Borders, fixes and empires: Territory in the new imperialism

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Introduction

In today’s ‘new imperialism’ state borders are becoming more complex, variable and differentiated in their permeabilities. In the European Union and elsewhere some borders are being weakened while others are strengthened; and there are increasing differentiations in the ease or difficulty different people and processes encounter when crossing the border, with increasingly contradictory demands for freeing cross-border movements and tightening border security. Contrary to neo-liberal fantasies of a ‘borderless world’, a relatively unified global capitalist market continues to co-exist with a diversity of many bordered states, over 190 sovereign entities at the last count – a contradiction, or perhaps an anachronistic historical left-over? With ‘globalisation’, and particularly since ‘9/11’, borders are perhaps more paradoxical and more indicative of wider global transformations than ever before. Increasingly seen as a bulwark against a diverse mix of ‘threats’ including migrant workers, drug smugglers, sex traffickers, and political terrorists, they are now more porous for another diverse mix which includes trade and capital investment, cultural products and information, and also political ‘interventions’.

Supposedly ‘sovereign’ borders never in practice sacrosanct are no longer so in theory either, as great powers and especially the USA develop ideological justifications for military and ‘humanitarian’ intervention in the ‘internal affairs’ of lesser states. ‘Purely’ or largely economic involvement in supposedly ‘independent’ countries continues to be the dominant form of the ‘new’ or – rather no longer so new - imperialism or ‘neo-colonialism’, as it has been since the demise of Europe’s traditional overseas empires after World War II, and since World War I in the case of the US. ‘Globalisation’, as J. K. Galbraith sardonically remarked, is an inoffensive word for an older reality. But the economic transcendence of state borders is ultimately dependent on military might, and not least on the USA’s world-wide archipelago of military bases. Furthermore, it now appears as if the historical tendency towards ‘non-territorial’ or ‘informal’ empire is being
at least partly reversed with a return to a more direct and territorial form of imperialism, most notably in Iraq and Afghanistan. And with the further paradox that this changing territoriality may reflect US hegemonic decline as much as its still unrivalled military power.

Not only have state borders become more indicative of these global transformations, conversely they themselves have to be understood and theorised in the context and terms of these transformations and their paradoxes or contradictions. Hence this Working Paper attempts to develop an historical and structural understanding of borders in capitalism which gets beyond general descriptive typologies. A more macro theoretical approach is hopefully an antidote to the currently fashionable ‘instant histories’ of ‘new this’ and ‘post-that’ which foreshorten time horizons, miss historical continuities and fail to identify what is genuinely new and what is likely and unlikely in the foreseeable future. It aims to provide a broader perspective within which to understand the more common or familiar themes and issues of international borders research, such as the creation, relocation or transformation of particular borders; their geographical fit or lack of fit with identities of nationality, religion or language in local border or cross-border communities; or the new ‘security’ technologies of surveillance and exclusion at, beyond and inside borderlines. It seeks to develop a theoretical framework for integrating macro with micro levels of analysis, linking for instance structural questions of political economy with questions of subjective identity.

The paper is a three-part synthesis drawing on previous work in three closely related areas (1). Section I is about theorising borders in terms of the fiction of state claims to ‘absolute’ national sovereignty within territorial borders and the contrasting realities of border-crossing globalisation, both seen as dependent on a partial separation of ‘politics’ and ‘economics’ unique to capitalism (‘politics’ and ‘economics’ with inverted commas because their meanings are limited, ideological and contested). The separation was crucial for the historical switch from traditional territorial or ‘formal’ empires to the new imperialism of ‘informal’ empires operating through ‘independent’ national states. It suggests that the seeming contradiction or anachronism of one global economy but many national states actually constitutes a single unified, albeit highly differentiated and contradictory, global capitalist system, rather than the conventional notion of two logically separate ‘economic’ and ‘political’ systems ontologically juxta-posed.
Section II contextualises and augments this argument about borders in capitalism by looking at some of their specifically contemporary features through the prism of migrant labour. Its dramatic upsurge in the last two decades is seen as the globalisation of the ‘reserve army of labour’ and an alternative ‘cross-border fix’ for capitalist crises where labour is imported rather than capital being exported. Here state borders are a means of cheapening and controlling the supply of labour, both as variably permeable physical barriers to migration and as ideological markers of national identity and not-belonging. Broadly speaking, up to the latter part of the 19th century people could move comparatively freely across state borders (before the general imposition of passports and anti-immigration laws), while in contrast goods (often subject to high ‘excise duties’ in the absence of ‘free trade’) generally could not. But now the situation in our global capitalist system is almost the reverse - goods, along with capital and information can generally cross borders relatively freely, whereas people and especially migrant workers and poor people generally cannot. A contradiction but one capital and ‘indigenous’ labour are often happy to live with, whatever about the migrants who are snarled up in wider issues about national identities, criminal ‘undesireables’ and border ‘securitisation’. It feeds and is fed by a wider ‘securitisation’ where social issues are seen, often inappropriately, as ‘security’ issues and hence amenable to militaristic ‘solutions’.

Section III brings the synthesis to a conclusion around the concept of ‘empire’, metaphorical and real, formal and informal. It focuses on the EU’s empire-like features and the two ‘fixes’ of importing of cheap labour and exporting of capital as operating in tandem, in the context of the EU’s enlargement eastwards to formally incorporate cheap-labour peripheries. This also echoes the enlargement of an empire’s ‘home territory’ as an historical tendency in inter-imperial competition. Ironically, the EU is probably more indicative of the new imperialism than the USA’s aberrant military occupations which are actually more a ‘throwback’ to the ‘old’, ‘formal’ imperialism. Easier to recognise as imperialism than informal empire, these misadventures have done much to popularise ‘the return of empire’, yet informal empire remains the dominant characteristic of the new imperialism.

The paper draws heavily but also critically on Marxist conceptions, especially on very different, but potentially complementary, formulations from two leading Marxists, one by
David Harvey (2003), the other by Ellen Wood (1995/1981) - the latter seemingly stronger on the politics of the state, the former on the economics of capitalism.

I. 'Politics/economics' and the geo-politics/geo-economics of borders

The historical switch from ‘formal’ empires to ‘informal’ ones operating through ‘independent’ states was made possible by capitalism’s transformation in how surplus could be extracted from foreign labour. In pre-capitalist societies it necessitated direct political control. As Justin Rosenberg (1994) has shown, Europe’s empires overseas initially combined slave labour with territorial possession: the Spanish operated mines in Spanish territories, Dutch plantations were in Dutch colonies, British in British, and so forth. The transformation to present-day foreign direct investment (FDI) and economic globalization across independent territories was long and complicated, but it depends on the partial separation of ‘politics’ and ‘economics’ which arises from within the capitalist mode of production and is unique to it (Wood 1995/1981).

This partial separation or contradictory unity of ‘politics’/‘economics’ arises from the way in which economic surpluses are extracted from the direct producers (Wood 1995/1981). In pre-capitalist modes of production economic surpluses were typically extracted from the producers (e.g., slaves, serfs) by extra-economic means: the direct use of physical force and/or political and ideological, including religious, ‘persuasion’, in for example slave-owning and feudal societies or ones ruled by priestly castes. In sharp contrast, surpluses in capitalism are generally extracted from the ‘free’ labour of the producers (workers) through the economic operations of the ‘free market’, with the ‘politics’ of physical enforcement apparently absent from the ‘economics’ of the production process and market exchange.

However, the ‘politics/economics’ separation is only partial. In reality, or despite appearances, ‘politics’ and physical force are still used, but indirectly rather than directly. They have not been removed or rendered unnecessary but are only displaced to the realm of the national state which acts as the enforcer of property rights and the ‘rule of law’, without which ‘economic’ production and the so-called ‘free’ market could not operate. There is no such thing as capitalist production or a market which is ‘free’ of state support and the force needed to protect property; and more specifically to exclude workers from ownership or use of the means of production (e.g., land, machinery, raw
materials) on their own behalf, an exclusion which leaves them with little option but to sell their labour to others in the market. But this ‘politics’ of force is less direct or transparent (than in e.g., slavery or feudalism) because it is displaced from the immediate ‘economic’ sphere of production and exchange to the ‘political’ sphere of the state.

This abstract formulation has a simple clarity which cuts through the complexities to highlight the importance of the separation as the capitalist pre-condition for: (a) national state sovereignty and economic globalization as ‘opposite sides of the same coin’; (b) the relatively harmonious co-existence of ‘one global economy but many national states’; and (c) the historical switch from formal to informal empire. But we need to put some flesh on the bare bones of the argument, and re-formulate the separation in terms of geo-politics and a ‘presence/absence’ of democracy – its presence in the ‘political’ realm within state borders, and its absence both from ‘economic’ production and the market, and from the transnational sphere beyond and across borders (Anderson 2001a; Anderson 2002). Democracy hinges on borders but borders themselves are generally undemocratic.

