This article reassesses critical realism's role as an underlabourer to the sciences and whether it is of any use to a Marxist analysis. It deals with some of the issues raised in the debate between regulation theorists and open Marxists whilst arguing that this debate does not do full credit to the scope of critical realism. Whilst a rejection of the regulation approach is necessary, it is also necessary to analyse forms of regulation and hegemonic strategies based on the fact that the social world is complexly stratified. However, this stratification also points to the dominant contradictions within capitalism and the centrality of struggle in shaping the social world.

In Defence of Critical Realism

by Jonathan Joseph

IN RECENT YEARS there has been an increased interest in the school of critical realism, and the ideas of Roy Bhaskar in particular, amongst radical political economists. This has occasionally carried over into the pages of *Capital & Class*, mainly centred on an exchange between Bob Jessop and John Holloway, Werner Bonefeld and Richard Gunn (1988), although there have been other articles, notably Lovering (1990), Kanth (1992) and Magill (1994).

The contention of this article is that the debates between Jessop and Holloway, Bonefeld and Gunn, whilst important, are not a reliable guide to merits or demerits of critical realism. In fact the debates are a rather *unorthodox* introduction to critical realism for a number of reasons. First, because the status of critical realism is not fully examined—it is more often than not simply alluded to without any distinction being made between critical realism as a methodology and its particular application. Second, because that particular application, in the case of Jessop, is to regulation theory. Therefore, critical realism is not examined on its own merits, but usually through the supposed weaknesses of Jessop's arguments and those of regulation theory. Moreover, that Jessop is heavily indebted to critical realism is simply assumed. Actually, he refers to critical realism only rarely and it might be argued that there is an inconsistency between elements of critical realism, and the regulation theory which he espouses.

Third, that the main arguments against critical realism come from, let us say, a rather unorthodox quarter. Gunn, Bonefeld and Holloway, along with Psychopedis, call themselves 'open Marxists' and have a specific critique, not just of critical realism, but of all forms of 'metatheory' or philosophical argument. This returns us to the problem of trying to separate the method of critical realism (or its philosophical claims) from its application to social science.

This article will break the first rule of open Marxism and try and demarcate the method of critical realism from various instances of its application. Of course, the very nature of the social means that method and application are heavily entwined. However, it is certainly possible to distinguish between the philosophical claims of critical realism and the errors of regulation theory.

At root, the problem is to define exactly what critical realism is, and the nature of its relationship to Marxism. I will argue for a very modest form of critical realism that operates as a 'philosophical underlabourer' to the sciences (of which Marxism is one science among many). In adopting this position I am explicitly rejecting the more ambitious projects of Roy Bhaskar—as marked by his book *Dialectic*—which attempt to enter the field of social science. Such projects, in my view, should be rejected as an attempt, not to aid Marxism through philosophy, but to *replace* Marxism as a form of analysis. I will also ignore more explicit works of 'critical realist economics' such as the work of Tony Lawson, because, again, this involves the complex issue of methodology versus application.

I will be concerned here to examine what is of value in critical realism and how it can be of use to Marxism. This concerns its role as a philosophical underlabourer, and the ontological claims that it makes. I will then look at some current debates in economic theory and distinguish between regulation theory and a possible approach based on critical realism that can indicate how forms of regulation are to be understood. In doing this I will take the liberty of extending critical realism to include a conception of hegemony, based on an understanding of hegemony as a political moment in the process of reproduction/transformation. The concept of hegemony is currently absent from critical realist writings, but it is, in my view, a vital tool for understanding the relation between structure and agency that lies at the heart of much of critical realism.[1]

Methodology

Marxists do not recognise academic disciplines like sociology, politics and economics. Their claims to scientific status are phoney and partial. Marxism is the only theory capable of providing a scientific analysis of society. Disciplines like sociology wrap ideology up in the cloak of a scientific alternative to Marxism when none in fact exists.

In his critique of critical realism Richard Gunn extends this rejection to philosophy as well. He writes that the Marxist left does not need philosophy, that there is no conceptual gap that philosophy might fill (Gunn, 1989: 85). Instead, Marxism regulates itself through a process of practically reflexive theorising.

I do not disagree with the idea of practically reflexive theorising or immanent critique. It is also true that Marxism is the only genuine social science. However, it is not the only science. If we view philosophy in relation to the other sciences, then it cannot be dismissed so easily. In relation to social science, philosophy is heavily entwined with the science of Marxism itself (not least because of the conceptual aspect of society). However, philosophy cannot be reduced to Marxism because it stands in relation to other sciences like physics, biology, mathematics or psychoanalysis.

Critical realism is important because it looks at the relations between philosophy and science in this more general sense. Indeed, Bhaskar's first book, *A Realist Theory of Science*, hardly deals with social science, but attempts to set out a method for understanding natural science and determining the status of its methods and its claims. It understands philosophy as an underlabourer for the sciences, a producer of second order knowledge. This is important because when we do start to sort through the confusions of Marxist theory, we need a tool which is intimately connected, but not reducible, to the scientific practice itself. If we abandon the distinction between Marxism and philosophy then we abandon any hope of critical scrutiny of Marxism's method.

The importance of critical realism in clarifying Marxist methodology can be seen in five specific arguments—ontological primacy, the distinction between the transitive and intransitive, the critique of actualism, critical naturalism and the transformational model of social activity.

(1) Ontological primacy

Critical realism stresses the primacy of being over thought. It shifts enquiry from the epistemological (theory of knowledge) to the ontological (theory of being). Therefore, critical realism asks, given that knowledge is possible and is meaningful, what does this pre-suppose about the world itself? Does not knowledge of the world indicate that the world is intelligible, and therefore ordered in a certain way? Is not the practice of science related to the structure of the world?

