other social scientific discipline that is open to the influence of world-systems thinking. With a better theory we could better understand the prospective hegemonic rise of China as well as the future of the interstate system.

1.2 Aim

This thesis explores contradictions, inadequacies, and competing formulations within applications of Giovanni Arrighi's theory of systemic cycles of accumulation (SCAs) as it has been used within world-systems analysis. This will be done through a case study which examines how the theory has been applied by researchers on the issue of the prospective hegemonic rise of China in the contemporary setting. This builds on a thorough understanding of how the theory has been originally formulated by Arrighi as well as previous criticism that has been raised against it. The case study will bring further light on issues and prospects within the theory itself. What the thesis provides are not tentative answers regarding the trajectory of China within the world-system but a critical evaluation of a theory that could be used to provide such answers. That is, rather than providing empirical answers the thesis aims to provide more precise questions.

1.3 Research questions

1. How has Giovanni Arrighi's theory of systemic cycles of accumulation been applied within world-systems analysis to the study of the prospective hegemonic rise of China?

2. To what extent, if at all, does the prospective hegemonic rise of China as a hegemonic power carry with its implications that are potentially disruptive to the theory of systemic cycles of accumulation as a paradigm?

1.4 Limitations

Early outlines of this thesis had a broader scope and included a comparison between different theories within world-systems analysis for understanding China, including the theories of Immanuel Wallerstein and Samir Amin. A later outline had a comparative analysis of applications of both Arrighi's and Wallerstein's theories of hegemonic transitions. These broader approaches were ultimately rejected in favour of a research design which focused on a single theory and its applications. There are three main reasons for this. One, the limitations of a master's thesis meant that a comparison between theories necessarily would take away analytical focus from the comparison of original theory and applications. Two, early searches for articles applying world-systems analysis to China generated a large number of search results which precluded using all the texts in the thesis, requiring either the introduction of sampling methods or further selection criteria. Third, Arrighi's theories were of greater interest since they have been elaborately detailed by the author and because the framework has taken a specific interest in China. Arguably, the absence of other versions of world-systems analysis in the thesis affects the external validity of the results (Bryman 2012 p.47). This is a notable limitation since the findings are of greatest interest to world-systems analysis outside Arrighi's theoretical apparatus. Although the limit of the thesis prevents any extended treatment of this issue, it is possible to briefly note the main finding of the paper regarding theoretical ambivalence on China has some validity to world-systems analysis more broadly. Samir Amin and Immanuel Wallerstein, both foundational figures of world-systems thinking, previously expressed an ambivalent stance regarding the Chinese social form (Amin 2013, Wallerstein 2010).

Section 2.5 on selection criteria will outline some additional limitations that relate to the selection of literature within Arrighi's framework.

1.5 outline of the thesis

The structure of the rest of the thesis is as follows: A section on methodology outlines the research design, which is based on a comparative qualitative text analysis. This includes a discussion on key aspects of qualitative text analysis and hermeneutics as methods to approaching texts. The epistemological choice of critical realism is briefly addressed, and clarifies the selection criteria which underlines which papers were selected for the analysis. This is followed by the theory section which is divided into two parts. The first part establishes analytical tools which are used in the analysis, including a section on the concept of scientific paradigms which provides a deeper theory of science perspective in interpreting the results, as well as a section on conceptual stretching. The second part outlines the main points of the theory of systemic cycles of accumulation as formulated in *The Long Twentieth Century* as well as the supplements that were made to the theory in *Adam Smith in Beijing*. The description of each concept therein is necessarily brief and inevitably leaves out some aspects of the theory. However, the sketch provided of each concept is sufficient for the reader to be able to follow the theory-laden discussions in the analysis section. Theory is followed by a section on previous research which mainly covers the critical response Arrighi's theory has engendered in the form of reviews and essays. After this, the analysis section begins with introducing the analytical framing by addressing some key points previously brought up in the theory section. This is followed by results, which illustrates the framing and a discussion on the findings. Finally, the conclusion summarises the findings and discusses them through the lens of the research questions,

previous research. paradigm theory and conceptual stretching and finally discusses avenues of future research.

2.Methodology

2.1 Research design

To restate the premise: the thesis aims to critically examine the theory of SCAs through examining different implementations of the theory on contemporary China, this will lead to conclusions on whether the concept remains relevant and useful seen in this light. The thesis methodological approach is a qualitative text analysis with a comparative research design which examines academic writings that apply Arrighi's theory to China. A comparative analysis has the advantage that it will clarify important shifts in meaning and use of concepts between original formulations and applied texts (Bryman 2012 p.72). This is in turn based on a thorough qualitative text analysis which incorporates a hermeneutic perspective to provide a deeper understanding of the contextual meaning of concepts as well as the relation between each conceptualization and noting how the concepts are placed in a larger theoretical framework. This hermeneutic approach will allow for the identification of subtle differences in meaning and emphasis between different texts. Whereas more quantitative methods of text analysis such as content analysis emphasizes having a clear and systematic structure of coding and category construction, hermeneutic methods emphasize the interpretive element of text analysis. Qualitative text analysis is arguably in the middle of this spectrum, and by incorporating a hermeneutic approach, the methodology places more emphasis on interpretation, while maintaining a discernible structure and method. Finally, the thesis is based on a critical realist epistemology. The comparative research design is partly inspired by Thomas Kuhn's distinction between scientific paradigms and "normal science", as outlined in section 3.1.

2.2 Qualitative text analysis

The thesis utilizes a qualitative text analysis. This constitutes a relatively flexible and value-free approach to analysing text, and as such it was chosen as a suitable method for interpreting texts that engage in social scientific theorising. The method does not work with pre-fixed units such as line-by-line coding or paragraphs, instead the researcher is free to mark any semantic unit and assign it a code (Kuckartz 2014 p.46). Therefore, qualitative text analysis gives the researcher a lot of flexibility in both coding and generating categories. The flip side of this is that there is a lack of clear rules about how such an analysis should be carried out (Bryman 2012 p.565). A distinction can be made between logic of discovery and the logic of application of coding and coding frames. With the former you identify new information, develop new theoretical concepts and new codes, with the latter you apply already defined categories to index the content of the text (Kuckartz 2014 p.21). As such, it is difficult to provide an accurate description of the analysis process and it is necessary to be more explicit in how the categories used for coding were generated. The type of categories that have been used in the coding process fall closest to what is referred to as analytical or theoretical categories, which are generated by the researcher and are part of a deeper analysis, in contrast to categories that are more descriptive (Ibid. p.41). A The central principle in hermeneutics is a dialectical relation between the text as a whole and the sum of its parts. The text can only be interpreted in relation to the sum of its parts while the individual parts themselves only become understandable by understanding the text as a whole. This approach can be described as a spiral pattern in which one goes from preconceptions to understanding by reading a text and from a prior understanding to a new understanding by rereading it (Ibid. p.19). Therefore, the main process prior to the actual text analysis can be described in hermeneutical terms as a process beginning with a prior understanding of theoretical perspectives and issues within world-systems analysis, continuing through the reading of Arrighi and finally arriving at a deeper understanding of the particular perspectives and issues. Hermeneutical readings tend

to emphasize on intratextual reading. In order to better mesh hermeneutics and a comparative research design the intratextuality of the hermeneutic method is supplemented with an intertextual approach that is used for comparing the paradigmatic works of Arrighi with the later works on contemporary China. In *Security as Practice* Lene Hansen employs the notion of *conceptual intertextuality* that focuses on the articulations of particular concepts, in this case ‘the Balkans’ or ‘security’ and how these make implicit references to a body of previous texts on the same subject. References to older texts construct legitimacy for a new text and its reading of a concept, at the same time the act itself may reinforce the authority of the older text. To complicate matters further, not only are the concepts of new texts read through older texts, but the new texts can provide new readings of older texts. Conceptual intertextuality puts emphasis on how new texts reproduce, silence, or subtly alter the meaning of older texts (Hansen 2006 p.51).

The process of generating the analytical categories used in the analysis was initiated through a close reading of the theory of SCAs. In turn, a deeper understanding was arrived at through the reading of critical reviews and essays that engaged with his writings. This process generated several categories which incorporated both theoretical themes that are explicit in the original theory as well as themes that have been implicit, but which have further accentuated by critical response to the theory. The categories that were generated through reading the original theory in this way includes the following: relation to world-systems theory, hegemony, cause of cyclical movements, transitions, triangulation (of geography, politics, and economics), agency and the future of the world-system. Section 3 on theory should make the definition of these categories sufficiently clear. Ultimately, not all categories were incorporated in the final analysis, this is particularly true for triangulation and agency, two categories corresponding to two issues which could not be properly explored without taking the analysis in a completely different direction. Reading the critical response generated additional categories, which includes the following: the Braudelian understanding of capitalism,

state-capital relations, and China as non-capitalist, all of which are elaborated on further in the analysis section. This concluded the pre-interpretation phase of category generation. The process of qualitative text analysis is iterative and involves a repetitive dialectical and non-linear movement between data collection and analysis (Bryman 2012 p.566, Kuckartz 2014 p.48). As such the focus on the latter trio of categories relating to the understanding of the state and capitalism emerged procedurally through the general process of interpreting the texts, building categories, coding, and analysing and became the main analytical device through which the other concepts were interpreted and through which the final results were presented (Kuckartz 2014 p.40).

2.4 Critical realism

This section introduces critical realism as the epistemological scaffolding for the choice of methodology. The question of epistemology here does not concern claims about the relation of the analysis to reality since the thesis studies the development of a particular theoretical framework and puts brackets on questions regarding the validity of the claims therein. The question of epistemology here concerns the interpretation of texts and the purpose of studying concepts in themselves. Critical realism can be broadly summed up in two presuppositions. One, there is a basic mind-world dualism where knowledge-processes attempt to grasp at this mind-independent world (Jackson 2001 p.73). Two, through the notion of a stratified ontology, critical realism makes a basic distinction between the real and the empirical, between what exists and what we can experience. There are phenomena and causal mechanisms that exist yet cannot be observed, requiring the construction of concepts to explain that which cannot be observed (Bhaskar 1978 p.13, p.15). This basically separates critical realism from empiricism, or empirical realism, which does not posit a distinction between that which we can experience and that which is (Sayer 2000 p.11) It also separates from strong versions of social constructionism which argue that all objects or referents of knowledge are social constructions (Ibid. p.90). And that social science therefore runs

the risk of constructing the world it seeks to study. Critical realism acknowledges that there is some level of construction in the social sciences but posits that there is a limit to just how socially constructed our knowledge of the world is and that such construction does not prevent us from grasping at knowledge of the real. Another way of phrasing this is that this form of realism rejects the Kantian dilemma which posits that we are prisoners of our own thinking and discourses and can never reach the *thing in itself* (Brante 2005). This critique of social constructionism is relevant to methods of text analysis as it provides a standpoint for analysing discourse that acknowledges that while theory can influence the practice or discourses which it studies and that we can only interpret the discourses of others from the standpoint of our own discourse. Yet at the same time it rejects the notion that social scientists are creating a hall-of-mirrors type situation where they conflate that which they study for their own theoretical products, or the discourses of others from their own discourse (Sayer 2000 p.34). In the context of studying social scientific concepts, it is certainly true that as the author of such a study, one could hope to eventually influence the field through the act of research and that one's own text adds to the intertextual understanding of those concepts. However, to argue that the act of studying the concepts would lead to a confounding of discourses would certainly overstate the influence of a master's thesis over the field. Beyond the question of methodology, it should be stated that critical realism informs the overall purpose of the thesis and the decision to focus on studying the concepts in themselves rather than applying them. Critical realism puts emphasis on the role of conceptualization and abstractions in research (Ibid. p.27). As Sayer expresses it, no amount of sophistication in research methods can compensate for sloppy abstractions (Ibid. p.19-20). Therefore, engaging in critical analysis of concepts should enable improved use of those concepts.