**Democracy, sovereignty and globalisation**

The separation might seem very abstract but it finds strong material expression in separate ‘political’ and ‘economic’ institutions and the ‘division of labour’ between ‘politicians’ and ‘business people’ (and in London, for instance, between the City of Westminster and ‘the City’ respectively). It is also strongly reflected in political debate, as in addition to being partial, the separation and its nature and extent are contested, including at the level of the state. Hence in practice it varies significantly, from the extreme of ‘economic’ separation in *laissez-faire* to the ‘political’ approaching dominance in state-operated or ‘nationalised’ production. The ‘left’ for instance wants more political and democratic control of the economy and more state ownership, while the ‘right’ wants privatisation and minimal political regulation of markets - and the latter achieved a high-point of ‘politics/economics’ separation with the neo-liberal ‘Washington Consensus’ from the 1980s. But, whatever neo-liberals might dream, the modern state is always much more than the physical enforcer of laws protecting property and the market, though organizing ‘bodies of armed men’ remains a core role. In particular, state welfare provision is another core role (and a key issue in conflicts about migrant labour – Section
II, below). There may also be the state capitalism of state-operated production; and even the minimal ‘night watchman’ or neo-liberal state is centrally involved in the monetary and fiscal management of the economy (all of which state economics are ignored or played down in the very clear but abstract formulation of the separation in Woods 1995/1981).

At its simplest, a ‘public realm’ of ‘politics’ and the national state, territorially delimited and subject to representative democracy, is separated from a ‘private sphere’ of economic production, distribution and exchange, which is beyond democratic control. Production more easily straddles state borders partly for that reason, and partly because as well as being generally excluded from production, democracy is also excluded from the transnational sphere beyond/across state territories (Anderson 2002). It generally stops at the border and at the gates of the workplace, and both these major exclusions of democracy have the same structural roots in capitalism’s ‘politics/economics’ separation.

The separation can therefore be reformulated perhaps more accurately as the ‘presence/absence’ of democracy. Democratic politics is the key differentiator rather than politics *per se*. As Wood (1995) makes clear, it is not politics that is excluded from production - the politics of class characterise the workplace. More precisely, whether the workplace is inside or outside the owner’s own state, it is democracy that is excluded when making decisions about what should be produced (or not), how and where to invest, who to employ, and so forth, as these decisions are almost invariably separated off to the ‘non-political’ (that is non-democratic) sphere of ‘economics’. Here decisions are predominantly driven by ‘market forces’ and profitability and technocratic criteria, rather than by democratic choices, ethical concerns or human needs (and in practice, although sometimes successfully contested, or obfuscated, that can apply to state capitalist as much as to privately-owned production). Likewise, it is not politics that is excluded from the transnational sphere - dominated as it is by the politics of imperialism (Harvey 2003) - but rather *democratic* politics, as representative democracy is largely restricted within state borders.

The ‘politics/economics’ separation, bolstered by its contrasts of democratic presence/absence, thus hinges in territorial and spatial terms on state borders and on
the ‘borders’ of work- and market-places. It is a pre-condition for the national sovereignty and independence of the state in that that claim is effectively confined to the ‘political’ realm, with transnational ‘economic’ (and other) interdependencies excluded from consideration. The claim has some plausibility only because ‘economics’ is downgraded or excluded from the equation (Rosenberg 1994). This helps explain why despite globalisation, the sovereignty of the national state or ‘national independence’ is generally unquestioned, and why indeed it can often be fetishised as an ‘absolute’ fact when in reality it is only a claim and a partial and questionable one at that (even in ‘purely’ political terms if there are external imperialistic pressures). But the claim is believable precisely because the ‘politics/economics’ separation effectively (if not always explicitly) limits it to the sphere of ‘politics’ and ignores most of the ‘economic’ sphere, including foreign direct investment (FDI).

Simultaneously, the separation constitutes the pre-condition for the undemocratic nature of production being the widely accepted, as ‘economic’ rather than ‘political’ and hence outside the realm of democracy. By extension this also covers globalisation to the (large) extent it involves ‘economics’ (and culture or ‘not politics’), reinforced by the fact that ‘politics’, over-identified with representative democracy and the state territorial framework, is seen to be excluded from the transnational sphere outside the state. The interdependencies of globalisation may contradict national independence but can usually be accommodated as the ‘economic’ or ‘other side of the coin’. Irrespective of ownership, whether domestic or foreign or for that matter even state owned, production is generally beyond the reach of national democracy. Thus the separation enables the globalisation of economic production across national state borders without implying that sacred sovereignty has been breached. The cross-border exploitation of labour is facilitated as the economic exchange between foreign employer and indigenous employee is the same as indigenous employer-employee exchanges in being free of extra-economic compulsion. The ‘foreignness’ of the exploiter is effectively ‘depoliticised’; and foreign capital has the same state-protected rights in principle as indigenous capital – though not always in practice as we shall see.

So, far from rejecting FDI as ‘foreign interference’, the ‘sovereign’ states and their constituent regions and cities can fall over themselves trying to attract it. For sovereignty is ‘political’ while investment in economic production is merely - well - ‘economic’. In fact
FDI embodies the ‘double exclusion’ of democracy from the transnational sphere and from production, in effect ‘escaping’ the democracy of its countries of origin and destination. Its ‘downside’ is foreign direct disinvestment, and here branch plant closures and mass redundancies can sometimes occasion democratic protest on nationalistic or chauvinist grounds. But this is questionable if not unprincipled given that ‘domestic’ disinvestments are also beyond democratic control, the main issue.

Usually of course the democratic absences are not recognised as such because of the ‘politics/economics’ separation. In territorial terms it supports the fiction (or at best half-truth) that national states have ‘sovereign independence’ within their borders (by sideling the ‘economics’); and simultaneously it facilitates the global expansion of capital across state borders (by sideling ‘politics’). It grants national territory a virtual monopoly of democracy and lends it the aura of ‘absolute’ sovereignty by confining this to ‘politics’. At the cost of excluding democracy from production and the transnational, it enables ‘economics’ to transcend territorial borders unencumbered by ‘politics’.

Borders not only divide up the world into states, they are the pivot of the whole global capitalist system.

**One global economy but many national states**

From this perspective we can begin to see how the partial separation facilitates the relatively harmonious functioning of a global economy but many states. The rootedness of its ‘political’ as well as ‘economic’ aspects in the capitalist mode of production suggests that it is indeed a single, unified, albeit divided and contradictory, global system, not two ontologically separate ones (as in the conventional disciplinary separation of political science and economics).

But might it still be that the seemingly contradictory and anachronistic array of bordered national territories is really a pre-capitalist left-over? Like an appendix no longer functionally necessary, or even counter-productive now we have a world market, and eventually likely to fade away with time? The argument so far suggests not, but ‘circumstantial evidence’ suggests perhaps yes. Many present-day borders pre-date capitalism, at least in terms of their locations. Empirically states come in all shapes and sizes, many with clearly recognisable pre-capitalist origins or predecessors, apparently
the product of ‘historical accident’ as to which survived, rather than of any logic in the capitalist mode of production. And there is theoretical support for this in David Harvey’s *New Imperialism* where he posits two quite separate though intertwined systems, with his ‘state’ one sounding perhaps pre-capitalist.

In this formulation (Harvey 2003, 26-36, 183, 204), ‘capitalist imperialism’ is a ‘dialectical relation’ or ‘contradictory fusion’ of two distinct ‘logics of power’, ‘territorial’ and ‘capitalist’. The former involves the politics of states and empires, imperialism as ‘distinctly political’, and ‘actors whose power is based in command of a territory’ and the capacity to mobilise for political, economic and military ends. The latter, ‘capitalist logic’ involves processes of capital accumulation, imperialism as political-economy, and agents whose ‘command over and use of capital takes primacy’. His two different sorts of actors and agencies - politicians and capitalists and their respective institutions - have some similarity to the institutionalised ‘division of labour’ we saw followed from the partial ‘politics/economics’ separation. But Harvey wants to insist that for his two sorts of agent ‘the motivations and interests…differ’: capitalists seek ‘to accumulate more capital’, politicians seek to ‘sustain or augment the power of their own state vis-à-vis other states’. The two logics are ‘distinctive and in no way reducible to each other, though they are tightly interwoven…. [They] may be construed as internal relations of each other’, but can sometimes be in ‘outright contradiction’ (as when a costly state war harms a vulnerable economy).