Scientificity is founded on a theory's ability to explain social or natural objects. Knowledge may develop or change as one theory replaces another. But for this to be meaningful presupposes an ontological distinction between knowledge and its object. An ontological realm must exist independently of our knowledge of it if scientific change is to be meaningful.

This is a fundamental distinction that divides critical realism from subjectivist forms of Marxist philosophy. The critical realist project treads a very different path from most forms of Marxist philosophising.[2] Rather than starting with the social world, critical realism starts from an understanding of the natural world and the scientific methods appropriate to it. The advantage of such a starting point is the clarity with which it shows the distinction between scientific knowledge and the natural world which this knowledge attempts to explain.

The Possibility of Naturalism—Bhaskar's second work which represents the transition from philosophy of natural science to social science—asks the question, to what extent can society be studied in the same way as nature? Most philosophies of social science do not get round to asking such a question. They thus miss out on the key question of the distinction between our knowledge of the social world and the social structures themselves which are irreducible to this knowledge. Failure to adequately distinguish between social structures and social knowledge, and failure to assert the ontological primacy of social structures over the knowledge we have of them leads to a concentration on various subjective problems like class consciousness, human intentionality, alienation, reification and spontaneity at the expense of an analysis of the objective structures of capitalist society (Lukács, Korsch, Marcuse, Sartre, Habermas, etc.)

Critical realism extends the separation of thought and object to a distinction between practice and structure. The process of knowledge is, after all, just one form of social practice. Indeed,

knowledge itself can be divided into a number of sub-practices; scientific, aesthetic, technical, linguistic, and so on. More precisely, we should say that these various practices intersect one another.

However, just as social structures are not reducible to the knowledge we have of them, so also social structures, cannot be reduced to particular practices or rules (a problem with Giddens' analysis of structuration). Social structures are reproduced through human practices, but structures have emergent properties. A scientific approach is based on a study of these structures, their reproduction and their inter-relations.

(2) Transitive and intransitive

To develop this distinction between epistemology and ontology, Bhaskar develops the concepts of transitive and intransitive.

Our knowledge of the world is *transitive*. This knowledge is actively embodied in a set of theories which form a kind of raw material for scientific practice. This transitive knowledge corresponds to an Aristotelian material cause or antecedently established knowledge which is used to generate new knowledge. This includes established theories, models, methods, facts and so on. (Bhaskar, 1997: 21) Science, although it studies the intransitive, produces a transitive object.

The *intransitive* is that which science seeks to study. Intransitive objects of knowledge are those structures, processes and mechanisms which exist independently of us in a relatively enduring state. Therefore, whilst science is a transitive process with antecedent knowledge that is dependent on human activity, its objects are intransitive objects which do not depend on either. As Bhaskar says:

> the intransitive objects of knowledge are in general invariant to our knowledge of them; they are the real things and structures, mechanisms and processes, events and possibilities of the world; and for the most part they are quite independent of us … They are the intransitive, science-independent, objects of scientific discovery and investigation (Bhaskar, 1997: 22).

The intransitive world is largely a transfactual world comprised of structures and mechanisms which are relatively enduring. This makes scientific practice possible. The identification of scientific laws and relations is dependent upon the relatively enduring, transfactuality of the intransitive. We can thus make an

ontological argument; given that scientific investigation is intelligible, this pre-supposes that the world is structured in a certain way and that these transfactual structures, processes and mechanisms are open to investigation. It is the fact that the world is structured which makes science possible.

This position has radical consequences for any theory of science. A distinction must be made between the transitive identification of causal laws and the intransitive causal mechanisms themselves. There is a distinction, for example between the theory that isolates the tendency of the rate of profit to fall, and the actual economic mechanisms in operation.

Those theories that rely simply on an identification of a pattern of events or on empirical invariances, fail to sufficiently identify the deeper causal mechanisms which generate these events. Bhaskar therefore identifies three differing levels of scientific inquiry and their philosophical underpinnings.

(3) Critique of actualism

The crudest form of empiricism defines the world according to human experiences. By making this direct relation it thus removes the intransitive dimension of those objects that exist independently of human experience. As Bhaskar states, its ontology is based on experience and its social theory based on the passive individual (Bhaskar, 1997: 242).

This crude empiricism can be dismissed rather easily. There are many events that are not experienced, yet they nevertheless occur. An explanation of the world cannot therefore be reduced to our experience of it.

However, this sort of empiricism provides the base for another set of philosophical positions which Bhaskar calls actualism. This recognises that events occur whether we experience them or not. However, this version of explanation is still tied to a Humean conception which reduces causal laws to an identification of constant conjunctions of events. Such a position is rife in the philosophy of science, most notably in positivism. It paints a picture of a world based on atomistic events or states of affairs. The status of scientific theories is then decided upon the basis of whether or not they can be confirmed or falsified by various instances. But to simply posit that A causes B fails to adequately analyse the underlying mechanisms that produce such events. Indeed, Humean accounts effectively deny that such mechanisms exist.

The failure of actualism lies in its conflation of the closed conditions under which experimentation takes place and the open nature of the real world. It fails to take account of the fact that outside the artificially closed conditions of scientific experimentation, many mechanisms operate together and interact.

By basing its explanation simply on constant conjunctions, actualism, at best, fails to effectively move beyond the occurrences of these events. In effect actualist accounts deny the existence of underlying structures. In particular actualist theories see everything in terms of the exercise of powers. Yet the openness of the world means that there are a whole number of powers present in such processes, some of which may not be realised depending on the circumstances.

Indeed, to treat the world as a closed system, as actualism does, is to remove the need for scientific experimentation. Scientific closure is necessary precisely because the world is open and complex.

The realist conception therefore moves beyond experiences and events to the underlying mechanisms, or what Bhaskar calls the generative mechanisms. These are the structures that generate the events or the powers of things. In open systems a whole number of these mechanisms operate together. Whether or not causal powers are exercised depends on the particular conditions, or as social science would say, the conjuncture.