2.5 Selection criteria

This section clarifies which criteria were in selecting texts used for the analysis. The analysis section is based on academic texts that apply core concepts of Arrighi's theory of SCAs to post-2001 China. A question prior to the search for text material was whether to include only data relating to the BRI. The reason this was opted against is that the BRI as a project is still at an early phase and therefore much of the scholarship on the topic is very recent, thus it would be unlikely that there would be enough data for the analysis. This proved correct, since among the articles used in the analysis only five of seven study the BRI. Starting with the initial selection of sources, multiple searches were made on academic search engines (LUBsearch and Google Scholar) using a variety of search terms in combination, which specified the inclusion of China as well as the theories of Arrighi. The search terms used for this included "China", "Belt and Road Initiative" as well as adjacent terms such as "Maritime Silk Road Initiative" and "One Belt One Road". On the other end, terms such as "Giovanni Arrighi", "systemic cycles of accumulation" and "hegemonic transitions" were used. This generated roughly 25 unique results. Three criteria were used to filter among these texts. The first criteria are that the texts must apply Arrighi's theories in the analysis and not simply reference the theories in order to provide background or framing to research questions while relying on other theories. Among others, this eliminated *Rise of China and the global overaccumulation crisis* by Hung (2008), and *the 'state' of postcolonial development* by Lisimba & Parashar (2020). A second criteria is that the texts must broadly deal with issues that relate to hegemonic transitions. For example, this eliminated the paper *Smith in Beijing, Stalin in Urumchi* by Chris Hann (2011). The timeframe used by the papers constitutes another criterion, is it relevant to look at studies on imperial China or Mao-era China? Although few papers fit those labels, a timeframe was settled upon where articles could take a long historical perspective but had to include post-2001 China in the scope of its analysis. This specific timeframe was decided upon since the entry of China into the WTO in December 2001 is typically

held as a significant event in the shift from a situation of international isolation to a situation of dynamic growth (Maddison 2007 p.19). Ultimately, no publishing year limit was set for the articles as they were all published within a relatively circumscribed period from 2011 to 2020. Since the earliest paper was published well after *Adam Smith in Beijing* it was decided that the publishing year was unlikely to dramatically alter the analysis. The process of filtering through selection criteria reduced the number of texts from twenty-five to seven. These papers represent the majority of all scholarship that has applied the concepts from the theory of SCAs. As such, no methods of sampling were used in selecting the material. All the texts are academic papers, this is not intentional as the search process has been open for books and book chapters. However, no books or other materials matched the search criteria.

3. Theory

3.1 Theory for analysis

3.1.1 Kuhn's concept of scientific paradigms

The thesis uses the theory of scientific paradigms which was developed by the philosopher of science Thomas Kuhn. The theory is here used as a heuristic device to frame the development of hegemonic cycles through Kuhn's language of paradigms. The basic argument put forth here is that world-systems analysis and SCAs can be understood to various degrees as introducing new paradigms within the social sciences. A paradigm is a framework established through a scientific discovery that is sufficiently unprecedented to draw followers away from competing scientific activities. At the same time, it is open-ended and allows for followers to continue working on solving problems within the framework (Kuhn 1996 p.10). The arrival of a new paradigm allows for the reinterpretation of already known facts through the lens of the

new framework. The classical analogy here is the *gestalt shift* wherein a stylized picture of a rabbit becomes a picture of a duck, with a simple shift in focus (Kuhn 1996 p.111). While World-Systems perspectives can hardly be said to be dominant within social science, Kuhns use of the term allows paradigms to be bounded and only revolutionary for a particular subgroup (Kuhn 1996 p.49).

A key point in Kuhn's theory is the distinction between scientific revolutions, which establish shifts in scientific paradigm, and normal science, which advances research within the framework of a paradigm (Ibid. p.10). Through this language it can be argued that the works of Wallerstein and Arrighi have served to establish a world-systems paradigm whereas later authors within the field can be said to practice normal science, undertaking the empirical work necessary to fully articulate the paradigmatic theory and working to resolve its ambiguities and solving yet-unsolved problems within the framework (Ibid. p.27). Normal science can be said to advance research within a paradigm through determination of significant fact, matching facts to theory and by articulating the theory itself (Ibid. p.34). Throughout the history of natural science, the process of normal science has tended to lead to the discovery of various facts that are anomalous according to the paradigm (Ibid. p.65). These anomalies can accumulate and eventually lead to a crisis within a paradigm (Ibid. p.67). Ultimately, this crisis leads to the proliferation of new versions of the paradigm which attempt to account for the anomalies. This loosens the rules of typical puzzle-solving science and allows for the emergence of new paradigms (Ibid. p. 80). Using Kuhns model within social science requires noting that Kuhn himself was sceptical about applying the model this way. Among other things, he raised the point that unlike the puzzle-solving normal science within natural science, social science is subject to constant re-interpretation. Nevertheless, the model has been applied to social science in various ways (Bird 2018). One recent example is the book *Continuity and Rupture* (2016) written by the philosopher Joshua Moufawad-Paul, who creatively applies the concept of paradigm shifts to different historical developments within Marxism (Moufawad-

Paul 2016 p.3). The brief sketch of Kuhn's theory presented above contains several key concepts, including *paradigms*, *normal science*, *anomalies*, and *crisis*. This language of paradigms allows for an interpretation of world-systems analysis as a scientific paradigm and contemporary World-Systems writing on China as a form of normal science that can be understood in relation to the aforementioned paradigm. All in all, this will provide theoretical depth to the study and will enable an analysis of how the application of SCAs to China advances the paradigm of world-systems analysis or possibly challenges it.

3.1.2 Conceptual stretching

To give further depth to the analysis of differences in the use of concepts, the notion of conceptual stretching has been included in the thesis. This decision was made during the research process as it became apparent through the analysis that there was a major issue in how theory has been applied. Concepts were not simply taken from one context to another, but subtly or fundamentally altered in the process. The term conceptual stretching was originally formulated by Sartori (1970) to specify problems in conceptual travelling in comparative political science, where political concepts originally devised in a western context were applied to non-western states, many of which had recently emerged in the post-war era. The process of trying to make these old concepts fit these new contexts resulted in a tendency to stretch or strain these concepts, in consequence making them into "vague, amorphous conceptualization" that claimed to cover more ground while saying less, and in a less precise manner (Ibid.). This also had a boomerang effect, where these vaguer categories in turn were reapplied to the west. Within the limits of the thesis, we will forgo what solutions Sartori ordinated and instead focus on his framing question "how far, and how, can we travel with the help of the available vocabulary of politics?" (Ibid.). Applying conceptual stretching (ironically) also involves adjusting the concept in the sense that it accommodates conceptual travelling in space as well as time. Concretely, this means

looking at how well the different concepts within SCAs have travelled to the setting of contemporary China and the ongoing economic and political expansion of this society. Particular attention has been given to ways in which the usage of concepts within SCAs fundamentally stretches and alter their meaning or place the concepts outside their original theoretical premises.

3.2 Giovanni Arrighi and the theory of systemic cycles of accumulation

3.2.1 A note of introduction.

The purpose of this section of the thesis is to introduce the theoretical concepts which Giovanni Arrighi introduces in *The Long Twentieth Century* and *Adam Smith in Beijing*. The description of each concept is necessarily brief and inevitably leaves out both nuances and otherwise important aspects. However, the sketch provided of each concept is sufficient in order to follow the theory-laden discussions in the analysis section.

3.2.2 World-systems thinking: theory or analysis?

To properly introduce the work of Giovanni Arrighi, a summary of world-systems perspectives is required. This is because this mode of thinking forms a broad paradigm of research with shared assumptions about the world and a shared research agenda within which Arrighi's theories are embedded. Additionally, the articles included in the analysis also work within a world-systems framework. Therefore, it makes sense to introduce these broader assumptions. This brief sketch will contain no surprises to those that have read any one of the myriads of books and articles summing up world-systems analysis. The creation of world-systems analysis is widely credited to Immanuel Wallerstein along with Andre Gunder Frank, Samir Amin, and Giovanni Arrighi. This mode of thinking arose from the heavily Marxist-influenced debates on

the persistence of dependency in the 1970s and came to incorporate the Annales school of historical thought, it came to incorporate the ideas of Fernand Braudel and his *longue durée* perspective on history. As Babones (2015) notes, world-systems analysis has over time tended to become conflated with whatever world-systems analysts do, which tends to make it difficult to understand what world-systems thinking is. World-systems thinking can be understood on two levels: as the specific theories used by its various authors, which incorporates various levels of systematicity, or as an analysis or perspective. In the latter sense, the analysis forms a general outlook which typically incorporates the following notions: viewing states as subunits of a larger world-system, studying the long lines of history and the persistence of core-periphery divisions over time. States tend to be viewed as subunits of a larger world-system, and the larger unit of analysis in the interaction between states and the world-system (Robinson 2011). There is a focus on social institutions over long periods of time, looking at long trends as well as looking at long historical continuities (Arrighi 2005 p.33, Chase-Dunn 2001 p.591-592). This separates the world-systems perspectives from perspectives which deal lightly with history or emphasize radical discontinuities in history (Chase-Dunn 2001 p.591-592). Finally the persistent inequality between nations has been conceptualized as a hierarchical division into core and peripheral processes, with a semi periphery in-between (Wallerstein 2004b p.17-18, Arrighi 2005 p.33).

In addition to the perspectives mentioned above, there is a unidisciplinary tendency to go beyond paradigmatic understandings of history and of social science. This research agenda is most clearly elaborated and encapsulated by Wallerstein as a critique of the idiographic-nomothetic divide which separates history from the social sciences, and of the paradigmatic understanding of the social sciences which separates sociology, economics, and political science (Wallerstein 2004b p.19, p.21). A confounding part of the world-systems terminology is the many ways to refer to this mode of thinking and the assumptions and connotations that each word carries. In world-systems scholarship it is alternately referred to as an analysis (Ibid.), a perspective (Shannon 2018), a paradigm (Dezzani 2012) and a theory (Inoue 2012). Arrighi has managed to

alternatingly refer to it as an analysis, a perspective, a paradigm and as a theory, all in a single page (Arrighi 2005 p.33). This interchangeable terminology somewhat obscures underlying debates on world-systems thinking. Wallerstein has been the foremost in opposing viewing world-systems analysis as a theory, arguing that the word theory evokes the notion of “a set of interconnected ideas that are coherent, rigorous, and clear, and from which one may derive explanations of empirical reality” (Wallerstein 2004a ch.6). Instead, it should be seen as a more general analysis that allows one to “explore empirical reality using spectacles that are informed by theoretical hunches but not bound by them” (Ibid.). As Christopher Chase-Dunn has observed, Wallerstein had notions on hegemonic transitions but was loath to explicate them in the same way Arrighi did, leaning more on historicism than on formalization (Chase-Dunn 2001 p.589). As will become apparent in the next section, while there is a vagueness in the use of language, Arrighi’s theorizing fits Wallerstein’s label of a world-systems *theory*.

3.2.3 Introducing systemic cycles of accumulation.

This section introduces Giovanni Arrighi’s theoretical framework of SCAs. This outline follows the second edition of *The Long Twentieth Century* (the first edition of which was published in 1994), which forms the first part of a trilogy of sorts together with *Chaos and Governance in the Modern World System* (1999) which Arrighi co-authored with Beverly Silver, and *Adam Smith in Beijing* which was published in 2007. Because of the limitations of the thesis, *Chaos and Governance* has not been included in the theory section. Throughout the rest of the thesis the theoretical framework will be variatingly referred to as “systemic cycles of accumulation” or by the acronym SCAs, while the term “accumulation cycle” will be used to refer to the specific theory of accumulation within the framework. The framework has the following main concepts embedded within it: accumulation cycles, capitalist and territorialist logics of

power (also referred to as dual logics of power) and hegemonic cycles. *The Long Twentieth Century* sets out to explain the current trajectory of the world-system by framing it as a period within a long cycle and within a “long” twentieth century which began in the late 1800s. Throughout the book Arrighi introduces the framework of SCAs, by which the world-system can be understood to have undergone four cycles of capitalism, each lasting longer than a century. Each cycle has seen the establishment of a new and expanded regime of accumulation, presided over by a hegemonic state (Genoese, Dutch, British and US) which has led the expansion of the system through a particular synthesis of capitalist and territorialist logics of power. Each cycle can broadly be understood as consisting of a material- and a financial phase of expansion. In the initial material phase the hegemonic state primarily accumulates capital through production and trade. As this phase reaches maturity, it becomes more difficult to profitably reinvest capital in material expansion, leading to a signal crisis, meaning an economic crisis which signals the shift from accumulation by material expansion to accumulation by financial expansion. As this second phase reaches maturity the capacity of the hegemonic state to govern the interstate system is weakened, this leads to increasing levels of systemic chaos, ultimately leading to interstate conflict and war. This is ultimately resolved in a hegemonic transition that sees a new hegemonic state emerge, leading the interstate system towards a new and expanded phase of material expansion, in the process establishing its own hegemony and beginning the process anew. This brief sketch of the theoretical framework will serve as a roadmap as we go into its specific aspects.