‘The fundamental point is to see the territorial and the capitalist logics of power as distinct from each other…. The literature on imperialism and empire too often assumes an easy accord between them: that political-economic processes are guided by the strategies of state and empire and that states and empires always operate out of capitalist motivations. In practice the two logics frequently tug against each other, sometimes to the point of outright antagonism. It would be hard to make sense of the Vietnam War or the invasion of Iraq, for example, solely in terms of the immediate requirements of capital accumulation. Indeed, a plausible case can be made that such ventures inhibit rather than enhance the fortunes of capital…. The relation between these two logics should be seen, therefore, as problematic and often contradictory (that is, dialectical) rather than as functional or one-sided.’ (Harvey 2003, 29-30).
But do the ‘requirements of capital’ have to be ‘immediate’ – the high-risk Iraq invasion seems to have been a longer-term gamble? In some respects Harvey’s formulation adds depth to theorizing borders in capitalism. There is an interesting contrast between the fluidity of capitalists competing in ‘continuous space’ as firms move location, merge or go out of business, and the spatial fixity of politicians competing in the ‘territorialized space’ of states within relatively fixed territorial borders. State territories set the stage for capital accumulation; the state is also ‘a powerful economic agent in its own right’; and Harvey is certainly correct in taking a dialectical rather than a deterministic or functionalist approach to their inter-relationships. Nevertheless, in this particular instance the account based on Wood (1995/1981), which roots the multiple states system as well as the global economy in the capitalist mode of production, is superior in my opinion. Harvey’s formulation is flawed on several counts.

Firstly, to avoid a deterministic ‘functionalism’ it is not necessary to counterpose a ‘territorial’ to a ‘capitalist’ logic. Capitalism on its own – and especially when it is recognized as involving dialectical competition between many capitals, rather than simply the highly abstract ‘objective interests of capital in general’ – is more than capable of generating its own contradictory logics and objectives, strategies and outcomes. It does it all the time, and within both the ‘political’ and ‘economic’ spheres, and not only because of the contradictions between them. Even if the ‘agents of capital’ all agreed on the objective or goal (which they do not), they could still disagree about how to get there, and about just how ‘immediate’ (how short- or medium-term?) are the ‘requirements of capital accumulation’. In any case, there is no ‘papal infallibility’ in divining what the ‘objective interests of capital’ actually are.

Secondly, to counterpose a ‘territorial’ to a ‘capitalist’ logic implies that the former is non-capitalist (perhaps even ‘pre-capitalist’ though Harvey does not say so). But how could the main motivations of state managers and strategies not be ‘capitalist’ given the inevitably capitalist nature of ‘the state in capitalist society’ (Miliband 1969)?

But thirdly, in actual fact Harvey (2003, 27) got the ‘two logics’ from Giovanni Arrighi (1994) who used them quite differently and in a different, transhistorical context. Arrighi traces the succession of world hegemons from the 16th century Spanish empire, through
the Dutch and the British to present-day US hegemony, a trajectory which included pre-capitalist modes of production, traditional territorial empires, and land or territory as the main source of wealth, routinely acquired (and lost) by extra-economic, dynastic, political and military means. Harvey, in contrast, focuses more narrowly on contemporary ‘capitalist’ imperialism. Yet despite this, it is actually Arrighi who sees a capitalist logic as inherent in the state and the politicians. In fact he uses both logics and the inter-play between them as ‘opposite modes of rule’, applied to understanding different state strategies, not to differentiating ‘the motivations and interests’ of state personnel from those of capitalist business-people. For Arrighi, ‘territorialist rulers’ following a territorial ‘logic of power’ saw it in terms of the ‘extent and populousness of their domains’ and capital was only a means or by-product of territorial expansion. The reverse holds for ‘capitalist rulers’ who identify power with capital and ‘consider territorial acquisitions as a means and a by-product of the accumulation of capital’ (Arrighi 1994, 33-36). ‘The territorialist and the capitalist logics of power… cross-fertilized and sustained one another’ (e.g., 19th century Pax Britannica employed both gunboat diplomacy by the Royal Navy and control of the international financial system by the British Exchequer - Arrighi 1994, 54).

Territorial means are still used by states today (and by firms as well), but they no longer follow the logic of territory for its own sake as defined by Arrighi, but rather the logic of ‘capitalist rulers’ who see territory ‘as a means and a by-product’ of capital accumulation. The latter rulers/strategies now prevail - including over present-day borders whose locations may sometimes be pre-capitalist, but the borders themselves, their differential permeabilities, and the states they contain have all been transformed by capitalism. Some states and some borders may be in the same place for centuries, but they are not the same states or the same borders.

However, the ‘capitalist logic’ clearly does not determine the size and number of national states - there is nothing in capitalism which says there should be 190 national sovereign entities, or twice, or half, that number. But the outcomes have hardly been completely random or ‘accidental’ either. Arrighi (1994) for example sees causal pattern in the succession of hegemonic regimes; and Tilly (1992) rather different patterns in European state-formation. A fuller historical account of the new imperialism (beyond our scope) would have to include how state-formation and nationalism created national states by
transforming and re-territorialising traditional empires and kingdoms - and here the configuration of pre-capitalist starting points is certainly important.

Furthermore, while capitalism does not determine the number of states, it does set general parameters, and these are best seen as 'necessary but not sufficient' for understanding the present system. The 'many states' outcome, rather than a single world state, is consistent with the competition between many capitals dispersed across space, the inherently limited spatial scope of many of their production and distribution processes, and the continued centrality of the 'home territory' as a market even for large multi-national corporations. It is consistent with particular capitals relying on support from territorially-based states in their competition with other capitals; and for the social control and reproduction of labour, including control of labour flows through border controls and nationalist ideologies (see below). On the other hand, the fact that capitalist investment and production straddle borders relatively easily means that the parameters are permissive rather than deterministic - allowing states of 'all shapes and sizes' to flourish and allowing capital to work in and through them, large and small, though larger and more hegemonic entities can bring decided economic advantages (something reflected in EU enlargement, below). But perhaps the key outcome of these permissive parameters, and also the clearest sign that the territorial logic of state strategy has lost out to the capitalist logic, has been the historic switch from formal to informal empire - what genuinely put the 'new' into the new imperialism.

**From formal to informal empire**

The partial 'politics/economics' separation was a pre-condition for this switch too. It increasingly meant that the laws of the market could be enforced by independent states for foreign-owned as for indigenous capital. Capitalism's historical development and global spread meant 'economic' power increased relative to 'political' power (Wood 2003), and as surplus generally came to be extracted from free labour by economic means, there was a decreasing need for the direct political control in formal territorial empires which previously had been essential (e.g., in the slave labour economies of the various European empires in the Americas – Rosenberg 1994). Broadly speaking, the development of the partial separation was roughly matched by the sequence of types of labour used – from slave or serf, to indentured, to free (Anderson 2001a). Geopolitically, the British Empire initiated a partial switch to informal empire in the 19th century in the
formally independent national states of Latin America; since WWI the US empire has been almost entirely informal (Smith 2003); and by the 1960s ‘informal’ had become the global norm with the European de-colonisations and the globalization of nationalism.

This new imperialism works well when states play by the rules of liberalism (e.g., as desired/imposed by the neo-liberal ‘Washington Consensus’), but it has an Achilles’ heel, or rather several of them. States do not always play by these rules - in practice they break their own rules to discriminate against foreign-owned capital, or on principle they favour general state control or ownership, in a worse case scenario ‘nationalising’ foreign assets into state capitalism. Investments in the more peripheral parts of the global economy rely on a multiplicity of variably ‘unreliable’ states with their own divergent and conflicting interests. The partial separation of ‘politics/economics’ is not much defense against a nationalising government which actively contests the separation. Stronger measures are needed, including economic sanctions and military force, though preferably the threat of it is sufficient to force such state governments to ‘play by the rules’ and enforce them ‘fairly’. In the 19th century the British sent gunboats from their naval bases to threaten Latin American states, today the US tries to keep control by sending aircraft carriers and planes from its world-wide ‘archipelago’ of military bases in independent countries.

The task has been getting more difficult for several reasons, paradoxically encouraging both the strengthening of borders for ‘security’ and transgressing them with ‘interventions’ (invasions) in the name of ‘security’. Recurrent capitalist crises over the last four decades - severest in some peripheral parts of the global economy disrupted by neo-liberalism - have fostered general instability, a global ‘implosion’, and (as we shall discuss) a new spatial fix of migrant labour, all bringing further pressure on borders. The world has got more unruly but also the hegemonic power of the USA has weakened, despite having the now essential large ‘home territory’ of a successful hegemon, and despite too its unprecedented and unrivalled archipelago of bases, military superiority and spending. Partly because of now being increasingly rivalled economically (e.g., by the EU and China), there has been discernable hegemonic decline, and particularly in the effectiveness of the less costly options of persuasive power and only having to threaten rather than actually needing to invade other states. The difficulties of disciplining recalcitrant states and staying ahead of rivals are the context for the high-risk
'Bush doctrine' (gamble) of pre-emptive strikes across ‘sovereign’ borders (Anderson 2003). The ‘Iraq adventure’ may be exceptional in its wider aim (and failure) to give US hegemony a new lease of life, and in the extent of territorial occupation by the US, but invasion and regime-change per se are an integral part of the new imperialism of informal empire (not some neo-conservative ‘optional extra’). Recalcitrant states have to be threatened, and threats do sometimes have to carried out, though the costly mess of getting embroiled in a territorial occupation graphically demonstrates why informal rather than formal empire is still the easier, cheaper option.