These structures and mechanisms operate in different ways, exercised or unexercised (as *tendencies*), and determine things in various combinations. This gives the world a multi-layered character. Thus critical realism is a depth realism.

Critical realism is founded on a conception of *ontological depth*. It posits the existence of a certain layer of structures or mechanisms, but seeks to move beyond and explain what generates these. When a stratum of reality has been described, the next step should be to examine what mechanisms underlie or intersect with this level and so on. This is a radical approach focusing on processes of emergence and change.

The world is *stratified* in the sense that these structures and mechanisms are ordered in a certain way. Science itself reflects this; for example, biology is rooted in and emergent from physics. We can also see this sort of layering or stratification in society.

However, a reductionist argument must be rejected. It is not possible to explain a biological process simply in terms of physical

ones. Nor is it possible to explain political events simply in terms of economic conditions. Different strata have causal powers specific to them and which cannot be reduced to the lower order from which they are emergent.

This should rule out attempts to found Marxist explanation on the base-superstructure model. Society is comprised of a multitude of stratified and emergent structures that inter-relate and co-determine one another in complimentary and contradictory ways. We will argue that economic factors are the most fundamental mechanisms that operate across the social formation but that the social formation cannot be reduced to them.

(4) Critical naturalism

Critical realism argues that the social world can be studied along similar lines to the natural world and that therefore social science is as valid a practice as natural science. However, Bhaskar outlines three important differences (Bhaskar, 1989b: 185-86).

Founded on social relations, social structures are *ontologically* different from natural ones in the sense that they are praxis and concept dependent—that they are dependent on human activity and human conception of that activity. The objects of social science are thus of a historical nature, far more specific than are the objects of natural science. Social science is law-like but historical.

However, critical naturalism stresses that while social structures are praxis and concept dependent, they are not reducible to our practice or conceptions. Social structures are ontologically distinct from the activities they govern and our conceptions of them. The reproduction of social structures is largely an unintentional consequence of intentional actions. There is a clear distinction between the intentions and activities of social agents and the effects of these activities on the reproduction of social structures just as there is a clear distinction, for example, between people's desire to work and earn a living, and their social role in the reproduction of the wage labour system. Critical realism therefore maintains the distinction between intransitive social structures and the transitive knowledge and actions that reproduce or transform them.

Epistemologically social science differs in that, unlike natural science, it is not possible to create the kind of closed conditions under which experimentation takes place. This means that social

science should not primarily be predictive—as is the case with positivist and Humean approaches—but should instead primarily be explanatory.

The critical realist method proceeds as (1) the causal analysis of an event, (2) a theoretical re-description of the component causes, (3) a processes of retroduction from the re-described component events or states to the antecedent processes that might have produced them and (4) an elimination of alternative causes. The theory must be checked empirically.

There is also an important *relational* difference in that social sciences are part of their own field of enquiry—that they are a product of the very social formation which they seek to analyse. There is thus an inter-connection between social concepts and the social objects which they seek to explain. Consequently, the explanatory nature of social science must develop along the lines of an explanatory critique. Critical realism is given a radical edge in its debunking of certain ideologies and their relation to the social structures and material practices that produce them. It is possible, for example, to develop a critique of classical economics by re-examining the economic structures it seeks to explain.

The hermeneutic tradition is therefore correct to see that social science deals with a pre-interpreted reality which has been conceptualised by social agents. It is wrong, however, to reduce social science to a study of such meanings and conceptions, and ignoring the structures through which these take place. Without a depth enquiry the focus is again at the Humean level of rule governed causal conjunctions.

The method of critical naturalism also contrasts sharply with the claims of the open Marxist school that structures are simply modes of existence of ubiquitous struggles or antagonisms. This is summed up in Werner Bonefeld's statement that 'the notion of the primacy of class antagonism effectively says that structures do not exist. … [T]hey exist only as modes of existence of class antagonism and hence as social process … As such, structures exist as things *qua* reification of human relations.' (in Bonefeld, Gunn and Psychopedis, 1992a: 114).

In contrast, critical naturalism argues that structures and mechanisms are an undeniable part of the natural world and that their workings can be identified by scientific investigation. If this is the case for the natural world, then it is reasonable to suggest that the social world, which is emergent out of nature, is also comprised of structures and mechanisms and that these

can be studied as scientific objects. Social structures are as basic to the social world as natural structures are to the physical world. No social activity can exist without the medium of social structures. They are fundamental to enabling social activity and will continue to exist regardless of whether society is based on classes or not. Rather than simply being a reification of human relations, social structures are also enabling, albeit in a specifically determining way.

Therefore, the existence and necessity of social structures is a trans-historical fact based on certain fundamental features of the human species as social animals who live in communities, engage in productive activity and have a developed communicative capacity. As such, the existence of social structures and human practices is a necessary feature of our biological existence.

However, whilst the *existence* of social structures is a necessary feature of all societies, the specific *form* of these structures is of a historical character which, through human history, has been determined by class antagonisms. However, the centrality of class antagonisms should not lead us to reject the critical naturalist view that social activity takes place and always will take place through social structures which are both the condition for and outcome of human practice.

(5) The transformational model of social activity

Social structures do not exist independently of the activities they govern. Nevertheless, the conditions for social activity exist intransitively. Society pre-exists the human agents who reproduce it and is a condition for their activity. However, whilst structures pre-exist the activity that they govern, it is through this activity (indeed, through struggle) that they are changed. Bob Jessop is surely correct when he argues that structures are prior to struggles in the sense that struggles only occur within a given context—but that these structures are themselves the product of past struggles (Jessop, 1988).