3.2.4 The relationship to world-systems analysis

The Long Twentieth Century stands in contrast to world-systems analysis as well as Arrighi’s previous works in a number of ways. As addressed in the previous section, the core-periphery divide, and class struggle are two concepts which have been core to

both world-systems analysis and Arrighi's previous works. These are mainly left out of the analysis to allow for a focus on the book's particular subject matters (Arrighi 2010 p.xiv). This is not meant to be taken as meaning that the core-periphery divide, and class struggle are unimportant as vectors of analysis or incompatible with the framework. The analysis is presented as an abstraction rather than a claim of representing a totality. This abstraction is based on Fernand Braudel's notion of the economic structure as a tripartite structure which separates production, markets, and the notion of an "anti-market". The anti-market is understood as the "true" home of capitalism, the meeting place between high finance and political power. By means of an analogy to vol.1 of Marx's *Capital*, Arrighi invites us to explore the anti-market in abstraction, analytically separated from markets and production, just as invited us to consider production in abstraction from the markets (Ibid. p.26). The presented analysis is meant to be taken as "only one of several equally valid, though not necessarily equally relevant, accounts of the long twentieth century" (Ibid. p.xiv).

3.2.5 The systemic cycle of accumulation

This section describes the mechanisms by which SCAs function. Key to understanding the cycles is that they are uniquely capitalist, therefore they can be dated back as the initial breakthrough of capitalism. In a key line quoted by Arrighi, Braudel writes that "capitalism only triumphs when it becomes identified with the state, when it is the state" (Arrighi 2010 p.12, quoting from Braudel 1977 p.64-65; emphasis added by Arrighi). According to Arrighi, this is what separates the framework from other cyclical theories which have been incorporated into world-systems analysis, including such as price logistics or Kondratieff waves (Ibid p.9). The basic driving force of systemic cycles is the accumulation of capital. The structures and strategies by which this accumulation occurs signify recurrent phases in the cycles. Across the cycles there are also variances and anomalies as to which structures and strategies are used. The cycle

of accumulation consists of two phases which Arrighi creatively frame through Marx's general formula of capital whereby a sum of money is exchanged for labour power used for the creation of commodities which in turn are exchanged for a larger sum of money (Money-Commodity-Money' or M-C-M' for short). This simple circuit is here stretched out over the whole of a cycle of accumulation, lasting many decades or even centuries. Extending the M-C-M ' metaphor, material expansion is interpreted as initiating the circuit with M-C and financial expansion completes the circuit with C-M' (Ibid p.6). In Arrighi's theory, the Dutch, British and US cycles have each emerged and have finally become incumbents during an ongoing period of financial expansion. The new regime of accumulation develops within the old and through the initiation of a new phase of material expansion becomes consolidated and fully developed (Ibid. p.219) After a period which hitherto has decreased in length with each cycle the regime reaches a signal crisis, wherein the mode of accumulation currently pursued becomes unviable. To quote Arrighi "It is at this time that the leading agency of systemic processes of accumulation begins to switch its capital in increasing quantities from trade and production to financial intermediation and speculation "(Ibid. 2010 p.220). The resolution to this crisis is facilitated through the initiation of the financial expansion phase. As this phase reaches full maturity and in turn reaches the limits to its own viability, a terminal crisis emerges. During this crisis, a period of systemic chaos follows, which sees the breakdown of the system that sees the supersession of the old hegemon by a new regime which can preside over the interstate system (Ibid. p.221). Thereby one cycle is completed, and another begins.

3.2.6 An eternal return of the same?

The above explanation of systemic cycles emphasises the fundamental continuity in global processes of capital accumulation. At the same time, the issue is more complex. Each cycle of accumulation constitutes a "fundamental break" in the strategies and structures through which the accumulation of capital occurs. (Ibid. p.9). Throughout

this, the agencies, strategies, and structures of the successive cycles are different (Ibid. p.375). The material phase introduces a new regime of accumulation while the late phase of financial expansion sees the occurrence of fundamental reorganizations of the system. With each cycle there have been fundamental innovations to the functioning of the system, of which Arrighi considered the internalization of costs to be the most noteworthy. With the shifts to Dutch, British and US regimes, there has been a respective internalization of protection costs, production costs and transaction costs (Ibid.). This periodic and recurrent reorganization of the system can be described as an evolutionary pattern towards regimes which become increasing in scope and complexity with each qualitative leap (Ibid.). In addition, there is a "movement backwards and forwards" where new cycles are not merely a matter of qualitative progression but also see the recurrence of strategies and structures of accumulation and rule seen in much older cycles (Ibid. p.59). In Arrighi's scheme this back-and-forth movement is between extensive and intensive regimes of accumulation. Extensive regimes have "cosmopolitan-imperial" types of organizational structures, as seen in the Genoese and British cycles. Intensive regimes have "corporate-national" organizational structures as seen in the Dutch and US-led cycles (Ibid. p.224-225). Extensive regimes were The Genoese and British regimes are associated with expanding the spatial boundaries of the trading system. Arrighi notes that "thanks to the geographical expansion experienced by the capitalist world-economy under these two extensive regimes, the number, range, and variety of commodities in which capital could be invested without narrowing profit margins suddenly multiplied, and the conditions were thereby created for the great commercial expansions of the early sixteenth and mid-nineteenth centuries. (Ibid. p.230). On the other hand, intensive regimes were intensive in the sense that rather than expanding the absolute scale of the capitalist world-economy, it instead geographically consolidated it. While the Iberian empire "discovered" the new world it was the Dutch that consolidated these new areas through a network of trading posts and chartered trading companies. Likewise, the US consolidated the conquests of the British empire by means of a system of national

markets and transnational corporations (Ibid. p.225). Table 1 clarifies the similarities and qualitative differences between the four cycles.

Table 1: Accumulation cycles throughout history

Cycle	Regime Type	Costs internalized	Periodization
Genoese	Extensive	None	Late 15th century - Early 17th century
Dutch	Intensive	Protection	Late 16th century - Late 18th century
British	Extensive	Production	Late 18th Century - Mid 20th century
US	Intensive	Transaction	Mid-20th century - Ongoing

(Based on Arrighi 2010 p. 200, p.375).

3.2.7 Capitalist and territorialist logics of power

Arrighi sought to capture the different forms of interstate and inter-enterprise competition in each cycle and how these change over time, central in this is his concept of territoriality and capitalist logics of power. These dual notions describe two contradictory logics which nevertheless operate as a synthesis. Arrighi writes that “territorialist rulers identify power with the extent and populousness of their domains and conceive of wealth/capital as a means or a by-product of the pursuit of territorial expansion. Capitalist rulers, in contrast, identify power with the extent of their command over scarce resources and consider territorial acquisitions as a means and a by-product of the accumulation of capital” (Ibid. p.34). Borrowing creatively from Marx once again, the territorialist and capitalist logics are expressed in the formulas TMT' and MTM' respectively. In the first example money capital is a means by which to acquire expanded territory and in the second example territory is a means by which to accumulate further capital. The two logics are abstract categories, and their analytical

separation should not be confused with any empirical outcomes. They operate in relation to each other in a particular context and therefore any given concrete case will see a distinct combination of the two logics, with results diverging from any one logic in its abstract (Ibid p.35). The particular forms of unity of the two logics throughout the cycles is a recurring topic. The first cycle of accumulation was presided over by an alliance of Genoese capitalists and Iberian territorialist rulers (Ibid p.123). Similarly, the Dutch state which presided over the second cycle was formed from an alliance of Dutch capitalists and the house of Orange (Ibid. p.48). England and France pioneered a new synthesis of capitalism and territorialism in the 1700s by introducing a new combination of settler colonialism, capitalist slavery, and economic nationalism and were thus able to catch up to and eventually overcome the Spanish, Portuguese, and the Dutch. (Ibid. p.50). The historical absence of US territorialism abroad can be contrasted with the unprecedented internal colonization which worked to consolidate the US as a territory (Ibid p.60). The dual logics of power are not only used to interpret the agency of incumbents and their successors. It is for example used to interpret the agency of the German state leading up to and during the two world wars. Prior to the First World War Germany emulated British overseas colonialism and naval power. Once their defeat in the war showed that this project was a dead end, Nazi Germany arguably emulated US settler territorialism through the lebensraum (Ibid p.61). In sum, the capitalist and territorialist logics of power enable the interpretation of capitalist state actions as concrete strategies that attempt to resolve contradictory goals.

3.2.8 Hegemony

The concept of hegemony plays a central role in the theory of systemic cycles. There has been no lack of studies within world-systems analysis and within IR that have applied notions of hegemony. Arrighi sees two shortcomings in how worlds-systems thinking previously has applied the term: First, hegemony becomes synonymous with dominance. Second, the focus of study is on the invariance of the interstate system

within which states rise and fall (Ibid p.28.). In contrast, hegemony here specifically refers to “the power of a state to exercise functions of leadership and governance over a system of sovereign states” (Ibid p.28). Central to this version of the concept is also that historically, such governance has been linked to the transformation of how the interstate system functions in itself (Ibid p.28). This notion of power is linked by Arrighi to Antonio Gramsci’s famous concept of hegemony as consisting of both dominance and intellectual and moral leadership (Ibid p.29). This link is also visible in the emphasis on the historical ability of the hegemonic states to reforge the interstate system in their own interest. Central to this capacity to expand one’s own power is the ability to turn one’s national interest into an international interest. This incorporates both introducing new interstate institutions as well as a matching ideology. In the example of British hegemony, this incorporated both free trade-policies and a matching ideology which emphasised the wealth of nations over the sovereign power of their rulers (Ibid. p.57). The particular quality of each hegemonic regime emerges through the historical process. To take Britain as an example yet again, the British regime of free trade imperialism emerged as an accommodation to a wave of national revolutions 1776-1848 starting with the American revolutionary war and the loss of the American colony (Ibid. p.53). The current US hegemonic regime which emerged after the second world war has undergone changes corresponding to the economic and political crisis of the 1970s. However, central institutions in this interstate hegemony have been the UN as a means of political and diplomatic leadership (Ibid p.68), and monetary institutions, which up to the crisis involved the dollar gold standard (Ibid p.287). To conclude, the historical cycles that have been reviewed in the previous sections have also seen the emergence of a leading power which have presided over the interstate system through a combination of dominance and consent by fundamentally changing the way in which the interstate system operated.

3.2.9 Hegemonic transitions

This section introduces the concept of hegemonic transitions, by which Arrighi meant the recurrent breakdown of the interstate system, the decline of the old regime and the rise of a new hegemony. As the phase of financial expansion reaches maturity, expanding capital accumulation tends to generate two phenomenon which lead to transitions. First, surging capital accumulation becomes the expression of an “escalating competitive and power struggle that [is] about to precipitate the terminal crisis of the regime” (Ibid p.245). Second, new regional structures of accumulation arise which further destabilizes the old regime and leads to the emergence of new prospective challengers. In combination these two tendencies tend to bring about a breakdown of the interstate system as well as bringing about a new hegemon which can establish a new regime and bring order from the systemic chaos (Ibid p.245). This notion of systemic chaos refers to a phenomenon which occurs throughout a cycle but becomes particularly visible during signal crises and terminal crises. Systemic chaos refers to a situation of “total and apparently irremediable lack of organization” (Ibid p.31). Where conflict “escalates beyond the threshold within which it calls forth powerful countervailing tendencies, or because a new set of rules and norms of behaviour is imposed on, or grows from within, an older set of rules and norms without displacing it, or because of a combination of these two circumstances” (Ibid p.31). Historically, these breakdowns have been associated with escalation into outright warfare, specifically the thirty years war, the Napoleonic wars and the two world wars (Ibid p.44, p.53, p.279). These wars have typically not seen the incumbent hegemony and the challenger on opposing sides. Rather, the actions of other rivals have hastened the arrival of a terminal crisis. For example, German corporate capitalism failed to supersede Britain but the first and second world wars meant the end of British hegemony and the rise of the US (Ibid p.277). These wars have helped bring about the emergence of new hegemons. Arrighi writes that “The United Kingdom first became hegemonic by leading a vast alliance of primarily dynastic forces in the struggle against

these infringements on their absolute rights of government and for the restoration of the Westphalia System” (Ibid p.53). Likewise, the financial strength of the US grew at the expense of Britain during both wars (Ibid p.278, p.284). To sum up, the internal dynamics of each hitherto existing cycle of accumulation has led to its dismantling and the emergence of a new, expanded and qualitatively different world hegemony. A possible assumption one could make on this basis is that the eventual terminal crisis of the US cycle will lead to the rise of a new hegemony presiding of the capitalist world-system. As we shall see in the next section, Arrighi considered the matter to be more complicated than that.