**Nationalism and democracy**

It is easier partly because nearly all political territories are now formally independent, not colonies, and because in an era of nationalism and democratic ideals (if not practice), populations can more readily be mobilised in opposition to ‘foreign interference’. No matter how undemocratic the ‘recalcitrant’ states (e.g., Iraq), their populations now have democratic aspirations to exercise popular, national sovereignty. That very quickly translates into not wanting to be under the rule of foreign occupiers, even if just possibly well-intentioned. Unlike the ‘economics’ of FDI, it is very clearly political interference from outside and contrary to present-day global norms of national sovereignty and self-determination. Although far from unproblematical, accepting informal empire is one thing, formal empire quite another. Sovereignty may be only a partial claim rather than fact, but being able to claim it is much preferable to being denied it.

Here again borders and the ‘politics/economics’ separation play key roles, underpinning the ‘presence/absence of democracy (Anderson 2002), and serving to link structural, political-economic matters with issues of identity and political subjectivity. The state’s borders define and delimit the (mostly accepted) political community or demos for democracy, while the territorial subdivisions of wards and constituencies provide the basis for the virtual monopoly of the representative form of democracy. But here there is the paradox that the borders themselves are rarely if ever ‘democratic’, even when established since the advent of mass representative democracy. Again physical force (or its threat) is a key factor, whether internal or from external imperialism, or both.

This is part of the more general paradox of democracy’s necessarily undemocratic origins. Territoriality compounds in space what William Connolly (1991) has identified as
a temporal paradox: democracy in order to function requires a framework of democratic institutions and cannot exist until they are established; but for that very reason the initial establishment of the institutions is pre-democratic or non-democratic; and that applies to borders as a key element of the institutional framework. It means that the force embodied in borders and the undemocratic origins must be 'forgotten' for democracy to be accepted as legitimate. Undemocratic and often violent origins - whether in border conflicts, inter-state wars, the slaughter of native populations, or 'ethnic cleansing' (Mann 2005) - need to be officially denied by the hegemonic interests in what Connolly (1991, 465) calls 'a politics of forgetting'. Yet where the state-delimited demos is not accepted, as in border and national conflicts, it is especially hard to 'forget'; and any new alignment of borders re-creates the 'undemocratic paradox' - which helps explain why such conflicts are not amenable to easy democratic resolution. Plebiscites would be a substantial (though actually rather unusual) move towards democracy in practical terms, though even then there is the question of who decides who can vote and who sets the question(s), and in theory that becomes an infinite regression of who decides who decides who decides….

However, the links between national belonging/non-belonging to the demos and the structural politics-economics of borders in capitalism are at present seen most clearly in the recent upsurge of migrant labour from across the border (2). Arguably an alternative 'spatial fix' for capitalist crisis - where labour is imported rather than, or as well as, capital being exported - it is valued as economically essential by some, rejected politically by others. It helps contextualise and puts more contemporary flesh on border contradictions.

II. Cross-Border Fixes for Capitalist Crisis

In territorial empires and informal ones, imperialism has involved, and still involves, exporting ‘metropolitan’ or core capital across borders to cheap-labour outlets for investment in the colonies or peripheries - a 'spatial fix' for capitalist crises since the 19th century. David Harvey (2001/1981) has traced this 'old' imperialist fix back to Hegel, von Thunen and Marx. All of them rejected Adam Smith’s theory that the ‘hidden hand’ of the market could deliver an internal solution for ‘social harmony’ in the then small capitalist core. Instead Hegel and Marx saw the export of surplus capital (and also surplus labour)
to the still largely non-capitalist periphery as a necessary 'external' solution or short-term answer to capitalist crises in the core; while von Thunen, who had ethical objections to imperialism and colonies, devised an equivalent minimum 'just wage' solution to be imposed by the state (he used his 'isolated state' methodology of land use location theory to calculate his 'just wage' solution, but Marx dismissed this as 'childish' because capitalism actively demands a 'reserve army of labour'). Later, the turn of the nineteenth century saw the actual heyday of capital export in the classic era of imperialism and 'free trade' open borders (often seen as a earlier era of 'globalisation'), and ideas about this spatial fix were developed in vigorous debates about imperialism by such theorists as Hobson, Lenin, Luxemburg and others.

Harvey (writing in 1981) suggested that this capital export fix alternated historically with economic autarky and relatively closed borders, as in inter-war 'protectionism'. However, imperialism no longer has an 'automatic' association with the export of capital to peripheries, and 'globalisation' since the 1970s seems to have broken decisively with inter-war protectionism (which had continued in reduced form during the post-war boom). Neither capital export nor autarky have particularly characterised the recent past, though crises have. Immediate historical context is important and in migrant labour it seems there is a new fix in the family.

The fix – old or new - is for crises of capital over-accumulation or over-production where capitalism is a contradictory victim of its own success, and the problem is finding further profitable outlets in which to invest the profits it keeps generating. Over-accumulation results in a tendency for the general rate of profit to fall (less profit for the same amount invested), markets become saturated and opportunities for profitable investment decrease. It deters investors and is sometimes seen as a crisis of ‘under-consumption’ (goods produced cannot find buyers). It gets blamed on wages being too high - the perennial cry of capitalists - but in recent decades labour’s share in wages relative to capitals’ share in profits has been historically low. However low wages do contribute to a ‘credit crisis’ as encouraging consumption relies to a greater extent on encouraging credit.

The general tendency for profits to fall generates other counter-tendencies to stave off crisis, but they are generally short-term or partial solutions. They ‘buy time’ or space for
particular capitalists, sometimes by off-loading the effects of crisis onto competing capitals or groups of capitalists in other countries, as well as onto labour; but in general they end up adding to the overall problem they were meant to solve. The responses include generating new consumer products, investing in new technologies, or alternatively cheapening labour in various ways. These include the two border-crossing, territorialised spatial fixes of exporting surplus capital to areas of cheap labour, or – the new fix - importing the labour from them and combining it with the surplus capital in the core. With a generalised globalisation of the ‘reserve army of labour’, there has been a switch in emphasis from exporting capital and developing new growth centres and markets in the peripheries, to importing cheap migrant labour to the core where mobile labour combines with immobile capital (reversing the usual stereotypes - capital may be legally free to move across borders but chose not to do so whether for functional and/or political reasons, counter to the globalist exaggeration of capital free-wheeling around the world). So new markets are created within the core partly by generating new consumer ‘needs’, for example in personal services and housing construction which are two of the less-mobile sectors (along with agri-business) where migrant labour is concentrated. For brevity we labelled this a switch from the ‘old Fix 1’ to a ‘new Fix 2’ (Anderson and Shuttleworth 2003, and 2004a), summed up in Figure 1:

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Figure. 1: TWO CROSS-BORDER FIXES for CRISIS OF OVER-ACCUMULATION in CORE ECONOMIES

<table>
<thead>
<tr>
<th>Main flow:</th>
<th>Fix 1</th>
<th>Fix 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital exported</td>
<td>Capital exported from core to periphery</td>
<td>Labour imported from periphery to core</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reverse flow:</td>
<td>Profit remittances sent back to core</td>
<td>Wage remittances sent back to periphery</td>
</tr>
<tr>
<td>Subsidiary flow:</td>
<td>In the 19th century, core labour 'colonisation' of periphery</td>
<td>Since the 1980s, debt repayments from periphery to core</td>
</tr>
</tbody>
</table>

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In what follows we see how this prism serves to illuminate contemporary borders in several ways. Firstly, migrant labour provides an extreme case of how state borders curtail and distort people’s movements. Secondly, the contradictory unity of ‘politics/economics’ separation can be uncomfortably embodied in the person of the migrant labourer and his/her labour power, and Fix 2 has had a major formative influence on border ‘securitisation’ in recent years. Borders are a means of regulating and cheapening labour - what we can call labour’s ‘third freedom’ renders the free labour of capitalism less than fully free. But this is an area of ‘smoke and mirrors’ - there is both more and less to border ‘securitisation’ than meets the eye.