The *transformational model of social activity*, in trying to grapple with the relation between structure and agent, is set up in opposition to both voluntarist and reified conceptions of society. It should be unnecessary to state that critical realism is opposed to Althusserian accounts that reduce agents to mere bearers (*träger*) of structures. Social structures exist in virtue of human activity, but they also determine that activity. Human action is necessarily dependent on the existence of these social structures,

however, the structures themselves depend upon being reproduced through such activity. Agents have some conception of this activity, but they reproduce or transform structures rather than create them. The pre-existence of social forms entails the specifically transformational aspect of social activity/struggle. Therefore:

> Society is both the ever-present condition (material cause) and the continually reproduced outcome of human agency. And praxis is both work, that is conscious production, and (normally unconscious) reproduction of the conditions of production, that is society (Bhaskar, 1989a: 34-35).

The transformational model of social activity therefore allows us to locate praxis within the nexus of social structures without, however, turning agents into simple bearers of these structures. Structures have primacy so that people in conscious activity, mostly unconsciously reproduce these structures. However, these agents have the *potential* to engage in transformative practice, albeit within specific limits.

A worker may consciously act to produce a product. However, the unintended consequence of such action is to produce surplus value and thus help reproduce exploitative relations. A mild transformation would involve struggling for higher wages. More radical transformational activity would transcend this situation, questioning the production process itself. But the process by which this is done is mediated through a complex set of structures, structurata and practices, thus giving the practical outcome an emergent character which cannot simply be reduced to the initial practical intentions.

Critical realism and socialist thought

Critical realism is of direct concern to socialists in the sense that it conceptualises the relation between social structures and human activity in a radical sense based on reproductive activity and transformative capacity. It avoids both the demoralising structuralist position that structures reproduce themselves and are all powerful, and the voluntarist humanism that believes that everything can be explained in terms of human activity. By embracing a critical naturalist view of the transformational model

of social activity we can also conceptualise class antagonism in such a way that does not lead us to spontaneist or reified extremes.

Critical realism argues that the social world is structured in a certain way and that it contains dominant generative mechanisms which exert a powerful influence over the social formation. Critical realism can happily point out that society is founded on basic material relations and operates though material production, appropriation and labour. From here it is a short step to a Marxist analysis of the specific form of these basic relations.

The transformational model of human activity argues that the social world is made up of structures and that these structures must be reproduced through human activity. However, it also argues for the open and stratified character of the social world. Because of the complex inter-relations between different structures, mechanisms and practices there is no guarantee that reproduction will take place automatically. Such a position is fully compatible with a Marxist view of the fundamentally contradictory relations within the capitalist system and the contradictory co-evolution of antagonistic processes.

The open and complex relations within society means that the process of reproduction necessarily entails the class struggle dynamics of transformation and conservation. This raises the question of political strategies and hegemonic projects. Critical realism points to how such strategies should be based on the transformation of a specific set of social structures. Theoretically this requires a close study of such structures and a development of an immanent critique leading to a plan for action.

Critical realist theory therefore emerges, not just as an analysis of structures, but as a critique of these structures and their effects. Its radicality lies in its focusing on structures and underlying causes and not just states of affairs. It points to the need for an analysis of the inter-connectedness of social structures and their hierarchical and dialectical character, as well as helping point to the most decisive areas of conflict and spheres of action.

The emphasis that critical realism places on structural analysis also highlights the weaknesses of forms of social analysis that base themselves on a particular group attitude or 'world view'. It also highlights the limitations of approaches that base themselves on some sort of praxis-ontology that defines the world on the basis of social action, without locating that action within its structured, stratified and contradictory context (e.g. the worst aspects of

neo-Gramscian theories). Critical realism develops a complex view of society which implicitly rejects the 'flat ontologies' offered by the various ideologies—for example, the naturalistic atomism of classical economics.

Instead critical realism offers a critique and de-mystification of these ideologies, pointing to the link between such ideologies and the material structures and mechanisms that produce them. A hegemonic struggle must challenge not just the ideologies, but the structures and practices themselves.

Finally, critical realism can act as a philosophical 'under-labourer' to Marxist social science, acting, not as an alternative, but as a complement. Whilst critical realism may not make strong social scientific claims in its own right, it may make strong philosophical claims about social scientific practice. In particular it places its emphasis on scientificity, historicity and specificity, all of which help clarify key errors in Marxist theory.

The status of philosophy

Bhaskar develops the status of philosophy as an underlabourer to the sciences whose job it is to clear away the weeds and to clarify our concepts. He states:

> Philosophy, then, like science, produces knowledge. But it is knowledge of the necessary conditions for the production of knowledge—second order knowledge (Bhaskar 1989a: 8).

This 'second order knowledge' or conceptual science can, however, be used to great effect. By rendering explicit what was already implicit critical realism attacks the philosophical basis of other theories such as the Humean conception of atomistic events or the Kantian construction of ideal models.

Critical realism also unmasks what Bhaskar has termed the *epistemic fallacy*. This conflates the state of the world with the knowledge we have of it. It reduces statements of being to statements of what we know, confusing ontology with epistemology. Bhaskar therefore points to how Kant sees the problems of philosophy as the conditions, limits and forms of knowledge, whilst Wittgenstein, committing a *linguistic fallacy*, reduces the problems of philosophy to the conditions, limits and forms of language. Both cases involve the denial of ontology

and the collapse of the intransitive dimension. Bhaskar later goes on to link these errors to a basic anthropomorphism.[3]

In *Dialectic*, Bhaskar develops these points out and relates them to questions of structure and intransitivity, absence, totality and praxis. The epistemic fallacy is connected to other forms of *irrealism* such as actualism's reduction of powers to their exercise, flat ontologising, atomisation and detotalisation. On all these questions philosophy has a crucial role to play.

Similarly, whilst Bhaskar insists on the irreducibility of the intransitive, his transitive is necessarily flexible. Philosophy must recognise knowledge to be transient and influenced by social, historical and ideological factors. Consequently, critical realism advocates *epistemic relativity*. This is to be relativistic about the transitive but not about the intransitive object. It is also very much opposed to judgmental relativism which holds that there are no rational grounds for preferring one belief to another and that essentially all beliefs are equally valid.