3.2.10 Future of the world-system

Arrighi’s analysis was open to historical contingency, anomalies, and agency; he was loath to see the future of the world-system as something that could easily be predicted by schematically following previous cycles of accumulation (Ibid. p.379).¹ Therefore, the future scenarios that are presented in the books are everything but a relatively simple scenario where the US is supplanted by a different capitalist state which comes to establish a fifth cycle of accumulation. Originally written at a time where Japan along with the east Asian tiger economies were thought to be the next possible centre of capital accumulation *The Long Twentieth Century* is concluded with three possible scenarios for the future of the world-system, none of which resemble a repetition of previous cycles. First, the power of the old centres of accumulation in terms of military force or institutional leverage may expand to such an extent that it can fully appropriate

¹ Arrighi does however mention that if it were as easy as following the lines of previous cycles, the terminal crisis of the US would likely occur half a century after the signal crisis of the 1970s and it would in turn be superseded by a new regime some twenty to thirty years after that. (Ibid p.379) This would place the probable emergence of a new regime circa 2050. Coincidentally around the same time that the Belt and Road Initiative is slated to be completed.

the surplus of these new centres, preventing the emergence of any new hegemony (Ibid p.369). Second, East Asia emerging as a centre of financial power would lead to an unprecedented bifurcation between power-through-capital and the territorial power which has allowed it to operate. This would be something like an accidental end of capitalism (Ibid.). Third and finally, it could end in a somewhat apocalyptic scenario with the world-system breaking down entirely under the weight of systemic chaos and warfare (Ibid p.370). Arrighi revisits these claims in the postscript to the 2010 second edition of the book, written after Adam Smith in Beijing in which he argues the case that China could supersede the US. Of note in this updated analysis is that along with the centring of China, Arrighi slightly de-emphasises (but does not entirely discard) the notion that the next transition will come to involve a bifurcation between financial and territorial power. Moreover, despite Arrighi's earlier carefulness with reading signs of a terminal crisis in the current situation, here it is argued that the terminal crisis of the US has begun with its Iraq War-era military failures and the interrelated transformation from US hegemony to mere dominance (Ibid. p.379). An additional question that will determine the outcome of a new cycle is whether a China- or East Asia-centric regime would be capable of establishing a path of economic development that successfully internalises the human and ecological costs that the current system externalises (Ibid. p.383).

3.2.11 The Smithian market society

Arrighi seeks to capture the way in which the Chinese social formation differs from western capitalism. In order to do so he makes considerable use of the lesser-known writings of Adam Smith. Smith drew a distinction between the 'unnatural' economic development path of Europe and the 'natural' economic development path of China. Smith described Holland as being archetypical for the unnatural path to opulence, where "The foreign commerce of some of their cities has introduced all their finer manufactures, or such as were fit for distant trade; and manufactures and foreign

commerce together, have given birth to the principal improvements of agriculture” (Arrighi 2007 p.57, quoting from Smith 1961 p.405-406). In contrast, China had experienced a natural path to wealth where "the greater part of capital [...] is, first, directed to agriculture, afterwards to manufactures, and last of all to foreign commerce” (Ibid, quoting from Smith 1961 p.403-405). Arrighi incorporates Kaoru Sugihara’s distinction between industrial and industrious revolutions into the Smithian framework. The industrial revolution which incorporated labour-saving technology and was capital-intensive and energy-intensive in its nature (Ibid p.33). As opposed to this the East Asian states expanded from the 16th to 18th century by means of an *industrious* revolution based on the development of labour-absorbing institutions and labour-intensive technologies in response to scarcity of land and natural resource constraints (Ibid p.32, citing Sugihara 2003 p.82, p.94, p.117) The Smithian separation of the two development paths is modified through Arrighi’s understanding of state-capital relations. What enables a separation between European capitalism and East Asian market-based development is not the presence of any given governmental or business institutions, nor the quantity of capitalists. Rather, it is the combination of these institutions in particular power structures and the qualitative relation between the capitalist class and the state (Ibid. p.92). Recall that Arrighi has previously quoted Braudel to the effect that capitalism only triumphs when it becomes identified with the state. The historical and contemporary Chinese social formation bears similarity to Smith's notion of what constitutes a good market society: in which the state subordinates the interests of the capitalist class to the general social interest by ensuring that capitalists compete and do not earn undue profits (Ibid. p.47). The Ming era (mid-14th to mid-17th century) and an early period of the Qing era (mid-17th century to early 20th century) are seen as exemplary in this: “capitalists remained a subordinate social group with no capacity to subject the general interest to their own class interest” (Ibid. p.333). Ultimately, Arrighi identifies contemporary Chinese-led East Asia as a fusion between the natural and unnatural path, incorporating both industrial and industrious development, while qualitatively and decisively leaning more on the type

of state relations that has historically been part of the natural path. This theoretical and historical line of argumentation is visible when Arrighi argues that China's "opening up" to market reforms bears more similarity to Smith's vision of market-based development than to Marx's description of capitalist development, where states are committees for managing the common affairs of the bourgeoisie. In the Smithian notion "governments use markets as instruments of rule and, in liberalizing trade, do so gradually not to upset 'public tranquillity'" (Ibid p.358). Arrighi argues that this is what has happened during the market reforms. Deregulations and privatisations have been selective and gradual and have introduced state-owned enterprises (SOEs) to both public and private competition (Ibid p.356-357). To sum up, Arrighi sees a close fit between the ongoing transformation of the Chinese political economy and the Smithian conception of market-based development (Ibid p.367). This brief sketch necessarily overlooks some of the other features in Arrighi's understanding of contemporary China, including the role of a division of labour among, rather than within, production units as well as the concept of accumulation without dispossession. However, this is sufficient to clarify the notion of a Smithian market society as something qualitatively different from capitalism both in terms of economic structure and the character of the state.

3.2.12 The spatial fix

Adam Smith in Beijing features prominent use of concepts that Arrighi has borrowed from other theoreticians and incorporated into his own framework. Among these is David Harvey's concept of a 'spatial fix', which is used in the book's narrative of rising China and US decline. The spatial fix is originally a metaphor for a particular kind of solution to capitalist crises through geographic expansion. The concept of a fix works in a double sense in that it both emphasises spatial infrastructures which allows for the mobility of capital as well as underscores "the tendency of successful capital accumulation to drive incessantly towards the reduction if not the elimination of spatial

barriers“(Ibid p.216). The incorporation of new space in the accumulation process allows for an economic expansion which defers the crisis of overaccumulation temporally (Ibid p.217). The China-US focus is not entirely Arrighi’s, in Harvey’s application of the concept China is the most promising site of a spatial fix for US capital, with a growing internal market and prospects of immense infrastructure investments. Such a fix could more importantly give China leadership over the Asian region as well as giving it a much more competitive position in relation to the United States (Ibid p.219-220, quoting from Harvey 2003 p.123). Arrighi argues that this association between spatial fixes and hegemonic shifts provides a dilemma for the US as a hegemonic state, between expanded capital accumulation and undermining its own position in the world (Ibid p.220). The full scope of Arrighi’s incorporation of spatial fixes becomes clear when he asserts that in order to identify the full range of historical possibilities opened up by the unraveling of US hegemony, the concept of a spatial fix needs to be recast in a broader and longer historical perspective than Harvey does. “Within this optic, the new imperialism will appear as the outcome of a protracted historical process consisting of spatial fixes of increasing scale and scope, on the one hand, and, on the other, of a US attempt to bring this process to an end through the formation of a US-centered world government” (Ibid p.227-228). After this, Arrighi proceeds to repeat his scheme of systemic cycles, but the spatial fix now stands in for how the increased material expansion of each accumulation regime: “Within each cycle, material expansions occur because of the emergence of a particular bloc of governmental and business agencies capable of leading the system towards a new spatial fix that creates the conditions for the emergence of wider or deeper divisions of labor” (Ibid p.231). Therefore, each previous accumulation regime has engaged in spatial fixes of their own (Ibid. p.237, p.245). Finally, the concept is used outside the confines of the initial expansion four cycles to describe the failure of US interventionism in the Middle East. The limitations of a master’s thesis prevent us from going into detail on why Arrighi interpreted the Iraq War and related interventionism as the US failing in establishing a world empire, or why this precipitates the terminal

crisis of US hegemony. Suffice to say that Arrighi concludes that this attempt to bring about a spatial fix has backfired in a way which has led to the creation of a massive world market of unprecedented volume and density which decidedly favours China and East Asia as the suppliers of low-price, high-quality labor (Ibid p.365).

4. Previous research

4.1 Critical response to Arrighi's theories

This section discusses previous research on the topic, with a focus on reviews and essays that have emerged in response to Arrighi's books, and which have engaged with the theory of systemic cycles. As of yet, the focus of previous engagement has focused on critiques of Arrighi's works and there has as of yet only been one article that takes a different approach by responding to some of the points raised by Arrighi's critics. There has yet to be any studies on how social scientists have applied Arrighi's theories. Meaning that the thesis makes a relatively unique contribution in this limited sense. Proceeding with the previous research, this can broadly be separated into two categories. On the one hand briefer reviews, on the other hand articles that provide more in-depth analysis of particular aspects of the theory. Most of these texts were written within a few years after the publishing of *The Long Twentieth Century* and *Adam Smith in Beijing*, with a few exceptions. This section will not be able to address every point of criticism, especially when it comes to disagreements over empirical claims. Instead, this section will address some of the main points of criticism. This will clue the reader in as to some of the general issues in the theoretical framework. Critical response to *The Long Twentieth Century* has in general credited Arrighi for its ambitious undertakings. Some key critiques have been made on the Braudelian understanding of capitalism as a top layer of a tripartite economic structure, the general absence of class agency and class struggle, as well as disagreements on the definition

of hegemony as well as its empirical applicability. The critical response to *Adam Smith in Beijing* has in comparison been more lukewarm, with many reviewers contesting empirical claims regarding China's past and present as well as the heavy use of Adam Smith's notion of natural and unnatural paths of development as a heuristic throughout the book. Among the points of contention, the Braudelian framework is again met with critique. This time in the form of challenges to China's supposed non-capitalist character as well as on the issue of state-capital relations in China. There is also additional critique on the hegemony-concept, accentuated by Arrighi's reading of US interventionism in the middle east as a crisis of US hegemony.

4.2 Braudelian capitalism, agency, and class struggle

As the theory section has illustrated, the two heaviest intellectual influences in *The Long Twentieth Century* are Marx and Braudel. The particular definition of capitalism coming from the latter. This has been a frequent source of disagreement among reviewers with a Marxian tendency. This leads to the critique that class conflict as well as the broader category of anti-systemic movements are largely absent from the analysis. Jason Moore writes that there is an outright neglect of class conflict in the text which stems from Arrighi's Braudelian influence. Central to Braudel and seemingly adhered to by Arrighi is the notion that capitalism is primarily determined by high finance and world trade as opposed to class struggles (Moore 1997). Christopher Chase-Dunn agrees that the general absence of the role and agency of anti-systemic movements in Arrighi's analysis is rooted in the Braudelian understanding of capitalism. However, Chase-Dunn takes less issue with analytically separating those issues when explaining the deep structure of the system (Chase-Dunn 1996). Moore argues that this conceptualization of capitalism implies that it functions as a set of structures that the working class, among others, must react to. This is distinguished from a view within Marxism which conceives of capitalism as being constituted by

class struggle. Moore goes as far as arguing that Wallerstein, who himself has faced similar criticism, has allowed class struggles to have a more fundamental role for class struggles in the formation of the world-system. While acknowledging that Arrighi has employed analytical boundaries, it is argued that these prevent a full understanding of the relationship between class conflict and high finance or how contradictions within high finance can allow for the agency of antisystemic movements (Moore 1997). This final point ultimately segues into his broader critique of the tendency towards systematicity in world-systems analysis, which will be addressed later in this section. Robert Pollin provides more concrete examples of Moore's class-based critique. Analytically separating capitalism from the other two layers of the economic structure becomes an issue since it means removing the role of anti-systemic movements and the impact of "socialism and the Cold War, social democracy and the welfare state, as well as Third World antiimperialist struggles" in shaping the trajectory of capitalism (Pollin 1996). Vincenzo Ruggiero elaborates on the issue of analytically separating class struggle. He notes that holding the "real home of capitalism" to be at the top of the economic structure like this conveys a notion that the social system, the state, and social relations are things which are located "in very limited and circumscribed places". As opposed to traditional Marxist analysis holding that there is a tendential subsumption of all social relations to the capitalist mode of production, which creates difficulties with such analytical separations (Ruggiero 1995). This critique based on the exclusion of class matters should be contrasted somewhat with Robert Denemark's discussion on the compatibility between macro- and micro perspectives. As Denemark argues, while *The Long Twentieth Century* does not concern itself with gender, ethnicity, labour, nature, or the periphery it does not rule out consideration of such issues (Denemark 1997). In sum, the implementation of the Braudelian view of capitalism has had major impact on the circumscribed role that class struggle, and the agency of anti-systemic movements has within the theoretical framework.