Thirdly, the global conditions of uneven development, instability and crisis which give rise to Fix 2 - and provide circumstantial evidence for it - are also the context of recent border transformations. Fourthly, while a return to global autarky and closed borders cannot be completely ruled out (‘protectionist’ tendencies still exist), Fix 1 may now alternate with Fix 2, and not least because the Fix 2 ‘solution’ contains its own undoing. Absorbing over-accumulated or surplus capital in the core ends up piling up yet more surplus capital there. So the two fixes may now operate in tandem as ‘simultaneous alternatives’, as we shall see with EU enlargement. Its empire-like features throw further light on the continuing role of territoriality in imperial hegemony despite, or as part of, the move to informal empire.

**Migrant labour and the ‘third freedom’ of borders**

Borders are generally more permeable for ‘economics’ than for ‘politics’, but also for some economic factors more than others. Capital, goods and information are now generally highly mobile and relatively free to cross state borders, with labour the exception, relatively immobile in comparison and more or less caged by territorial borders. As John Torpey (2000, 4-20) has shown, modern states have expropriated and monopolized the legitimate ‘means of movement’ especially across state borders, as they monopolized the legitimate ‘means of violence’ (Weber) and as capitalists monopolized the ‘means of production’ (Marx). People were deprived of free movement, deemed ‘guilty’ until they proved their innocence by showing a passport or ID papers. This has a long history but mostly it applied within state territories and was inefficient
(most travelers were pedestrians who are particularly difficult to control); or it applied only to particular groups (e.g., gypsies, vagrants); and state controls were generally secondary to the direct exploiters of forced labour controlling the movement of their slaves, serfs or indentured workers. Echoing the 'politics/economics' separation, '[t]he long transition from private to state control over movement was an essential aspect of the transition from feudalism to capitalism'. Territorial rulers were often more concerned to keep people in rather than keep them out, for populations were potential military strength and wealth; and '[u]ntil the ultimate triumph of capitalism and the nation-state in nineteenth century Europe… controls on movement remained predominantly an 'internal' matter'. It was only in the late 19th/early 20th century when labour markets became 'nationalised' that states asserted systematic and relatively effective control over movements into them; the emphasis shifted from emigration to anti-immigration controls (including new laws), and in Europe at least states achieved monopoly control over legitimate cross-border movement. (Torpey 2000, 8, 18-20, 93)

However, while state borders as barriers to labour movements are a major contradiction of neo-liberalism - which supposedly champions the 'free movement' of factors of production (Amin 1996) - a simple dichotomy of mobile capital / immobile labour underestimates the formative role of labour in 'globalisation'; and the reality is more complex and both less and more contradictory. While in general the contradiction weakens labour politically, barriers are welcomed by nationalistic or chauvinist elements of indigenous labour; and while in some circumstances capital is deprived of needed labour, it generally gains from cheaper migrant workers, from labour’s more general cheapening and from its weakening as a political force. Despite the tighter controls on labour than on capital, there have recently been massive and in some respects unprecedented movements of labour across borders. The world’s core economies, and in particular their less mobile forms of capital in more labour-intensive sectors (such as personal services and construction), have been relying increasingly on migrant, often transient and sometimes illegal or 'undocumented' labour from the peripheries.

According to one estimate (Sum et al 002), some 13.5 million workers entered the USA in the 1990s, they accounted for over 50% of the growth of the US labour market, and around 9 million of them were ‘undocumented’. In absolute terms (though not as a proportion of the workforce) migration rates into the US in the 1990s were said to be
higher than during the classic era of US immigration a century ago. Borders are inherently contradictory - ‘bridges’ and ‘barriers’, ‘resources’ and ‘symbols’ (O’Dowd 2003) - often filtering and complicating rather than stopping movement, in practice weakening and cheapening labour rather than keeping it out: appearing to stop migrants, but allowing them in while denying them legal and democratic rights and cultural or national ‘belonging’. The coincidence of massive steel fences on the US-Mexican border and a massive and increasing labour force of Latinos in the US suggests that the border fortifications may be more for internal US political consumption than actually stopping the supply of cheap labour, though they undoubtedly make cross-border migration more difficult (Heyman 1999).

Here Peter Andreas (2000) sees Border Games where border policing resembles ‘a ritualised spectator sport’, not a trivial ‘game’ but ‘performative and audience-directed’ to tame their passions. Cross-border economic integration in NAFTA and mass dependence on migrant labour in the US called forth a massively increased investment in border ‘security’ in the 1990s and an escalation in policing that was about image management and symbolically reaffirming the state’s territorial sovereignty. There was ‘the construction of both a borderless economy and a barricaded border.... The politics of opening the border to legal economic flows is closely connected to the politics of making it appear closed to illegal flows’ (Andreas 2000, x, 140). There was a similar escalation of ‘securitisation’ at the EU’s external borders with Eastern Europe and North Africa (though with less ostentatious border militarisation and a correspondingly greater reliance on surveillance inside the border). There were comparable narratives of borders being ‘under seige’ (harking back to an imaginary ‘golden age’ of ‘secure’ borders, and also showing that ‘the politics of fear’ pre-date 9/11); and a similar growth in tensions between deterring undesirable flows while facilitating desireable ones (Andreas 2000, 115, 138, 142-3). Mathew Coleman (2005) paints a compelling picture of this as a ‘security/economy nexus’, akin to the contradictory unity of ‘politics/economics’. It results in ‘a giant Gordian knot rather than a patterned weave’ in the US-Mexico borderlands as increased ‘security’ meets an increase of liberalised cross-border economics in an instance of ‘gated globalisation’. US geo-political and geo-economic practices are tangled and inconsistent as non-locally conceived policies fail on the ground.
While recognizing that post-9/11 border policing has been part of an intensified neo-conservative unilateralism in US foreign policy (Anderson 2003), Coleman rightly concludes that the main shift in border regimes pre-dated 9/11: the latter does not constitute any watershed to an absolute hardening of borders as contradictory pressures for more open borders persist. The shift in border regimes had in fact a lot to do with the earlier rise of Fix 2. The relative weights of ‘security’ and ‘economy’ vary from border to border (e.g., ‘security high’ at external EU borders, ‘economy high’ at internal borders), and the contradictions between ‘security’ and ‘economy’ are generally sharpest at what Andreas and Snyder (2000) call the ‘rich-poor divides’ of globalisation, in effect the Fix 2 borders separating ‘core’ and ‘periphery’ such as between the US and Mexico or Europe and North Africa. Their image of The Wall around the West is graphic, though the realities of Fix 2 are more of ‘cores’ and ‘peripheries’ in the plural (below), and much more than migrant workers are being ‘barricaded’ against.

Indeed a sizeable part of the problem for migrant workers is that they are lumped in with a confused and confusing mix of different ‘undesirables’ deemed a ‘threat’, such as drug smugglers and terrorists. On the one hand border authorities have some difficulties distinguishing between different types of people coming across the border (whether ‘documented’ or not). On the other hand, they and others may not be very concerned to differentiate between criminal elements and the migrant workers: tarring the latter with the same brush further weakens them ideologically and/or bolsters the image of defending national territorial sovereignty which is consistent with the actual workings of Fix 2.

The difference - and nub of the problem - is that migrant labour is an ‘economic factor of production’ as well as a ‘political factor’. The migrant embodies the ‘contradictory unity’ of ‘politics/economics’, you can’t have one without the other, but some in the core want to exploit the labour while they would like to exclude the political person. They cannot exclude the persons but they can and do reduce their political capacities, and in doing so they reduce their bargaining power and cheapen their labour. This has further negative effects on labour in general, dividing and weakening it as a political force, and partly through the ideological delimitation of national belonging/non-belonging to the demos. It is noteworthy, for instance, that some of the hostility towards low-paid migrant workers is linked not to immediate economic issues of wages or competition for jobs (jobs
indigenous workers often avoid as poorly paid, dirty and/or dangerous), but rather to questioning the migrants supposedly ‘negative impact’ on ‘national culture’ and their political rights to ‘exploit’ state welfare services. In fact migrant workers, being generally younger and with fewer dependents than average, make lower than average use of welfare services. But as Nigel Harris (1995) indicates, the ‘welfare state contract’ which labour achieved (at least in Western Europe) during the post-war boom cemented the popular identification of indigenous labour with the national state. The systematic erosion of the ‘contract’ after the boom ended in the 1970s could be ‘blamed’ on migrants who were not identified with the original contract and do not belong to the nation or demos.