The open Marxist school are wrong to argue that critical realism ushers in a relativism by seeing theory and practice as causally and therefore externally linked rather than holding that theory is in and of practice (Bonefeld, Gunn and Psychopedis, 1992b: xv). The problem here is that practice is held to be one over-riding category as if there is some sort of practice in general. But critical realism, in keeping with its stratified conception of the social world, argues that there are a plurality of practices, each with their own specific theories. A truly explanatory theory cannot therefore explain a specific practice from within it (indeed this is more properly the function of ideology not science). So we cannot judge a social practice if theory is in and of it, for how do we reject the ideological views which are generated by these practices? It would seem that the open Marxist school is in danger of embracing ideological or spontaneist views based on practices providing their own explanation, rather than the view that social practices are the *objects* of scientific enquiry.

The task for social theory is to explain the various practices that exist. If this explanation is inadequate then alternative theories must be developed. To hold that theory is simply in and of practice fails to account for changes in social theory or its theoretical description of the object. Indeed the development of the theory is itself a practice (theoretical practice). So we need theories of theoretical practice too. Of course there are dangers of Althusserianism here, but the open Marxists go to the other

extreme and reject the notion of metatheory—be it philosophy, sociology or even historical materialism.[4] It would seem that one over-arching internally consistent theory/practice (some sort of Marxism) contains 'all the fundamental elements needed to construct a total and integral conception of the world.' (Gramsci, 1971: 462)

Clarifications of the Marxist method

One of the main benefits that critical realism can offer Marxism is a clarification of its method through its role as a philosophical underlabourer.

Starting from a more general point, the practice of science attempts to develop theories or laws of the actual processes and mechanisms that operate in the physical world. This is done through experimentation which seeks to isolate certain mechanisms and analyse the pattern of events. However, the real causal law cannot be reduced to the experimentally produced sequence of events (as positivist or verificationist science would have it). Experimentation under artificially closed conditions is necessary precisely because such patterns of events would not be obtained outside these conditions.

The causal mechanisms which experimentation helps us to identify exist outside the contexts under which these sequences of events are identified. There is thus 'an ontological distinction between the empirical regularity which we produce and the causal law it enables us to identify.' (Bhaskar, 1997: 33).

The nature of scientific practice therefore tells us that the world is structured and intelligible and that laws and mechanisms operate in a universal manner. But it also tells us that the processes occur in an open context where different mechanisms combine to produce different results. Therefore, causal laws operate as *tendencies* which may or may not be realised according to the specific conditions and combination of processes. This allows us to say not only that causal processes exist whether or not we observe them, but also that they exist whether or not they are exercised as tendencies.

Much of Bhaskar's fire is directed against positivist or deductive-nomological theories of science. These base themselves on securing a constant conjunction of events. These events are based on the simple conjunction of cause A and effect B. The

consequent ontology is a that of a flat, atomistic world with no underlying mechanisms. Explanation is that A causes B rather than an analysis of the conditions under which A might be followed by B. Knowledge is reduced to atomistic events based on sense-experience and empirical regularities.

In contrast to the flat world of the empiricists, critical realism presents a depth realism. The world consists of mechanisms not events. The point is not that event A is followed by event B in a regular pattern, but that underlying A and B is a generative mechanism. There is a distinction (not recognised by empiricism) between the real structures and mechanisms of the world and the patterns and events that they generate. These mechanisms combine in various ways in an open context so that it is not possible to reduce science to instance conformation/falsification as if there were only one mechanism in operation (as positivists or Popperians would have it).

Realist science must not only attempt to isolate a causal process, but also provide a plausible explanation for the working of an underlying mechanism that generates the events. When a stratum of reality has been described, the next move is to postulate further underlying mechanisms which account for that layer. The stratification of our (transitive) knowledge of reality reflects a real stratification in the (intransitive) world itself. As Bhaskar writes, 'acknowledgement of the real stratification of the world allows us to reconcile scientific discovery (of new strata) with scientific change (of knowledge of strata).' (Bhaskar, 1997: 170).

Scientific change must be assessed, not just on the basis of theory's relation to its object, but also according to the social production of knowledge. It is therefore important to emphasise the transitive nature of knowledge.

> Recognition of the transitive dimension implies that scientific beliefs can no longer be distinguished by their content. For experiences and the facts they generate must now be viewed as socially produced and what is socially produced is socially changeable (Bhaskar, 1997: 189).

Science is an ongoing practice which draws on the raw material of previous scientific knowledge. Knowledge is produced out of knowledge. Moreover, science, as a social activity, cannot be separated from wider social conditions—like the existence of

the profit motive, or the demands of military research, or the effects of 'Stalinist science'.

The social production of knowledge is just one of the arguments of critical realist philosophy which is compatible with Marxism. Quite clearly, many of Bhaskar's arguments have radical, material consequences whilst Bhaskar's analysis of natural science provides the foundation for an analysis of social science.

The social world, like the natural world, can be said to be structured in a certain way and consists of relatively enduring mechanisms. However, there are important qualifications. Social structures are obviously less enduring than natural ones, and can be transformed through human action. However, a critical realist would hold that this transformation still occurs within a structural context which provides possibilities and limitations. We never create from scratch; we transform existing material conditions.

The social world is complexly structured and stratified. Again, causal laws operate as tendencies which may or may not be realised according to the specific conditions and combination of processes. And unlike natural science we do not have the possibility of creating artificial closure to carry out experimental research.

However, we can see how the Marxist method operates by attempting to isolate and analyse certain mechanisms, structures and processes in abstraction before building up a picture of their operation in conjunction. Thus Marx analyses specific aspects of the capitalist process—for example, production and circulation, the different circuits of capital and the process of metamorphosis.