4.3 State and capital in China

As previously established in *section 3.2* Arrighi employed the Braudelian understanding of capitalism to argue to the effect that China did not constitute a capitalist society, rather constituting a Smithian market society. The criticism against this has been made on both empirical grounds and on analytical grounds. Christopher Chase-Dunn (2010) has observed that the contention that China has not yet developed full-blown capitalism to a large extent is based on Samir Amin's (2013) observation that because the rural peasantry has not yet been dispossessed of land and so full proletarianization has not emerged. As Chase-Dunn writes, one may wonder whether dispossession of land is still a requisite of capitalism in the age of flexible accumulation and outsourcing. Leo Panitch (2010) expresses scepticism towards the notion that the Chinese state is non-capitalist by virtue of it being more oriented to promoting competition than capitalist states, citing a lack of empirical evidence. Joel Andreas (2008) contributes both to the empirical and analytical critique against the market-society notion. Starting with the empirical contestation, it is argued that Arrighi's model for the east Asian historical economy is not without empirical support: "whether we use Braudel's or Marx's conceptual framework, it is evident that much of the Chinese economy was organized around market exchange, but not in a capitalist fashion, both in the distant and recent past" (Ibid. 2008). Furthermore, the society that emerged after the economic reforms of 1978 shared basic elements of this historical economy. In the present it becomes more difficult to sustain this model. Andreas argues that since then capitalist production relations have come to transform the Chinese economy and its class structure.

Richard Walker (2010) expresses scepticism towards Arrighi's view on state-capital relations. Walker agrees that the emerging capitalist class in China has yet to seize control over the state or the commanding heights of the economy, and that the CCP remains in power. However, he points out that comparable new capitalists in Taiwan

or South Korea, who themselves emerged through state-led development, did not gain power comparable to the central state.

in either country until the 1990s, at which points those countries were well down the road to capitalism. Moving on to the more analytical critique, Panitch (2010) disagrees with the conceptualisation of the state on analytical grounds, arguing that Arrighi treats states as expressing ‘general societal interests’, except when capitalists impose their narrow (anti-competitive) interests on market development. As Panitch writes: “the specific mode of organisation of a capitalist state, and its defining functions of guaranteeing property-relations, reproducing labour-capital relations and sustaining accumulation, are missing from this weak conceptualisation of the capitalist state” (Ibid.). The notion of the non-capitalist state as expressing a general societal interest should be challenged on the grounds that China is seemingly becoming a more unequal class-society (Ibid.). Andreas (2008) adds to the analytical critique of the thesis that unless the state has been subordinated to capitalist class interests, the market economy remains non-capitalist. This exaggerates the gap between the state and capital. In the post-Mao era, privatization and corporatization has taken place under party supervision and as a result most of the capitalist sector is based on restructured state and collective enterprises, with most of the people in charge originating within the party-state establishment. As Andreas argues, this links state and capital in an intricate web. Under these circumstances it is difficult to “distinguish, whether conceptually or empirically, state development strategies from the pecuniary interests of government officials and large-scale entrepreneurs, who are linked by myriad family and other ties” (Ibid.). In sum, Arrighi’s application of the Braudelian understanding of capitalism and markets on China has revealed several analytical and empirical issues with the framework.

4.4 The many contested hegemonies of historical capitalism

The previous points have addressed the points of previous research that are the most relevant to the thesis topic. Beyond this, it is worth addressing the response to Arrighi’s

employment of the concept of hegemony. This is because the implementation of hegemony constitutes a major point of criticism, and the debate on the issue has continued as recently as 2021. In a somewhat unconventional manner, Gürel & Taylan (2019) has drafted a critique of many of the critics on hegemony a decade after many of these reviews and essays were published. Therefore, their responses to the critics will be interspersed through the section. John A. Hall (1996) contested the empirical claims regarding Dutch and British hegemony, arguing it overexaggerated their influence over other European states. Walker argues that Arrighi's account of the US signal crisis of the 1970s is contradictory since Arrighi on the one hand argues that the crisis was caused by the US defeat in Vietnam while on the other hand arguing it was caused by a crisis of profitability (Walker 2010). Gürel & Taylan respond to Walker, raising a counterpoint on the issue of signal crises that Arrighi repeatedly discusses the connections between the crisis of profitability and the crisis of hegemony, underscoring "the deadlock in which a crisis of profitability led to a crisis of hegemony, of which the US tried to fix through war-making, whose failures only worsened the crisis of profitability" (Gürel & Taylan 2019). Panitch objected to the argument that the US has lost its capacity to sustain the imperial role in the 21st century capitalism. In his view the claim that the US experience in Vietnam as representing the 'signal crisis' of US hegemony, and that the Iraq War represents its 'terminal crisis' risks projecting conjunctural contradictions into long-term structural ones (Panitch 2010). Likewise, Elvin has contended that US loss of leadership status has been contingent rather than structural, arguing that it has been the result of stupidity among US decision makers and that it has been largely avoidable. In addition, Arrighi fails to give attention to the more probable socio-psychological roots of US hegemonic decline (Elvin 2008). Gürel & Taylan basically object to the critique made by Elvin and Panitch and argues that rather than just making a conjunctural analysis based on the failures and mistakes of the leaders of the powerful states, Arrighi in fact provides a structural analysis of hegemony and the crisis of hegemony in the world system (Gürel & Taylan 2019). An additional point of criticism made by Panitch concerns the current economic relations

between the US and China. He writes that “given what the flow of capital to the US from East Asia (more than covering the US trade-deficit) indicates about the way the circuits of global capital sustain American capitalism, this flow cannot simply be taken as a measure of imperial weakness. The alleged threat that sovereign wealth-funds pose to the empire is likely to turn out to be no more serious than the similarly predicted threat from workers’ pension-funds” (Panitch 2010). In contrast to this Gürel & Taylan write that “rather than securing its hegemony, China’s integration in global market relations made the crisis of the US hegemony more acute than ever” (Gürel & Taylan 2019). This argument is rooted in the unsustainability of maintaining the mutually beneficial trade relationship between the US and China. Chinese state and capital are dissatisfied with their position in the global value chain and are attempting to move up towards higher value-added production. Additionally, the BRI along with the Asian Infrastructure Investment Bank (AIIB) represents an attempt to diversify from US treasury securities. Finally, the US-China trade war is seen as a response to the two previous points. This is also read as a point of evidence against Panitch assertion that China does not undermine US hegemony (Ibid.). The most recent criticism raised concerning the use of hegemony has been raised by Montalbano (2021) who argues that there has yet been an in-depth analysis of the uses and problems of the Gramscian concept of hegemony within Arrighi’s framework. Central to this critique is that Arrighi originally introduced the notion of world hegemony to understand the crisis of US hegemony. With the paper *The Three Instances of Hegemony in the History of the Capitalist World-Economy* (1983) Arrighi attempted to trace previous instances of Gramscian hegemony in capitalism and “grasp the history of capitalism in terms of hegemonic transitions” (Montalbano 2021). Montalbano argues that these historical examples fit poorly to the claims of functioning as intellectual and moral leadership and representing a general interest among states. “The United Kingdom raises to a hegemonic status under the Restoration and the re-establishment of the monarchic dynasties defeated by the Napoleonic army, thus suppressing the political (and economic) aspirations of the bourgeois classes in Continental Europe. Then, under the

alleged British hegemony, the contending European powers will enter in the inter-imperialist competition unleashed by the UK world empire, up to the First World War” (Ibid.). According to Montalbano, Arrighi attempted to solve these issues by integrating the concept with the SCAs. Yet this rather has the consequence of emptying the former concept of meaning. Arrighi argues that the different instances of cycles of accumulation have been made possible under the leadership of particular communities and blocs of governmental and business agencies. Yet his descriptions of Genoese and Dutch hegemonies appear more like successful attempts to ensure minimal interstate cooperation, rather than intellectual and moral leadership. Following this critique to its conclusion, the only world hegemony that somewhat fits with the Gramscian definition and appears to be properly linked to a systemic cycle is the US one. Therefore, SCAs becomes the proper basis of Arrighi’s general theory of capitalism. As Montalbano concludes: “The relationships between the two ‘genealogies’—that of the historical hegemonies and the SCAs—represent the crux of Arrighi’s theory and its sore spot. Although in subsequent works, Arrighi and his collaborators tried to better integrate the social dimensions of world hegemony within the SCAs’ theory, such an attempt would rather confirm the uniqueness of the Pax Americana and its problematic comparison with past world orders” (Ibid.).

5. Analysis

5.1 China between market society and capitalism

This section introduces the analysis by means of a discussion of a series of interrelated issues that have been found in the research process. This is clarified by synthesising key points previously addressed in section 3.2, after which it is possible to proceed to review the papers through the lens of this critique. A line of distinction is drawn between two different ways that Arrighi’s theoretical concepts have been applied to

China. In the first approach, the theories are assumed to be applicable to issues relating to the hegemonic rise of China because the country is situated in the context of global capitalism. This line of approach is showcased in the articles by Roberts, Quark, Karatasli & Kumral, Major and Luo. In the second approach, the concepts are applied in a new way, as if they describe not only the workings of the world-system but also the internal dynamics that drive the Chinese state and market economy. This is exemplified by Flint & Zhang, Schmalz, Sommer and Hui and Zhang. Table 2 clarifies the differences and commonalities between the different approaches in the articles.

Table 2: Overview of the papers

Paper	Primary concepts used	Compatible w/ Arrighi on China	Conceptual stretching
Karatasli & Kumral (2017)	- Systemic cycles of accumulation - Hegemonic transitions	Yes	No
Roberts (2011)	- Hegemonic decline -Systemic chaos	Yes	No
Quark (2014)	- Hegemonic transitions	Yes	No
Major & Luo (2019)	- Hegemonic transitions	Yes	No
Zhang (2017)	- Financial expansion phase - Capitalist & territorialist logics	No	Yes
Flint & Zhang (2019)	- Capitalist & Territorialist	No	Yes

	logics		
Schmalz, Sommer and Hui (2017)	- Spatial fix	No	Uncertain

As this section will illustrate, the first approach is basically in line with the limits Arrighi applied to the concepts. This does not mean that the above-mentioned authors wholly agree with Arrighi's analysis in every way, only that they are commensurable with the limitations Arrighi drew up for the theory in relation to capitalism and China. The second approach diverges from Arrighi in a way which could be viable for theorizing the hegemonic rise of China but has led to conceptual stretching which ultimately raises several theoretical issues that have yet to be resolved. Additionally, authors using the second approach have often failed to be explicit about how they are using the theory in a new and divergent way. As will be shown later in the analysis, both approaches point at an impasse for SCAs as a theory.