But some employers benefit hugely from cheap migrant labour, so neo-liberalism, far from being generally opposed to the mobility of labour (and whatever about its alliance with neo-conservatism), can in a rather confused way see migrant labour as an essential component of its desired ‘flexibility’ in labour markets (see Peck and Theodore 2001). And when faced with the hostility to migrants (fanned and used by right-wing chauvinist politicians, including supposedly ‘respectable’ ones), they can fall back on the partial separation of ‘politics/economics’ and seek to de-politicise the issue. For example, Hélène Pellerin (1999, 469, 484-5) notes that attempted de-politicisation is an important feature of North and Central America’s neo-liberal Regional Conference on Migration where ‘the politics and economics of migration are isolated from one another’. However, de-politicisation is inherently difficult precisely because of the very visible presence of migrant labourers who are presumed to be ‘political persons’, not simply ‘factors of production’. This is why the partial separation of ‘politics/economics’, which can de-politicise the ‘foreignness’ of foreign investors (not highly visible in person), does not operate so well with migrant labour. It is also why migrant labour (more visible than the different criminal threats from across the border) features so prominently in the narratives of borders ‘under seige’. The reality however is that it is migrant labour that is ‘under seige’.

It is mainly by delimiting and denying political belonging - and in the extreme (but not unusual) case conferring ‘undocumented’ status or illegality - that borders impose labour’s ‘third freedom’. The capitalist norm, as we have seen, is free labour, freely exchanged in the labour market without direct political compulsions on the worker. Marx referred to this ironically as labour’s ‘double freedom’ - labour free of extra-economic
compulsions but also ‘freed’ of ownership of the means of production and livelihood (as in the enclosures of the English ‘commons’- ‘The law doth punish man and woman who steals the goose from off the common, but lets the greater villain loose who steals the common from the goose’). As we saw this (‘Hobson’s choice’) is what compels the ‘free worker’ to freely find an employer. However the ‘double freedom’ applies to the capitalist mode of production in the abstract, or to relations within a single, aspatial national economy treated as if ‘on the head of a pin’. When territorial space and borders are recognised in a more concrete formulation there is an additional ‘third freedom’ for cross-border migrant labour: free of national belonging and political rights or sometimes even a legal existence. In concrete territorial reality Marx’s ‘double freedom’ becomes a ‘triple freedom’ where state borders constitute additional extra-economic means of extracting surplus from not-so-free labour. This has affinities with ‘mixed’ forms of ‘tied’ and ‘indentured’ labour, only here it can be seen as a standard part of the capitalist mode of production in core economies once its territoriality is taken into account. Migrant workers are clearly more vulnerable to additional extra-economic - political, cultural, ideological – compulsions. They are politically easier to sack in an economic downturn when flows can quickly dry up or go into reverse - pointing to the importance of short-term as well as broad historical contexts.

In spatial terms, there are further pressures in the ongoing shift from surveillance and exclusion at the national borderline to more zonal, empire-like systems. On the external side they depend on neighbouring states and extend to manning ‘advance outposts’ beyond the borderline (see below), while on the internal side there is more systematic targeting of suspected migrants who have managed to cross the border. It all adds to the ‘third freedom’ and the migrants’ vulnerability to super-exploitation. The labels chosen by two pioneer researchers in the field are telling - Robin Cohen's (1987) *The New Helots* and Nigel Harris's (1995) *The New Untouchables*.

**Uneven development, instability and crisis**

The global context for Fix 2, and contemporary border developments in general, is obviously very complex but some of its major features can be mentioned: the instability and recurrent crisis tendencies of capitalism since the ending of the post-war boom in the 1970s; an underlying decline, though with marked fluctuations, in the general rate of profitability (less profit for the same amount invested); the end of the Cold War and
break-up of arguably the last of the great territorial empires, the USSR and its satellites (with a burst of border creation and change); but also the beginnings of decline in the hegemony of the remaining super-power, the USA, partly because of its own relative economic decline but also because of the growing difficulties of exercising effective hegemony in a turbulent world of many states (see Harvey 2003; also e.g., Arrighi 1994, Brenner 2002, Smith 2003, Wood 2003).

Of more direct impact on cross-border fixes, ‘rich-poor’ divides have been widening since at least the end of the post-war boom and probably earlier: increasing differentials, changes within ‘core’ and ‘periphery’ and in their interrelations. In the 1980s the periphery suffered the ‘Third World Debt Crisis’ (from rising interest rates on earlier borrowings from the core); and many poorer countries suffered further destabilization from the imposition of neo-liberal (e.g., privatization) policies under the ‘Washington Consensus’. This on top of a longer-running and increased retreat of core capital from large areas of the periphery or ‘global South’, with international investment and trade becoming more confined within the ‘North’ or core. Michael Mann (2001) calls it an ‘ostracising imperialism’. Whereas ‘North-South’ investment had comprised about 50% of the world total between 1850 and 1950 (which included the heyday of Fix 1 in a world still dominated by formal empires), since 1950 this share has declined to about 10% (so now roughly 90% takes place within the core, and most FDI is between core countries). China alone absorbs over half of current investment going to the South (Mann 2001, 54, 55, 72). There are other exceptions (e.g., the so-called ‘Asian Tigers’ and ‘NICs’, parts of India and Brazil), but relative to potential profits much of the periphery is too risky for a mix of political and economic reasons. It seems that as formal empires gave way to informal ones and to politically independent and hence economically riskier national states, capital exports became much more selective and discriminatory. There was enough investment to proletarianise large populations, but capital shortages meant increasing un- or under-employment.

With the falling profits that followed the end of the post-war boom in the 1970s there was a supposed ‘new international division of labour’ and fears of a wholesale flight of industrial capital and production to low-wage countries of the South – in effect a full-blown reassertion of Fix 1. But with some exceptions (e.g., relatively low-skill, labour-intensive textile manufacturing), it did not happen. Partly this was because the skill levels
required of labour in industries which could be re-located were not sufficiently available in the periphery. But it was also because crises and political instability make it even riskier to exploit the South’s now massive ‘reserve army of labour’ *in situ*; and in some cases these same conditions encourage reliance on criminal economies like drug production which add to the risk as well as causing concern at core borders. Thus tourism aside, unfortunately much of the ‘ostracised’ periphery has relatively little to offer the core economically except its Fix 2 ‘helot and untouchable’ migrants.

The other side of the ‘ostracising imperialism’ coin is what Ankie Hoogvelt (1997) calls ‘imploding globalisation’. It points to the over-accumulation of capital in the core, which requires additional labour for it to be profitably invested. Migrant labour has been an important answer since the 1980s and it fits with the wider strategy of cheapening labour to stave off crisis. Above all, this ‘bursting inwards’ of globalisation has happened in the ‘core of the core’, the USA, where capital over-accumulation and labour migration have gone hand-in-hand. As Saskia Sassen has shown in her ground-breaking work linking the mobility of labour and capital: “after being the main exporter of capital for thirty years” the 1980s saw the “emergence of the United States as the major recipient of direct foreign investment in the world” (Sassen 1988, 3). (3) There were also ‘spin-offs’ to other parts of the core (e.g., Ireland’s ‘Celtic Tiger’ started in the 1990s as a US appendage, favoured site for its FDI foothold within the Single European Market – partly to pre-empt any future protectionist conflicts between the EU and the US).

Fix 2 was therefore framed by increasingly uneven development and the polarization of periphery and core. It links the surplus ‘reserve army of labour’ of the former with the surplus capital of the latter. It had forerunners in the recruitment of peripheral immigrant labour to meet labour shortages in the latter part of post-war boom, but now the context and processes are significantly different. The previous recruitment was in conditions of boom not crisis; and it was usually state-managed or closely regulated and documented (e.g., involving inter-government negotiations to obtain Turkish ‘guest-workers’ for German industry; or large employers like the British National Health Service recruiting nurses from former British colonies). The immigrants were mostly permanent settlers rather than transient; and (notwithstanding problems of racism) they were generally integrated into mainstream workforces rather than constituting an expendable or
especially cheap ‘reserve of helots’ (e.g., their trades union membership sometimes exceeded the average for the 'host' society).

In contrast, the characteristic features of labour migration since the 1980s (perhaps particularly in its earlier phases) have included its often short-term, transitory nature (though immigrant communities have developed); the often informal or ‘irregular’ if not illegal status of many jobs and migrants (not to mention their employers); probably greater degrees of social marginalization than formerly; the absence of reliable statistics (and hence great scope for scare-mongering) partly because of transience, partly because of the levels of ‘undocumented’ entry; and in general reflecting the fact that state-regulation has been largely replaced by neo-liberal de-regulation in countries of origin and of destination with privatization and flexibilisation at both ends of the migration trail (though with neo-conservatism and authoritarian state regulation interposed in between at borders). But although largely ‘unregulated’, today’s process is far from haphazard. While some accounts emphasise the 'push' factor of desperate poverty in the periphery, much of the migration is a response to 'pull' factors in the core. Rather than (the often hazardous and expensive) migration being speculative, much of it depends on formal and more often informal networks of family, acquaintances, labour agencies and criminal networks, for information about where workers are needed and how to get there (see Harris 1995, 50-1).