One of the greatest misunderstandings of Marx is his treatment of value. However, the development of the labour theory of value—that the value of a commodity is determined by the amount of abstract labour contained in it—is not invalidated by his theory of the prices of production. Rather, the labour theory of value is the key explanation. However, in the complex interaction of competition and exchange, of profit levels and the movement of capital in search of higher rates, and consequently the dislocation of supply and demand, commodities exchange at prices of production rather than strictly at their values. The labour theory of value is still the key explanatory theory, but in the complex case of competing processes and mechanisms, the price of production is a necessary measure. We can say that value and price (and indeed price of production and market price) refer to different levels of analytical stratification.

Such complexities are unavoidable in Marxist theory because of the number of complex mechanisms at work in the social world. Other examples of competing structures and mechanisms are revealed in the analysis of the tendency of the rate of profit to fall or the various theories of capitalist crisis.

Capital begins with an analysis of concrete social forms—most notably the commodity—whilst recognising that they represent the 'concentration of many determinations' (Marx, 1973: 101). Marx's procedure can then be compared to the critical realist analysis of retroduction. Marx proceeds from the identification of the commodity in its specific form as an exchange value to an examination of the complex process by which this form is created. This requires a hypothetical postulation of those mechanisms and structures which can explain the phenomenal forms which we encounter in the concrete.

The movement from the isolation of the attributes which determine social forms (exchange value) to a retroductive analysis of their conditions (labour theory of value), whilst appearing to be an abstraction, is in fact also a *historicisation*.

The fact that the hypothetical entities that are postulated cannot be reduced to empirical entities is reflected in the key concepts that Marx employs such as value and abstract labour. To remain simply at the level of forms is precisely the ideological error or flat-ontologising common to those theories which remain trapped in the realm of fetishised relations.

However, the recognition, for example, of the divergence between values and prices, is itself a recognition by Marx of the need to then move once more from the postulated entities to their operation in an open context of convergent processes.

Indeed, the isolation of a particular social relation, followed by retroductive explanation and recontextualisation in an open situation may lead to a subsequent revelation of its dialectical complexity in the continuous process of social reproduction. Marx begins his analysis in volume I of *Capital* with an analysis of the commodity. He ends up (in volume IV) by stating:

> the *prerequisite*, the *starting-point*, of the formation of capital and of capitalist production is the development of the product into a commodity, commodity circulation and consequently money circulation … On the other hand, the product, the result of capitalist production, is the commodity. What appears as its element is later revealed to be its own product (Marx, 1971: 112).

The errors of the regulation school

Critical realism has been attacked through its relation to certain 'regulation theorists'. I will argue that a regulation based approach is consistent with the methodology of critical realism, but that we need not necessarily accept the schematism of the regulation school itself.

It is not possible in this paper to do full justice to the regulation school and the many different strands within it (for a detailed account see Jessop, 1990a). For example, the 'Parisian' school concentrates less on the state as such and more on institutional forms and societal norms, whilst the 'German' school around Hirsch extends its analysis beyond the accumulation process to examine 'societalisation'. Both Hirsch and the 'Amsterdam' school draw more heavily on Gramscian notions of hegemonic strategy and historical bloc, whilst the French schools emerge more from the Althusserian tradition. We will necessarily have to discuss regulation theory in its most general sense and will concentrate on the relations between regulation, hegemony and the state as raised by Bob Jessop.

A regulation based approach does not reject the inherent (or intrinsic) laws of capital. Rather, it is precisely because of the inherent contradictions of capital that certain (extrinsic) socio-political interventions are required. Crisis is inherent in capital, but concretely this means that the specific features of a crisis are the product of a crisis in the *social conditions* necessary to try and overcome the inherent laws of capital.

Therefore, to return to the arguments of critical realism, society is an open system that is complexly structured and stratified. Different structures, mechanisms and practices are related to and co-determine each other in various ways. Since no one generative mechanism operates in isolation, inherent social 'laws' must in fact be examined as tendencies. The falling rate of profit is described as a tendency because, within this complex and open system, there are other inter-acting factors or possible interventions that can temporality arrest this development.

More generally, any aspect of the reproduction process requires social or political interventions. Productive forces do not develop automatically or autonomously. The question of productive relations indicates the organised character of the productive forces. These relations involve wider social and

political mechanisms. The conditions for economic reproduction must be secured in this broader context.

It is precisely because economic factors are so powerful that they cannot simply be studied according to some autonomous logic. Because they penetrate all aspects of social life, our analysis must examine the *totality* of social relations. A fundamental aspect of this is the role of the state and the interventions that it makes.

It would seem that we are inevitably confronted with the need to examine regulatory strategies. In this respect regulation theory is clearly in line with the open and stratified character of the social world. Forms of regulation are necessary for reproduction. The state and other institutions are required to help secure the conditions for capital accumulation and this leads to the pursuit of regulation strategies. The processed is politicised by the relation of state strategies to hegemonic blocs and alliances necessary to class practices and political consensus. State intervention into the economy coincides with and is justified by a range of social ideologies such as populism, welfarism and social democracy.

However, just as we reach the point of assessing the relations between capital accumulation, regulation and hegemony, regulation theory takes a step backwards. It returns to the safe territory of internalised relations and formalised structures by raising the spectres of accumulation regimes and modes of regulation. These 'modes' or 'regimes' reintroduce exactly the inclusive, self-reproducing and self-regulating character of social functioning that we have been trying to break our economic analysis from, albeit at less of an economic than an institutional level.

Regimes of accumulation are presented as the relation between the departments that produce the means of production and consumption. *Modes of regulation* are considered responsible for ensuring the reproduction of these accumulation regimes. For the regulation school, the post-war era is marked by a Fordist regime of accumulation and a monopoly of state regulation.