Before dealing with the two approaches, a synthesis must be made of some of the key points previously raised in the theory section in order to clarify the stakes and explain why it constitutes a theoretical issue to apply the concepts within systemic cycles directly to China. Arguably, Arrighi failed to be explicit as to why his original framework was insufficient to understand China and why new concepts were required to explain China's development path. However, it becomes clear when reading *The Long Twentieth Century* and *Adam Smith in Beijing* together. As previously addressed in section 3.2 Arrighi considered SCAs to be a phenomenon inherent to capitalism, unlike Kondratieff Waves or similar cyclical phenomenon that could be traced to pre-capitalist times (Arrighi 2010 p.9). The implication of this is that the concept of SCAs cannot be directly applicable to pre-capitalist or non-capitalist formations. This carries considerable consequences for the other concepts within the theory since both hegemonic cycles and the dialectical relationship between capitalist and territorialist

logics of power are embedded within this broader framework of accumulation cycles. In *Adam Smith in Beijing* Arrighi sets out to understand the rise of China and the possible future implications of the country becoming the new heart of the world-economy. In the process Arrighi uses the works of Adam Smith and his notion of “natural” and “unnatural” development paths to theorize China as a non-capitalist market economy. It follows from the classification of China as a non-capitalist market economy that systemic cycles could not be applied to explain the inner dynamics of state and economy in China without also rejecting the notion that the cycles were particular to capitalism, thus creating the need for alternative frameworks such as the one presented in *Adam Smith in Beijing*. Why did he arrive at this conclusion regarding China? This is clarified by returning to the introduction to *The Long Twentieth Century* where he explains how his particular understanding of capitalism is rooted in the writings of Fernand Braudel. Among the concepts that Arrighi has taken from Braudel includes his particular understanding of economic life as a tripartite structure composed of material life, the market economy and capitalism. Capitalism is here understood as an anti-market of sorts which is absolutely dependent on monopolies and state involvement (Ibid. p.10-11). Ultimately, what defines capitalism is not the presence of markets, capitalists, or the state, it is rather a specific relation between these: capitalism is only triumphant when it becomes the state (Ibid. p.12). Arrighi writes that you can “add as many capitalists as you like to a market economy, but unless the state has been subordinated to their class interest, the market economy remains non-capitalist” (Arrighi 2007 p.332). This specific Braudelian definition of capitalism can confuse discussions on the applicability of systemic cycles to China but as since researchers do not necessarily share this assumption about what constitutes capitalism. A more concrete framing of the question at hand could be "does the theory of SCAs describe the internal dynamics of the Chinese social formation?" The unconventional notion that a market economy and capitalism are two distinct things plays out fully in *Adam Smith in Beijing*. The Braudelian distinction combined with Arrighi’s view that the Chinese state had not been subordinated to the capitalist class in effect amounts to the argument

that China cannot be understood as a capitalist economy. Having now laid out the case that Arrighi established some crucial delimitations for how SCAs could be applied, it is possible to illustrate this point by analysing the papers, starting with those that share Arrighi's conceptual boundaries.

5.2 Puzzle-solving within the Arrighist framework

5.2.1 Karatasli & Kumral (2017) Territorial Contradictions of the Rise of China

In *Territorial Contradictions of the Rise of China* Karatasli & Kumral (2017) argue that the Chinese state has pursued an unconventional strategy of building alliances that strive to preserve the status-quo in the interstate system, this is as opposed to previous rising states that have tended to pursue hegemony by challenging this status quo. Additionally, it is argued that the propelling force behind this pursuit of hegemony is unique and that the origins of this strategy must be found in what they refer to as the “complex set of relationships between the political-economic transformation in China, the rise of secessionist nationalist movements in Chinese territories, and the global macro-political context” (Ibid.). The authors emphasise that previous rising powers that have come to establish hegemony (Dutch, Great Britain, US) by reshaping the interstate system “through the inclusion of new nations by co-opting, supporting or sometimes selectively leading a section of nationalist movements into independence” (Ibid.). In the current inter-state system, both the hegemonic US and Russia strategically support nationalist and secessionist movements. Contemporary China does not follow this pattern, instead generally working to maintain a global status quo and against secessionism. In 2008 Russia backed separatist in Abkhazia and South Ossetia that sought to secede from Georgia. China declined to support Russia's claim during this period and acted in the same way during the Crimean crisis of 2014. Likewise, China has declined to support secessions urged on by the US, as in the case

of Sudan-South Sudan. The authors identify the root cause of this as being that China itself has a contested territorial integrity, which both prior to CCP rule and under it has repeatedly been challenged by nationalist and secessionist movements within China. They argue that the nature of this vulnerability cannot be properly conceived without understanding the nature of the “unfinished businesses” of national contradictions in China. Examples of such nationalist and secessionist movements are evident in Hong Kong, Xinjiang, and Tibet. In addition, China shares borders with numerous countries where nationalist movements could potentially destabilize China’s territorial integrity. This leaves China more vulnerable to waves of secessionism than previous ascending powers. Supporting secessionism abroad is therefore a less viable option as it could backfire tremendously. Losing Tibet and Xinjiang would mean losing access to major mineral and energy reserves, along with almost a third of China’s total area. To prevent secessionism, the Chinese government has employed a two-pronged strategy to contain domestic nationalisms. Firstly, heavy use of development and welfare policies to gain the consent of ethnic minorities. Including “development projects, construction of roads, highways, airports and the promotion of policies friendly to businesses and foreign investors”. Secondly, establishing inter-state coalitions and south-south cooperation in order to counter secessionism. For example, using trade agreements to pressure Turkey to stop support for Uyghur nationalism. Karatasli & Kumral note that while China does not seek hegemony, rising territorial vulnerabilities have been pushing China to play the role of a hegemon. “China's efforts to build a coalition of anti-secessionist movements have consequences that *transcend its territorial boundaries*” (Ibid., emphasis mine).²

² Karatasli and Kumral do not make a connection between China’s anti-secessionist strategy and the BRI. This could be an interesting topic for world-systems analysts to explore further since the two-pronged strategy of internal infrastructure investments and interstate alliances allows for a new theoretical framing of the BRI. Could anti-secessionism be a factor in shaping the BRI?

The authors frame their thesis as critique of economics-centric explanations, arguing that “most existing analyses focus on economic aspects alone and ignore macro-political dimensions of world hegemony building processes” (Ibid.). Consequently, the text mainly make use of Arrighi’s concept of hegemonic transitions to contextualise the rise of China within the hegemonic decline of the US and makes no reference to the internal dynamics of China as being driven by phases of accumulation or capitalist logics of power, nor by the dynamics of a Smithian market society. While the paper shows no evidence of accepting the framework of a Smithian market society, the paper is arguably compatible with Arrighi’s framework in the sense that while it locates China within an ongoing systemic cycle, it centres alternative explanations for China’s pursuit of hegemony.

5.2.2 Roberts (2011) Multipolarity and the new world (dis)order.

In *Multipolarity and the new world (dis)order* Roberts (2011) uses the concept of systemic chaos to examine the negotiations at the Copenhagen and Cancun climate conferences in 2009 and 2010 respectively in contrast to the 1997 Kyoto round. The presented argument is that the 2009 and 2010 conferences were affected by the economic and political weakening of the US in relation to China as well as fragmentation of the negotiating blocs. He concludes that the roots of failure to reach consensus for a global response to climate change lie in the global economic structure and its current phase of restructuring, which he reads through the lens of hegemonic decline and systemic chaos. The issue of interstate disorder flows from the relative economic decline of the US and the relative economic rise of China in the late phase of the current systemic cycle of accumulation. The breakdown of climate negotiations is not explained as being driven by any dynamics particular to China. Rather, it is the role of the US as a declining hegemon that inclines the US state against any climate concessions that could weaken the US against low-wage countries such as China and India. To support this, claim the author cites Arrighi & Silver (2001) writing on

systemic chaos, where the decline of a hegemon and the intensification of economic competition leads each nation to pursue “their national interest without regard for system-level problems that require system-level solutions” (Arrighi & Silver 2001, quoted from Roberts 2011).³

5.2.3 Quark (2014) Private Governance, Hegemonic Struggles, and Institutional Outcomes in the Transnational Cotton Commodity Chain

In *Private Governance, Hegemonic Struggles, and Institutional Outcomes in the Transnational Cotton Commodity Chain* Quark (2014) studies Arrighi’s concept of interstate hegemony by examining changes in the transnational cotton commodity chain and the public-private coalitions that regulate it. The article focuses on how Arrighi’s macro-level framework of hegemonic transitions could be studied on a meso-level by studying coalition-building in the cotton commodity chain. To quote the author: “By linking Arrighi’s work on periods of crisis and hegemonic struggle with the study of the institutions governing commodity chains, we can chart the destabilization of hegemonic coalitions of states and firms and the state and private Institutions that undergird them, as well as the contingent struggles that generate new configurations of power“(Ibid.). The paper finds that there has been a shift in institutions and policies governing cotton quality from 2000-2012 from favouring the US to incorporating standards that accommodate China. After the integration of China into the WTO, it has become the largest producer of cotton textiles and apparel, with a 35-40% market share of cotton imports. This has given both Chinese state and capital an increased market power and leverage which has been used to challenge US hegemony in the cotton commodity chain. The US has maintained sectoral hegemony through its central role as cotton exporter but has come to reconstitute its sectoral hegemony in response to the rise of China, leading to the creation to what the author

³ The quote is somewhat distorted by Roberts as he frames it as referring specifically to the declining hegemon when it in context refers to a tendency that is emergent among all the states in the interstate system.

refers to as *standards with Chinese characteristics*. The author concludes that while US sectoral hegemony remains uncontested, the struggle is still ongoing, and it appears to be a plausible scenario that a new sectoral coalition could emerge which would prominently feature Chinese state and capital. As the author writes: “If the Chinese state was to introduce new benchmark standards, cotton-producing countries around the world would be likely to support the standards of their largest buyer rather than their export competitor - the U.S.” (Ibid.). To conclude, the article sidesteps issues of internal drivers’ Chinese pursuit of hegemony and is therefore able to focus on how hegemonic transitions could be studied empirically in the commodity chains. This makes the article a clear example of how Arrighi’s concepts could be used for puzzle-solving within a world-systems framework.

5.2.4 Major & Luo (2019) *The Political-Military Foundations of China's Global Ascendancy*

In *the Political-Military Foundations of China's Global Ascendancy* Major & Luo (2019) analyse the rise of China in the context of US hegemony by means of a study on how China has used its political-military networks to build its ascendancy. They find that China’s global economic expansion builds on a previously established set of political-military networks. Previous studies on the BRI and Asian Infrastructure Investment Bank have missed “China’s increasing military capacity and the relationship between the Chinese state’s global political-military activities and this economic expansion” (Ibid.). They advance within Arrighi’s framework by stressing the way in which each cycle is historically contingent and thus anomalous compared to previous cycles as well as how the forms that militarism takes, as well as the relationship between the political-military and economic bases of global power are specific to each historical period. Thereby they find that the focus of China has not been on pursuing hegemony by building “hard” power. Instead, China has pursued hegemony through “softer” forms of military power that use military institutions to

support economic and political agendas, strategically using its position as an arms supplier, deploying troops abroad, and participating in joint military exercises with other states (Ibid.). The authors engage with Arrighi's bifurcation theory and argue that the findings run against it. China's political-military capacities do not compare well to the US, but as the authors argue, it would be a mistake to expect them to do so. They add that "just as China's global economic engagement has grown, so too has the Chinese state built up its global political-military apparatus, supplying the world with arms, deploying more of its troops abroad, and routinely participating in joint military exercises with other states" (Ibid.). Like Quark, the focus of the paper is on solving questions of how the current hegemonic shift is occurring and how a new hegemony is being built.

To summarise: there are three common themes in Roberts, Quark, Major and Luo. Firstly, they apply Arrighi's concepts to provide a general setting of the decline of the US and the prospective hegemonic rise of China, Secondly, they examine hegemonic transitions, either by studying the unravelling of US hegemony as in the case of Roberts, or by studying the process Chinese coalition building, as Quark, Major & Luo do. Thirdly, they all side-line the question of internal drivers to China's hegemony-building, focusing on the "how" rather than the "why". Karatasli & Kumral stand out from these three mainly in that they actively seek to find an alternative set of processes which could account for Chinese hegemony-building. The grouping together of these papers does not mean that the authors necessarily subscribe to Arrighi's views on China as a Smithian market society. On the contrary, there is an absence of evidence in the texts supporting such a claim. The commonality is rather that it is possible to apply the theory of systemic cycles in this way without requiring a commitment regarding whether the theory is fully applicable to China, therefore making them arguably compatible with either standpoint.

