

## Capitalism and the State

The struggle for the benefits of capitalism has revolved around capturing control of nation-states, which are the most effective levers for changing the allocation of surplus

1. States control the movement of goods, capital and labor across their borders
2. States determine rules governing social relations of production
3. States have the power to tax, resulting in three ways to redistribute rewards
  - a. Official subsidies from tax income
  - b. “Abscondings” of public funds
  - c. Individualization of profit, but socialization of risk
4. States attempt to have a monopoly on the use of force

Ideological myths regarding the nation-state

1. Capitalism involves entrepreneurs freed from state interference
2. States have real sovereignty (in fact, they are really part of an interstate system)

Reasons why there hasn't been a world empire under capitalism

1. With a constant incentive to enter competition, there is always a dispersion of profitable activities
2. Capitalists need other states to balance the power of their own state

Anti-systemic movements (labor-socialists, nationalist) attempt to seize state power, but once they do, they are constrained by the interstate system. These seizures result in “reforms” that change the balance of the power, not the system itself.

## **Proletarianization and Semi-Proletarianization**

For capitalists, semi-proletarianized households are better than proletarianized households because wage laborers can be paid with less than a living wage

Capitalism correlated the division of labor with the valuation of work. Only money-earning work is “productive.”

Thus, capitalism has institutionalized sexism, extended childhood and created retirement, all by redefining work as non-work.

So why has proletarianization happened at all?

During crises of “overproduction,” some capitalists have attempted to change the pattern of commodity chains and nation-states.

During these crises, workers have pushed for greater proletarianization and the system has expanded to search for low-cost labor.