Today's periphery-core migrations also involve a much wider range of countries of origin and destination. For analysis and brevity we talk in the abstract about ‘core’ and ‘periphery’ in the singular, but they actually comprise a complex geography of relative cores and relative peripheries in the plural, and a periphery from one perspective can be a core from another. Correspondingly, periphery-core migration can often comprise a complicated series of ‘cascading flows’ involving 'intermediate countries' rather than a simple migratory stream. East Europeans work in Portugal and in Ireland, but Portuguese also work in Ireland, while Portugal and Ireland provide relatively cheap and often temporary labour in the USA. It is therefore inherently difficult to delimit ‘core’ and ‘periphery’ and measure flows between them. On the other hand, the structural polarisation and stark reality of huge, not to say grotesque, wage differentials (up to four-fold even within Europe between 'former Second' and 'first Worlds', up to ten-fold or more for parts of the 'Third - or Fourth - World') help cut through the complexities.
However, as already noted, the fixes for crisis contain the seeds of their own destruction. Fix 1, for example, can end up fostering new rival cores in what had been economic peripheries, thus eventually contributing to over-accumulation and the competition for profitable outlets (e.g., the peripheral 19th century USA overtook Europe; and after WWII the peripheral war-devastated economies of Germany and Japan provided investment opportunities for US capital but by 1970 they were competing with the USA and stoking-up over-accumulation in the core - Brenner's (2002) basic explanation for the post-war boom and subsequent crisis). The solution becomes the problem or the cure becomes the disease, which calls for further cures or fixes. In the case of Fix 2 there are two main routes to 'self-destruction', political and economic. Continuing immigration can intensify political hostility towards migrants and increase the opportunities for chauvinist politicians and the possibilities of social disturbances. Economically, Fix 2 can absorb surplus capital within the 'imploding' core and has palliative benefits for individual capitals; but in the 'longer-run' and for 'core capital in general' it ends up adding to the 'implosion', exacerbating the very problem it was meant to solve, piling up yet more surplus capital, more difficulty in finding profitable outlets.

A renewed emphasis on Fix 1 and exporting core capital is one obvious alternative. But considering the continuing instabilities in most parts of the periphery investors will probably continue to selectively discriminate against most of them. These areas may indeed continue as Fix 2 suppliers of cheap migrant labour while the fewer favoured peripheries (in China, Brazil, India?) receive Fix 1 capital. This suggests that rather than alternating as historical alternatives, both fixes may now operate at the same time for different territories. There is evidence for this in the EU's expansion into Eastern Europe, though also that they can both operate between the same territories.

III. Empires metaphorical and real

We can bring the synthesis of the first two Sections to a conclusion around 'empire', metaphorical and real, formal and informal. The sequential operation of the two fixes as alternatives can be seen in the empire-like European Union since the fall of the Berlin Wall. With its recent territorial enlargement the two fixes have been operating more closely in tandem as 'simultaneous alternatives’. The EU’s empire-like territorial solution
to creating stability in the eastern peripheries for a return to Fix 1 also fits the model of inter-imperial competition between hegemonic powers requiring a larger ‘home territory’. For that reason, this territorial solution is not one that is generally available to stabilise for Fix 1, given the continuing prevalence of informal empire, though here we need to differentiate its meaning from Hardt and Negri’s misguided *Empire* (2001).

**Ways of seeing the European Union**

Because it is a genuinely new type of polity, there are difficulties visualising the EU and what it might become. State-like but not a state, empire-like but not (or not yet?) an empire, people either get it wrong (e.g., treating it as a ‘federal state’), or they draw analogies with previous polities where the difference between the metaphorical and the real is not always clear - ‘a new medievalism’ for John Ruggie (1993), ‘a new empire’ for Ole Waever (1997). The earlier ‘new medievalism’ - favoured by some (me included) when the Single European Market (SEM) was being constructed - focused on the EU’s internal borders of partly ‘shared’ or ‘overlapping’ sovereignty between member states and the EU’s weak central institutions. This was reminiscent of the shared and disputed authority systems of medieval Christendom with its often small and ill-defined territories, division between spiritual and secular authorities, the Pope and the Holy Roman Emperor, but the similarities were limited and the analogy was unhelpful from a modern democratic perspective (Anderson 1996).

Whereas the ‘new medieval’ metaphor related mainly to the internal EU, the ‘new empire’ relates both to internal and external relations. Although also limited in some respects (e.g., the EU has no real imperial power-centre to match its main economic core between Berlin, Paris and London), the ‘empire’ analogy is closer to present reality. It can encompass a wider range of the EU’s characteristics – its internal heterogeneity, the territorial shape of its power structure, its external borders and its context of global competition - and when the two cross-border fixes are added there is more of its imperial substance in the metaphor. Rather than reflecting EU integration in the SEM, it resonates more with EU enlargement and its phased incorporation of new and candidate member states to the east and south-east, and beyond that the incorporation of non-member states in what is now its ‘European Neighbourhood Policy’ (ENP) (see Joenniemi 2006 forthcoming).
As Waever (1997) indicates, the EU (at least with respect to its external borders, its new and prospective eastern members and ‘neighbours’, if not its pre-1980 western Europe ‘heartland’) is taking on the empire-like shape of concentric zones where imperial power decreases with increasing distance from the centre. In traditional territorial empires direct rule at the centre typically gave way in a gradation of power to more indirect rule through client groups and weaker domination over semi-independent territories, with authority fading off to areas contested by rival empires (in contrast to the homogeneous political space of the national state where in principle power is uniform and maintains full force up to the single borderline where it stops). Thus the EU first dominates candidate states to its east through its enormous leverage of imposing conditions for membership, then incorporates them into initially qualified EU membership, and beyond them are later candidates and ‘neighbours’ where the EU (with its ally the USA, and NATO) impinge on states which are also in the sphere of influence of the Russian empire.

This concentric arrangement increasingly constitutes the empire-like buffer zone or zonal defences of ‘Fortress Europe’, an extension of the more widespread tendency for border security systems to include ‘advance outposts’ beyond the border. It clearly implies different types of borders and more diversity: no longer the reliance on a single external borderline with its simple ‘inside/outside’ dichotomy; and more than the now commonplace distinction between ‘internal’ and ‘external’ borders of the EU; but further gradations and variations ‘outside’ and ‘inside’ including distinctions between ‘neighbours’ and potential member states, and being in or out of the euro-zone or the Schegen Agreement on cross-border movement (which includes some non-EU states but excludes some EU ones). Historically such hierarchical differentiations have been the stuff of imperial territoriality: ‘the return of empire’ sees ‘the return of differentiated borders’.

With the EU’s recent enlargement from 15 to 25 states and more queuing up to join, most of Europe is beginning to gravitate around a single entity. We may be seeing a return to European empire for the first time since the 9th century, when Charlemagne briefly ‘recreated’ a ‘Roman’ empire before it fragmented into de-centred and multi-centred medieval feudal Europe. It would not of course be a Roman or Carolingian repeat, but do we need to be quite so tentative about ‘empire’ as only a metaphor? The
material similarities with past imperialisms go beyond the merely metaphorical, especially when we take the two cross-border fixes into account.

When the Berlin Wall came down, the distorted economies of countries like Poland became important suppliers of Fix 2 migrant labour, even more so when a further destabilisation from the imposition of neo-liberalism created yet more unemployment, and they still supply additional migrants. The instability (elaborated in narratives of ‘mafia capitalism’) was a barrier to the now legally-possible Fix 1 FDI. But the political incorporation of some of these peripheries into EU membership, extending its direct and indirect political control, would make them safe - or at least less risky - for western investment. And so in expectation of EU enlargement in 2004, there was already a significant export of western capital to the eastern peripheries and especially to ones being immediately incorporated into membership, such as Poland. And with their migrant labour still employed in the west, still migrating in some cases, Fix 1 and Fix 2 were now working simultaneously in tandem and sometimes between the same territories. (Anderson and Shuttleworth 2004b).

The EU’s external relations with the ‘global South’ and rival empires as well as immediate neighbours also display imperial characteristics (and not least when it plays ‘junior partner’ to the US empire). Imperial elements and attitudes surface in its leverage on new member states, especially before accession and subsequently during ‘probation,’ and in the continuing internal inequalities of power; similarly if not more so in relations with non-candidate ‘neighbours’ and not least with respect to - and lack of respect shown to - their migrant labour. They surface too in the growing threat of inter-imperialistic rivalries with other empires, most notably Russia, the USA and in the (not much) longer term, China, in the context of relative decline in American hegemony.