5.3 Stretching beyond the Arrighist framework

5.3.1 Zhang (2017) Chinese Capitalism and the Maritime Silk Road

Already in the title *Chinese Capitalism and the Maritime Silk Road* Zhang (2017) outlines a divergence from Arrighi on how the Chinese social formation should be understood. The paper interprets the MSRI through the lens of world-systems analysis and by incorporating the concepts within SCAs. In this way, the MSRI becomes a way of solving the issue of domestic excess capacity. The paper concludes with stating that the success or failure of Chinese capitalism will be determined by its own internal features as well as its relative position within the world-system. As the author writes: “in this regard, the New Silk Road Initiative may be the most illustrative case through which we can predict the trend in the world order” (Ibid.). In this interpretation the Chinese economy is a form of hybrid capitalism that diverges from other capitalist economies in that it is state-centric while still following the same type of laws of accumulation as could be expected from a capitalist economy. There is not a precise origin of Chinese capitalism, but it is assumed to have been established at some point in the transition from the reform period starting with 1978 and onwards and the official integration of China into the WTO in 2001. Not only is China understood as capitalist, but this is also taken to its natural conclusion by incorporating SCAs as an internal driver of Chinese economic expansion, along with the notion of territorial and capitalist logics of power and spatial fixes. Zhang addresses the current situation of the Chinese economy as one where it shows signs of over-accumulation, indicating that a phase of contraction is at hand. In his narrative, the combination of capitalist and territorialist logics of power give both state and capital an incentive to engage in a spatial fix, allowing for the expanded accumulation of capital. The BRI is seen as the expression of this type of fix. Furthermore, it represents a new expression of Arrighi’s territorial logic which goes beyond historical forms of expansion through expropriation and

instead expands by “routing around” the current international order and establishes new networks of trade, investment, and infrastructure.

In a sense the paper represents a natural extension of Arrighi’s concepts in a context where China is explicitly capitalist, however the analysis is muddled on several points: the reading of China through financial expansions, the engagement with Arrighi’s views on China, and the use of capitalist and territorialist logics of power. Firstly, the BRI is read in the light of SCAs. The paper is “drawing upon the world-systems perspective, especially Giovanni Arrighi’s theory of SCAs” (Ibid.). Of particular interest is the notion of financial expansions. The author reads signs of overaccumulation in the Chinese economy. Notable signs include labour shortages, compounding social issues, large property bubbles and excess capacity in industries relating to infrastructure and real estate development. Zhang refers to this type of overaccumulation as signs of “a mature capitalist economy entering a B-phase of contraction and restructuring” (Ibid). The current phase of the economy is therefore read through the lens of financial expansions: “Chinese capitalism is undergoing a rapid shift from a material-expansion stage dominated by industrial capital to a financial-expansion stage where financial capital may play the dominant role. Therefore, the Chinese economy is approaching the peak of a major cycle in Arrighi’s grand periodisation of world capitalism” (Ibid.). The solution to this is a spatial fix enabling an expanded accumulation across a wider territory. Therefore, both the “going out” policy and the BRI is read through the lens of a shift towards financial expansion.

The issue with Zhang’s interpretation of China as shifting towards financial expansion is that it does not add up with Arrighi’s conceptualization of cycles. In Arrighi’s scheme the old system only reaches full maturity in its expansion and its contradictions through the emergence of a new regime of accumulation within the old regime. In turn, only after the terminal crisis of the old system can the new regime fully emerge and consolidate its phase of material expansion (Arrighi 2010 p.219). This phase of

material expansion must again reach a certain level of maturity and crisis before transitioning from material to financial expansion (Ibid. p.220). According to Arrighi's scheme, China has yet to supersede the US as world hegemon and therefore has yet to fully consolidate its phase of material expansion, the reading the current situation as one of Chinese financial expansion sits awkwardly in the broader periodisation of SCAs. One way to interpret this is that Zhang has used the concepts incorrectly; what inclines this to be the most likely reading is that as shown below the paper also mixes up two understandings of capitalist and territorialist logics. The less likely interpretation is that the line of argumentation is consistent with the broader theory, given some major theoretical assumptions. This would require some unprecedented changes in the functioning of the world-system, including a severe speed-up in the accumulation process. This is not entirely out of bounds for the theory since a key feature is that it has taken less and less time for systemic regimes of accumulation to rise, develop fully, and be superseded (Ibid. p.221). The larger issue is that given that it historically has been the ability to establish a new phase of material expansion that has allowed a new hegemon to emerge. China reaching the late phase of its cycle before even emerging as a hegemon would have considerable consequences for the world-system and would be unlike any scenario of the future previously envisioned. Beyond these interpretations, what is missed in the analysis is that the Belt and Road Initiative could very well be read as the type of project that would allow for a new phase of material expansion. Secondly, there is a lack of clarity in how Zhang relates his notion of Chinese hybrid capitalism to Arrighi's notion of a market society. The notion of a Smithian natural path of development is discussed and *Adam Smith in Beijing* is quoted at length, during which China is never referred to as capitalist. He then shifts back immediately to his own terminology and concludes that "Arrighi's shifting views about China demonstrate the complicated nature of Chinese capitalism in its current form" (Zhang 2017). He proceeds to argue that Chinese capitalism arguably exhibits both traits of "accumulation without dispossession", meaning that the rural labour force has been integrated in the economy without being dispossessed of their land, as well as

extreme forms of primitive exploitation of labour and nature. Additionally, China has mostly adhered to and benefited from the US-led liberal capitalist order since the early 1980s. This section of the paper finally concludes that Chinese capitalism has a hybrid nature. This seems to indicate that the author is aware of Arrighi's view of China as a market society. However, the author fails to explicitly address that many of Arrighi's concepts, which he uses throughout the paper, are bounded and particular to capitalism. Third and finally, the way Zhang uses the concept of logics of power arguably blurs the line between two different definitions. Zhang uses the concept to capture the hybrid nature of Chinese capitalism and to stress how the BRI primarily is a collaboration between the state and the capitalist class. Among other things he notes that private firms took initiative in the "going out" policy many years before it became state policy by engaging in private direct investments. While he specifically refers to the dual logics as being part of Arrighi's framework, Zhang also cites David Harvey's use of the concept. For example, Zhang argues that while it is the claim of Harvey that in the long run it is the capitalist logic of power that wins the competition against state power, this has not yet come to pass in China due to the hybrid nature of its capitalism. A closer examination of how Zhang uses the concept demonstrates that this usage has more in common with Harvey's conceptualization. The difference between the two conceptualizations is addressed in a footnote to *Adam Smith in Beijing* where Arrighi notes that Harvey's *The New Imperialism* incorporates his categories of capitalist and territorialist logics of power. However, the two ways of using the categories diverges in that Harvey uses 'territorialist logic' to refer to state policies while 'capitalist logic' refers to the politics of production, exchange, and accumulation while in Arrighi's sense both logics refer to state policies (Arrighi 2007 p.212). Thus, there is a discrepancy in how Zhang cites and uses the concept of capitalist and territorialist logics power. In sum there are several inconsistencies in how Zhang uses Arrighi's theory and which overshadow the novel ways in which it applies the theory.

5.3.2 Flint & Zhang (2019) Historical–Geopolitical Contexts and the Transformation of Chinese Foreign Policy

In *Historical–Geopolitical Contexts and the Transformation of Chinese Foreign Policy* Flint and Zhang (2019) analyse changes in Chinese foreign policy over time in a historical-geopolitical context. They develop a periodization of cycles of diplomacy which they argue can be described as a series of phases, six of which have been completed (1840–1860, 1861–1895, 1896–1919, 1919–1949, 1949–1979, 1979–2009) and an ongoing phase which has yet to be completed but which is projected to potentially last until 2039. The BRI is seen as being at the centre of this current foreign policy cycle and should be understood within the context of a phase of global economic growth (in Kondratieff wave-terminology: An A-wave) along with the decline of US hegemony. In combination, these factors have led to the BRI as a possible solution to Chinese concerns about domestic oversupply. As noted above, Flint and Zhang use a broader world-systems framework and employ Kondratieff waves rather than SCAs. In the discussion on hegemony Arrighi is also absent. Instead, systemic cycles are mainly incorporated throughout the text by means of a modified version of the concept of capitalist and territorialist logics of power. The dual logics are used to conceptualize the underlying dynamics in Chinese foreign policy.

However, there is a subtle shift in terminology here since while the authors mainly cite Arrighi’s paper *The Three Hegemonies of Historical Capitalism* which refers to capitalist logics of power, yet they consistently opt to refer to it as an *economic* logic of power. This is more than a shift in terminology since the way that the concept is used also indicates that there is a matching shift in its contents. The authors argue that “the actions of states follow a dual economic and territorial logic, requiring a political economy approach to foreign policy” (Ibid.). This seems to hint at a shift from emphasising dynamics particular to capitalism to a more transhistorical notion of “economy”. This is in turn confirmed when they reason in the context of changes in

the specific content of China's foreign policy across time that "though some policies may appear to be primarily economic or political, at any one time, the combination of policies[sic] within a country's foreign policy are a combination of economic and political goals and means" (Ibid.). This is further discussed regarding the shift in China's foreign policy since 1978, the authors add that "since then the goal of China's economic diplomacy has been to maximise China's economic growth rather than to use economic statecraft for political goals" (Ibid.). The implication here is that it is possible to speak of economic and territorial logics from the Mao-era to contemporary China. The change from one period to another is therefore not a question of whether the concepts are applicable at all, but a shift of emphasis towards economic logics of power - from political goals towards striving for economic goals. To rephrase: the authors are not arguing that the dual logics are valid for China because it is capitalist. Rather, they have delinked the concept from its particularity to capitalism and from its connection to a specific relation between capital and the state, thereby making it a transhistorical category. The decision to stretch the notion of a capitalist logic of power in this way is most likely not a consequence of the authors attempting to apply the concept to China without specifying it as being capitalist. More likely it is the result of an attempt to find a consistent framework for analysing foreign policy which incorporates economic categories, while at the same time allowing for the study of two centuries of Chinese foreign policy, during which the Chinese economy has changed more than once in a dramatic manner.

5.3.3 Schmalz, Sommer and Hui (2017) The Yue Yuen Strike

Schmalz, Sommer and Hui (2017) use world-systems analysis to interpret the 2014 Yu Yuen strike in Guangdong where 40.000 workers struck at a shoemaking factory. The authors can identify three reasons for the strike: pressure on working conditions resulting from capital relocation to lower wage countries, an ongoing anti-corruption campaign by the CCP, and a wave of protests relating to disputes over social insurance

payments. The authors conclude that for these reasons the strike is likely to be paradigmatic for future labour unrest in China.

The case is contextualised within the framework of SCAs. After describing Arrighi's periodization of global accumulation cycles, the authors proceed to add that China from the 1980s and onwards has been moving towards the centre of global capitalism and is through that process challenging US hegemony. This makes it relatively clear that the authors read China as capitalist. A key factor that the authors identify in the strike is the threat of relocation of production from China to lower-wage countries, thereby putting pressure on the export industry, and by extension, putting pressure on working conditions. To theorise this, the concept of a "spatial fix" is used, though not cited from Arrighi. "the current round of geographical relocation of production, new 'spatial fixes' put China's export industry under pressure" (Ibid.). Although the article describes China as capitalist and therefore seems incompatible with the non-capitalist understanding of China it is difficult to say what bearing has for the outcome of using spatial fixes in the analysis. Since the authors cite the concept of spatial fixes from Silver & Lu rather than from Arrighi it is difficult to know their stance towards Arrighi's understanding of the concept. As addressed in the theory section on the spatial fix Arrighi used the concept to analyse the shift of production and trade to China but tried to integrate it into his own framework and thus recast spatial fixes in a broader and longer historical perspective than Harvey. The issue here is that it remains unclear if Arrighi thought spatial fixes could be applied in the sense of capital shifting outwards from China. Therefore this way of using spatial fixes constitutes an undertheoreticised blind spot.

5.4 Discussion: four strategies for applying systemic cycles of accumulation to China.

The ideas featured in *Adam Smith in Beijing* have seen limited use in the papers. The notions that have received most traction are the "prediction" of the hegemonic rise of

China and the incorporation of David Harvey's notion of a spatial fix, while the theory of China as a Smithian market society has seen little use among authors seeking to understand the rise of China. Ironically, Arrighi's own theory on the rise of China has had limited use in research on the potential rise of China as a new hegemonic power. The range of empirical critique that this model has previously received hints at why researchers might be reluctant to implement the model. The image of China as a non-capitalist market society might be hard to combine with intense exploitation of rural migrants under the Hukou household registration system (Cai 2008), intensified environmental degradation (Maddison 2007 p.97) or militarism in the South China Sea (Soler 2019). It is therefore possible that one of the larger influences *Adam Smith in Beijing* has had is to generate a general tendency to avoid discussing cycles of accumulation as internal drivers to Chinese policy.