When it comes to analysing the apparent break-down of the Fordist 'system', regulation theory starts to unravel. Fordism, rather than being presented as a dominant form of accumulation, is given the status of an inclusive regime, linked to a corresponding Keynesian mode of regulation, and often, indeed,

a 'Fordist state'. The result is a paradigmatic approach whereby the crisis of Fordism can only mean the replacement of one inclusive regime of accumulation with another, post-Fordist one. The unfortunate consequence of regulation theory's treatment of Fordism is to give credence to the populist myth about post-Fordism.

Regulation analysis therefore carries two ideological dangers. Post-Fordism, rather than indicating Fordist deficiencies, is given the status of a new, inclusive regime of accumulation. This then plays straight into the hands of bourgeois theories about 'new times' and 'farewell to the working class'. Such Euro-centrism misses out on the fact that, world-wide, the working class has never been stronger. We are speaking numerically, of course, although political and industrial struggles are on the increase too—not just in places like Korea but also in the heart of Europe (against the effects of the convergence criteria for monetary union).

But this is an indication of a more general ideological effect of regulation analysis. The idea that capitalism simply passes from one regime of accumulation to another concedes far too much to the view that capitalism is a relatively stable, self-regulating system with social forms which neatly correspond to the needs of capital accumulation. It is easy to then forget all about the fundamental contradiction at the heart of capitalism and concentrate instead on processes of amelioration. Indeed, struggle is wiped from the agenda. Such is the path taken by the likes of Aglietta.

Yet the fact of the matter is that ultimately capitalism cannot be regulated. Of course regulation strategies exist and are pursued. Indeed a critical realist approach would concur that various forms of accumulation, regulation and hegemonic strategies and a permanent requirement of the capitalist system and its complex social stratification. But this very same system also dictates that no regulatory strategy can achieve a lasting success.

The danger of regulation approaches is that the focus gradually shifts emphasis away from fundamental economic categories towards institutional fixes and state actions. The problem then for regulation theory is not the essentially contradictory character of the capitalist system but the supposed management of this system by political bodies such as the state. But as these regulatory institutions are increasingly focussed on, it is easy to forget what

it is they are trying to regulate, and that what they are trying to regulate cannot indeed be regulated successfully.

A critical realist approach lays great stress on the fact that economic processes must be studied in their wider social environment. This would indicate the correctness of emphasising such things as regulation, state strategies and hegemonic projects. These in turn reflect the structure and stratification of the social world. It means the exploration of the layering and overdetermination of structures, mechanisms and practices. However, the interaction between economic mechanisms and regulatory strategies exists, not because economic processes can be easily regulated, but because the capitalist system is a mess!

Critical realist methodology would reject economic determinism as it would reject any other form of reductionism. However, it fully supports the view that the stratification of the social world has a hierarchical character, albeit a dialectical and overdetermined one, rather than something resembling a wedding cake. At the same time the inter-relatedness of the different spheres of the social totality means that the reproduction and operation of economic structures and generative mechanisms, however important, cannot be viewed independently from other social processes. Given the stratified and overdetermined nature of society, the need to look at forms of regulation, state strategies and political projects is an unquestionable part of economic analysis. However, to uphold the stratified and overdetermined character of the social formation is also to uphold the view that certain structures, mechanisms, determinations, contradictions and relations are more fundamental than others.

Finally, the nature of the relations, interactions and determinations needs to be studied. It is true that various regulation based approaches accommodate to the view that many aspects of the social formation enjoy a relatively coherent and well functioning relationship. This is not the result of critical realism. Rather, that critical realism points to the structured and stratified character of society can be used to argue the case that different social structures and generative mechanisms relate to one another, but that they do so in a contradictory and antagonistic way.

Many of the arguments against the regulation school and its lack of basic Marxism are absolutely correct. They are, however, arguments against regulation theory, and not arguments against critical realism.

Genuinely 'open' Marxism

Those who claim that critical realism is purely a contingent affair are really complaining that it does not concur with their essentialist views.

The state cannot be described as *simply* a capital relation. Nor can it be reduced simply to an expression of struggle—unless this is meant in its most basic sense as the expropriation or struggle against nature. Critical realism argues that basic structures—presumably we would include the state structures here, leaving aside the debates about its withering away—are a fundamental feature of society in a most general sense.

What Marxist analysis does is emphasise the specific *form* or determination that these structures and bodies take in relation to particular modes of production. The historical function of the state is more general than simply a capital relation—its necessity is in relation to the production of surplus labour, a feature common to all class societies. Under capitalism this takes a specific form. But our more general definition gives the state a social rather than a purely economic character.

Having said this, it is true that the Marxist method depends upon an analysis of specific forms and not universal or trans-historical abstractions. Any analysis of political processes therefore needs to be set within the context of the state's function in relation to the capitalist economy. This is clearly not done by structuralist accounts whose notions of 'political autonomy' depend upon the economy being 'determinant in the last instance' i.e., never! On the contrary the economic determines every instance, making the state's relationship to the economy vitally important. Successful state strategies have to be those that best express the general conditions for capital accumulation.

The capitalist state has the function of helping to secure the conditions for capital accumulation, but how it does this, or what form of regulation it uses is dependent on the strategies employed. These state strategies derive, not just from the economy, but from the hegemony operating throughout the state apparatus. Underlying this is hegemony's role in securing the reproduction of social structures.

The complex, often contradictory relations between state strategies, hegemonic projects and economic mechanisms is a factor in how we conceive of particular functions. When we talk of the state's functional relationship to the economy or

hegemony's functional role in securing the conditions for social reproduction, we are not talking about functionalism in an essentialist sense. Starting from the centrality of the production process, we can take up Derek Sayer's argument that:

> Essential relations can be said to comprise any society's 'economic structure', not by virtue of any innately 'economic' qualities they might possess but because of their entailment in the production process without which that society could not exist (Sayer, 1979: 81).