*Home territory and informal empire*

Here the EU’s territorial enlargement and the extension of its influence through the ‘Neighbourhood Policy’ can be seen as empire-building and more specifically as building up the large home territory which is now necessary to get the leverage required for informal empire, or to be a potential hegemonic challenger, or more prosaically to self-protect from rival economic giants such as the USA, Russia and China. And China’s territorial occupations to its west in Central Asia can similarly be seen as aggrandising
the home territory of an informal empire - both cases involving ‘territorial acquisitions’ but they follow Giovanni Arrighi’s (1994, 33-36) ‘logic’ of ‘capitalist rulers’ for whom capital is power and territory ‘a means and a by-product’ of accumulating more of it. Arrighi has shown such enlargement to be a general historical tendency in inter-imperial competition between hegemonic and would-be hegemonic powers: scale changed in the succession of successful hegemons, from the small Dutch union of city-states in the Netherlands, through the British in their medium-sized United Kingdom, to the continental scale USA, while today’s potential challengers for hegemony are similarly large scale (4)

The initial construction of these home territories was itself empire-building at different scales – the Anglo-Saxons did it from Northumbria or Wessex, the English state constructed the ‘British Isles’ (aka ‘the British Empire’ up to the 19th century), and the USA was a continental power built on land taken from indigenous peoples and bought or captured from other European or settler powers who had already stolen it. However beyond this home territory the USA pioneered the first (almost) fully informal empire (see Smith 2003) - Britain’s one in Latin America being only a small part of a mainly formal empire. But in general the shift to informal empire can be seen schematically in terms of traditional empires having a core of home territory surrounded by concentric circles with a gradation from full occupation and direct rule to more reduced and more indirect forms of rule through local elites, to exerting influence through largely independent client states at the margins. The shift involved the outer circle being greatly enlarged to constitute most of the informal empire, and perhaps some extension or consolidation of the core, but the intermediate circles of occupation and direct rule disappeared and indirect rule atrophied, to give a basically two-part structure of home territory and influence through nominally independent states (though these can be subject to indirect rule at least behind the scenes). (5)

As we saw in Section I, informal empire is the now dominant type globally, and a specifically capitalist creation which is enabled by the contradictory unity or partial separation of ‘politics/economics’ and related differentials in border permeabilities. On the one hand this separation enables cross-border economic ownership, FDI and ‘economic globalisation’, largely unimpeded by political sovereignty claims, while on the other hand it facilitates political claims to sovereign independence which have plausibility because economic production is largely excluded from considerations of national and
democratic accountability. This basically liberal capitalist system works for cross-border capital investment so long as the host states play ‘by the rules’ and enable the market to operate without ‘political interference’. Or, more precisely, can be forced to ‘play’ by these liberal rules, for it may not be in their interests to do so and many are far from ‘naturally’ liberal. This is where the problems start, particularly if hegemonic control or persuasion is weakening, and we need to clarify the meaning of ‘informal empire’ and its limitations.

It does not mean the world is an Empire in the singular, in the influential but geographically-challenged conception of Hardt and Negri (2001). True, we could see the world as ‘the empire of capital’ (Wood 2003) where in principle all capitalists can potentially cooperate to share in the advantages of all states ‘playing by the rules’. Already rival imperial powers can and do co-operate the better to carry out exploitation as in notions of ‘the West against the rest’; and ‘world policing’ by the US inevitably benefits the capital of its rivals as well as its own (and so the US periodically accuses other powers such as the EU of not paying their ‘fair share’ of the costs). But this meaning of informal empire is already qualitatively different from the misguided Hardt and Negri Empire which does not have rival imperialisms or hegemonic enforcers. They seem to have taken the reality of a single global capitalism and turned it into a grotesque parody by ‘forgetting’ a few basic points: that as in Animal Farm some states and capitalists are more equal than others, with the still hegemonic USA the biggest pig in the pen; that capitalists compete against each other as well as co-operating; that competition in a system that is geographically uneven and susceptible to protectionism, sometimes covert, sometimes overt, is a powerful rationale for separate state territories; that, as was argued in Section I, capitalism is inherently a world of many states. Whereas a ‘world empire’ would mean the end of borders, what is actually happening is their diversification and sometimes strengthening; they are highly unlikely to wither away before capitalism does, indeed quite the contrary if resource depletion and/or global warming add eco-crisis to profitability crisis and lead states and capitals to adopt a ‘beggar my neighbour’ approach to survival (Anderson 2006 forthcoming). Singular Empire would mean the end of inter-imperialist rivalries but what we are actually experiencing is their intensification, and partly in consequence greater difficulty asserting hegemonic control.
Here we come back to the Achilles’ heels of informal empire. Hegemony operates best as persuasion when independent states believe that what is in the hegemon’s interest is also in their interests (as western and many other states usually believe of the US, though with increasing reservations). The next best options are the threat or actual imposition of economic sanctions; and failing that a credible threat of force. But even this may not work and military attack or invasion become necessary as the last resort, while for threats of force to be credible they do occasionally have to be carried out. Here, whether for threat or actual use, the USA’s world-wide archipelago of military bases - the new ‘gulag’ - is key. While the modern equivalent of Britain’s naval bases in the 19th century (though they were mainly to protect trade routes rather than threaten independent countries), it is ‘network space’ rather than continuous territory and it has its own ‘territorial logics’ in being mostly within the sovereign territory of other states and hence subject to their laws and conditions. This is another weakness of informal empire. More indirect control can often amount to less control.

‘Iraq’ is not an aberration for informal empire because of military attack per se but because using military force was not ‘the last resort’, it involves attempting to control oil resources and prices, and it is resulting in pro-longed ‘colonial’ occupation (unlike the previous attack on Iraq under Bush Senior). This is costly and generally ineffective in an age of nationalism, as seen in Vietnam (USA) and Afghanistan (USSR, USA and allies), hence an ‘aberration’: re-territorialisation into economic blocs like the EU, NAFTA and Mercosul is more the norm of the new imperialism than military occupation. However, it did yield additional US bases in central Asia, and if hegemony continues to weaken, or resource depletion results in resource wars and eco-crisis, there might be a partial reversal of the shift to informal empire with military occupation becoming less aberrant.

Structural features of capitalism provide the broad context for understanding borders in the new imperialism, but the narrower focus on cross-border fixes (Section II) showed in more detail how borders can operate in material and symbolic terms, and the importance of shorter time-frames as processes can change quickly especially in crisis conditions. We saw how Fix 1 can give way to Fix 2 or to a combination of both fixes, and how the ‘contradictory unity’ of ‘politics/economics’ is embodied in the migrant labourer where s/he is wanted ‘economically’ for labour power but excluded ‘politically’. The borders of state, nation and democracy provide extra-economic means of controlling labour and
constitute its ‘third freedom’. Linking such structural understandings to issues of national identity and democracy or its absence is one way of integrating macro and micro analysis to produce a more rounded view of borders.

The national states and the global economy together constitute a single albeit contradictory system that is now inherently capitalist. And state borders, far from being left-overs from pre-capitalism, or anachronisms due to wither away, are pivotal to the whole contradictory system of national sovereign independence, FDI and globalisation.

Notes
1. This synopsis draws together earlier work on borders, cross-border fixes and the European Union where some of the arguments are more fully developed (see Bibliography). Some were jointly produced with Ian Shuttleworth, James Goodman or Liam O’Dowd to whom I extend my thanks though obviously this paper is my responsibility.

2. Border arbitrage economies, legal and illegal, based on taking advantage of differences in prices, taxes and/or supplies of goods on different sides of borders could also serve to illustrate border politics and economics, and would need to be included in any general theory of borders. Borders tend to generate short-term and opportunistic activities, and in that sense are an economic ‘resource’ (O’Dowd 2003), but, as Altvater (1998) has shown for post-Soviet economies, they also cause deep-seated economic problems.

3. Sassen (1988) is concerned with capital exports to the periphery ‘uprooting’ people there and leading to the migration of cheap labour to the core (especially to the US and ‘world cities’). In contrast, the present paper, while recognising proletarianisation in the periphery, emphasises the relative lack of investment there compared to the core as a major cause of migration. And rather than focusing on the functional needs of ‘world cities’, it focuses on the more general problem of over-accumulation in the core (now much worse than in the 1980s).

4. The conceivable challengers all have large scale home territories. Compared to the USA, the EU has about half the area but over 60% more people; Russia about half the people but nearly twice the area; and China is very similar in area but has about 4 times the number of people, about a fifth of the world’s total population.

5. It is partly because of these historical continuities and present realities of continuing inter-imperial rivalry - USA, Russia, the EU, China, Japan... - that I prefer to use both ‘empire’ and ‘hegemony’, rather than choosing the latter concept over the former, or ‘hegemony without a hegemon’, as recently advocated by John Agnew (2005, 12-36), though he makes good points about some of the confusions in how the terms are used.

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