The analysis shows that the bounded nature of SCAs creates theoretical issues for anyone seeking to use it to study the prospective hegemonic rise of China. These issues put new light on points of critique previously raised regarding issues such as the Braudelian understanding of capitalism, the state and of China as a non-capitalist market economy. This leaves those seeking to apply SCAs to understand China with four broadly defined options:

- 1) Assuming an agnostic stance to the capitalist/non-capitalist issue.
- 2) Working around the issue by finding new dynamics that are particular to China.
- 3) Disputing the notion of a Smithian market society on empirical grounds.
- 4) Challenging the theoretical premises of systemic cycles that makes application of the concepts problematic.

First, one can remain "agnostic" as to what underlying processes really drive the phenomena that are interpreted as hegemonic transitions and Chinese pursuit of hegemony. Side-lining these issues allows a centring on the *how* of hegemony-building and hegemonic transitions rather than the *why*. The papers by Roberts, Quark, Major

and Luo are all examples of how the issue of hegemonic transitions can be studied in such a way. A factor that explains why it might be easier to apply the concepts within hegemonic transitions in such a way is that it is possible to delink the concept of hegemony from systemic cycles. While Arrighi uses systemic cycles to theorise the dynamics that drive hegemony, it is possible to conceive of other dynamics such as Kondratieff waves as alternatives. Thus, the notion of hegemonic transitions can be used even if one remains ambivalent as to what drives it.

There are three main issues with remaining agnostic or ambivalent in this sense. One, it creates theoretical limitations going forwards. As the BRI develops and the economic and political power of the Chinese state extends in the interstate system, it becomes a more pressing question for world-systems scholars to be able to categorise China. Whether the BRI can be explained through the phases of an accumulation cycle or if the agency of the Chinese state can be interpreted in terms of capitalist and territorialist logics. Investigating these issues necessarily means abandoning the agnostic stance. Two, a continued absence of discussion on the internal drivers of China would indicate that there is a problem with Arrighi's theoretical construct. This might result in Arrighi's theory of interstate hegemony being subsumed in a broader world-systems framework which does not face the same issues with limits to applicability. Three, as Montalbano has shown, the connection between hegemonies and systemic cycles is not entirely clear in Arrighi's conceptualisation. Meaning that there might be an undertheoretised link between the dynamics of hegemonic transitions on one hand and accumulation cycles or capitalist logics of power on the other. To be clear on the issue of agnosticism: scientific papers are circumscribed by necessity, meaning that papers that set out to study the *how* of hegemony-building can hardly be tasked with also determining the question of whether the laws of capitalist accumulation are in effect in China or not. Remaining agnostic on such difficult issues is certainly justifiable from a pragmatic standpoint. Rather, the point is that an exploration of the theoretical issues on the Chinese social formation would in turn be beneficial for the theory at large.

Additionally, papers dealing with issues of hegemony-building and transition would benefit from including a brief discussion on the applicability of SCAs to China.

Second, researchers can seek alternatives to the theory of systemic cycles to explain internal drivers in the Chinese social formation. One way to approach this would be to work from the premise of the Smithian explanation, or alternatively modifying it to account for critique. Another way of approaching the issue could be to seek an alternative set of conceptual tools to explain China's role in the world-system. The work of Karatasli and Kumral could be read through this lens and therefore serve as an example of how China could be understood within the broader framework of systemic cycles while seeking alternative drivers that could explain phenomena such as hegemony-seeking. In other words, building on the framework of *The Long Twentieth Century* but not necessarily agreeing with the Smithian explanation provided by Arrighi and instead seeking new sets of mechanisms for China. There are two semi-related questions here that should not be confused. One is the nature of the Chinese political and economic structure, the other is the relative balance between political and economic explanations within world-systems analysis. The theory of systemic cycles triangulates geography, politics, and economics in a way which provides a synthesis for theorising the agency and strategising of state and capital. It also subsuming all political agency to economic processes that constrain, enables, and ultimately seems to lead all world hegemonies to the same endpoint. If one accepts systemic cycles as a framework, understanding China as a non-capitalist or semi-capitalist formation creates several theoretical issues. On the one hand it becomes uncertain as to how economic processes work in this system or if these economic processes hold the same determining role as they do within accumulation cycles, on the other hand it means that Arrighi's theory of the capitalist state as a unity of capitalist and territorialist logics becomes inapplicable in this context.

Besides the question of the Chinese social formation, there is the recurring and more general issue of triangulation in world-systems analysis, which takes the form of a general disagreement over how geography, politics and economics should be synthesised as well as where the emphasis should be on world-system-level versus local-contingent explanations. The issue of triangulation exists regardless of the socioeconomic structure of China, but in each case, it carries different implications. In the abstract, the proposal that world-systems analysis should pay more attention to macro-political and local-contingent explanations, as argued by Karatasli and Kumral, could be applied in either of the two senses explored above. It also offers a productive research agenda for understanding China in that it emphasises finding political factors to explain what is otherwise explained by economic processes.

Third, researchers can take the view that China is capitalist in the sense that the framework of *The Long Twentieth Century* has become valid for explaining the internal drivers and dynamics of China as a social formation and that the theory by extension can be fully applied to theorise on the role of China in the world. The papers by Zhang and Flint (2019) and Zhang (2017) fit into this category. Despite the critique made in the analysis against the papers applying these concepts directly to China, the authors have the merit of showing how taking the notion of Chinese capitalism to its conclusion within the theory of cycles of accumulation provides a set of historically grounded analytical tools for interpreting the Belt and Road Initiative. One issue with this is that there is an absence of research within the framework of SCAs that devotes time to arguing for the premise of Chinese capitalism on an empirical basis. Along with this, there is the question of periodization. When can China be said to have fully started operating under the dynamics of accumulation cycles? When did capital “capture” the state? It would be possible to argue, contrary to Arrighi, that capital has seized control of the state at some point from the beginning of the reform era to the early 2000s. Another approach would be to pick up on Arrighi’s openness to the possibility of capital controlling the state in China in the future in order to argue to the effect that capital has

come to control the state during the past decade. (Arrighi 2010, Harris 2012). A third issue within this premise is whether the internal dynamics of China can be accurately captured under the rubric of capitalism or if it requires concepts such as Zhang's notion of hybrid capitalism. Such labels require further concretisation, to put it in the words of Samir Amin: "the first label that comes to mind to describe Chinese reality is state capitalism. Very well, but this label remains vague and superficial so long as the specific content is not analysed" (Amin 2013). Further studies on the particularities of China are then required even if one accepts it as capitalist. This basically relates to the issues of triangulation and the nature of the Chinese social formation, as explored above.

Fourth, it is possible to disagree analytically with Arrighi's Braudelian understanding of capitalism, which would allow for bypassing Arrighi's criteria altogether. However, this risk leading to compounding theoretical issues since the Braudelian definition of capitalism is what underlines Arrighi's periodisation of cycles of accumulation. By "rescuing" the validity of these accumulation processes to describe China, researchers could potentially undermine key parts of the argumentation of *The Long Twentieth Century*. As Andrew Sayer expresses it, adjusting the conceptual system to accommodate discrepant observations is certainly possible, but given that the elements of the systems typically are tied to determinant practices and objects there is always the risk of upsetting other parts of the framework and causing more problems than we solve (Sayer 2000 p.41). This is apparent in how Flint & Zhang apply the dual logics of power in a way that bypasses the issue of Chinese capitalism while in the same process creating "economic logics of power" as a transhistorical category. This act of conceptual stretching effectively undermines the notion that the dual logics of power are in any way particular to capitalism. This presents an issue given that the empirical work underwriting the analysis in *The Long Twentieth Century* is nearly entirely based on the study of capitalist social formations. This approach could still be valid trajectory of research for those wishing to retain some key aspects of Arrighi's theories, but it

leads to large theoretical issues. In the process, this could well lead to the abandoning of the Arrighist paradigm altogether.

6. Conclusions: The future of systemic cycles of accumulation?

This study finds that in line with previous critique of Arrighi's theories, there are theoretical issues with the Braudelian distinction between capitalism and markets as well as the related theory of the state, both of which are inherent in the theory of systemic cycles. The unique contribution of the study is showing how the issues with applying the concepts of systemic cycles to theorising on the hegemonic rise of China are basically interrelated to the above-mentioned assumptions on capitalism and the state as well as Arrighi's view that China as of 2009 remained a decisively non-capitalist market society. This creates a theoretical impasse for using systemic cycles in theorising about China. In the current scholarship on the prospective hegemonic rise of China, notions of hegemonic transitions, accumulation cycles, as well as capitalist and territorialist logics have seen most frequent use. Meanwhile Arrighi's theory of China as a Smithian market society has seen very little use in the same papers. The previous critical response to the Smithian model, made on empirical and analytical grounds, offers the most probable explanation as to why scholars have been reluctant to apply the model. Despite this scepticism towards the Smithian model, researchers remain divided on the question of whether the theoretical concepts within systemic cycles are fully applicable to China. The four strategies that have been applied to this dilemma are: One, taking an agnostic stance to whether China is capitalist. Two, routing around the issue by finding new explanatory models particular to China. Three, treating China as capitalist on empirical grounds. Four, disputing the theoretical assumptions that render it problematic to apply the concepts. Each approach is a valid research strategy, in a sense, but each faces its own dilemmas for future research. To the limited extent

that approaches three and four have been attempted, those attempts to solve the theoretical impasses of systemic cycles have resulted in “conceptual stretching”, the distortion of concepts to make them fit the empirical events they seek to theorise. In order for research on systemic cycles, hegemonic transitions, and the hegemonic rise of China to proceed beyond this impasse it is necessary to go beyond the current indecisive stance on the applicability of capitalism to describe China as a social formation.

To return to the Kuhnian language of scientific paradigms: where does this leave SCAs as a contending paradigm for understanding the trajectory of the world-system?

Arrighi’s theoretical scheme remains systematic yet flexible. This becomes an issue in the sense that openness to historical contingencies and the likelihood of anomalies appearing means that it is hard to either prove or disprove the theory since a considerable number of possible future trajectories of the world-system could be construed to be in line with the theory. After all, the possibility that Arrighi remained most sceptical about was that his theory could be used to simply predict the rise of a new hegemony and what properties it would have. In this way SCAs becomes more of a paradigm that carries with it some general assumptions about the world which can be used without necessarily incorporating all the theoretical concepts carried within it. What could lead to a crisis within this paradigm, then? If the role and behaviour of China in the interstate system becomes more and more difficult to explain within the paradigm itself. The expansion of China’s economic and state-making power through the Belt and Road Initiative could well be one of the issues which leads to such a paradigm crisis. If China does not meet the Braudelian definition of capitalism yet showcases many of the tendencies thought to be unique to capitalist accumulation cycles, there might well be an error in the theory. In the long run, the anomalies that emerge through this field of research could amount to a paradigm crisis for the theory of SCAs which would see it replaced with more adequate paradigms for theorising the hegemonic rise of China. By extension this could lead to the rejection of world-historic

cycles unique to capitalism, a proposition which would strengthen theories such as Kondratieff waves, that build on transhistorical processes and are not constrained by particularity to capitalism.

As of now, the theory of SCAs remains a potentially viable model for theorising the current geopolitical and economic trajectory of China, the possibility of its future supplanting the role of the US in the world-system as well as the consequences of this event. This viability has been showcased in the variety of applications the theory has to studying China in the interstate system through the lens of hegemonic transitions. However, this study points to unresolved issues that could potentially lead to the rejection of Arrighi's theories. Studying the role of China in the interstate system is a way to strengthen the research agenda of world-systems analysis, it is ultimately also a way through which the theory of SCAs can be tested and be affirmed or ultimately rejected. The results of this query are also relevant to social science outside of a world-systems framework, particularly to whether the Chinese social formation can be accurately understood through the term *capitalism*, and what political and economic factors drive the Belt and Road Initiative. In the end, what is at stake is the possibility of assessing the future outcome of macro-level processes that are centuries in the making and which likely will affect the future of world-history. What separates this from mere speculating about the future is that we fundamentally are capable of acting upon such an analysis. To paraphrase the concluding words of the postscript to *The Long Twentieth Century*, which of the alternative future scenarios will materialise remains an open question whose answer will be determined by our collective human agency (Arrighi 2010 p.386).

7. References

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