Our understanding of the functioning of the state must be in relation to the production process. For the development of the state must be understood in relation to the historical development of production and the organisation of surplus product/surplus labour. In this most basic sense it is legitimate to say that the state has a functional role to play and that it should be judged according to how it performs this function. Of course with the development of surplus product/labour comes the development of class society and the class dynamics emergent from this. The functioning of the state and the dynamics of class struggle stand in a dialectical relation.

To clarify this question we should employ Andrew Collier's usage of Spinoza's notion of conatus. Collier uses the notion of conatus to express critical realism's concern with the relatively enduring character of social processes. The conatus is a thing's essence simply in the sense of being 'the set of mutual relations of motion and rest by virtue of which that individual persists rather than disintegrates.' (Collier, 1991: 75) This allows us to conceive of the necessary and contingent aspects of a structure or mechanism and the relations between structures and mechanisms in a non-essentialist and non-teleological way.

So the unity of the capitalist social formation should be viewed in this Spinozist sense of how it 'hangs together' rather than falls apart. Given that the dominant structures and mechanisms within the social formation are economic, the state must be measured by its 'functioning' in relation to the economy. There is no essential relation as such, but there is a close interconnection. It is therefore safe to say that the state has a 'functional' but not 'functionalist' relationship to the economy and that it must be assessed on the basis of what property relations it promotes and defends and more specifically, the capitalist state must be assessed

on how it helps secure the conditions for capital accumulation. In fact Peter Burnham makes the vital point that:

> Within the capitalist system there is no other basis for the formation of the general interest than the state. In this sense, the state has an autonomy which is not political but which rests on its role of expressing the general conditions of accumulation and determining overall economic strategy (Burnham, 1990: 182).

Incorporating strategy and regulation into a theory of the capitalist state is in keeping with critical realism's critique of actualism—the privileging of 'actual' moments, events or conjunctures without recourse to the underlying structures and generative mechanisms that produce them. It is necessary to explain these factors by analysing the underlying structural crisis, the breakdown of Fordist accumulation, the crisis of the national-welfare state form of economic regulation, changes in the global economy and the set of global political alliances and finally, the break up of the post-war hegemonic blocs and alliances.

This helps in our construction of a true 'open Marxism' that analyses central functions whilst rejecting functionalism or essentialism. Critical realism is not a contingent or relativist methodology. We can talk of the state's basic function in securing the conditions for capital accumulation and hegemony's necessary function in securing the conditions for structural reproduction because of the basic structure of society. However, the actual operation of such functions is not given, but is *emergent* out of the set of material conditions within which it operates. And the system 'functions' in the Spinozist sense that it persists or hangs together, in a contradictory co determination. It is contingent in the sense that we recognise intrinsic and extrinsic aspects of processes and relations. And as Andrew Sayer points out:

> the contingently-related conditions are never inert, but are themselves the product of causal processes and have their own causal powers and liabilities. Although the coming together of two or more entities may be contingent, what occurs when they are so combined happens necessarily in virtue of their natures (Sayer, 1992: 140-42).

The open Marxists however, do embrace a sort of essentialism. By making struggle their fundamental category, they essentially

succumb to precisely the teleological objectivism they are so keen to refute. This is expressed most presciently in the connection between the school's promotion of struggle as a theoretical category and their rejection of Leninism as a revolutionary strategy so that the authors are unable to offer any realistic strategy or revolutionary practice other than struggle in its most general aspect.

Class struggle loses any of its specificity and becomes an omnipotent category through which everything is constituted—structures, structurata (that which is structured rather than the structure itself), mechanisms, practices, states, ideologies. In fact, once struggle is everywhere it is nowhere, for to say that structures *are* struggle could excuse precisely the lack of struggle within those structures. For example, we could say (hypothetically) that there is a lack of radical class activity in defence of the structurata that form the welfare state. But never mind, the welfare state is a form of the class struggle anyway!

It is acceptable to say that structures express class struggle in their form. The structurata of the welfare system clearly express this—as a partial gain of the working class and also as an aspect of state regulation/strategy. But to take a general position that such structures are *simply* an expression of the capital-labour antagonism removes the possibility to distinguish between types of struggle. To reduce structures to the class struggle leaves little space to distinguish between the usually unconscious *reproduction* of these structures and their *transformation* through more radical actions.

Just saying that structures *are* struggle has a tendency to leave everything as it is and at best reduces change to something spontaneous and devoid of any specific direction.

Hegemony and regulation

The stratification of the social world, its contradictory overdetermination and the open character of its reproduction means that capital accumulation has to be organised and regulated through a series of social structures, practices, institutions and state strategies. Given that we all agree that crisis is inherent to the nature of capitalism, the important point is to assess how economic factors are related to wider society. This means that we must look at the social conditions necessary for capitalist

accumulation. The notion of regulation emphasises the fact that capital accumulation is not an automatic process. The conditions for capital accumulation are socially secured which in turn requires the state and politics to play a leading role.

Hegemony is fundamental to the reproduction of the social formation. At a very basic level the cohesion of the different levels of the social formation must be secured. Out of this relation comes the more complex problem of the realisation of this function through particular forms of intervention and regulation. We must also distinguish between different layers of social stratification and emergence and the complexities associated with different hegemonic projects operating across the social totality.

Through various state strategies, the hegemonic groups must ensure both the conditions necessary for capital accumulation and the consent necessary for class rule. This relationship between specific class interests and the general requirements of capital accumulation is vital. The success of a hegemonic project depends upon its ability to reconcile the requirements of capital with the needs of its own class leadership.

This problematic relation means that there is an inherent connection between forms of regulation and particular hegemonic orders. The post-war settlement defined a whole period through its specific hegemonic alliances and cultivated forms of work practices and regulatory strategies linked to the generalisation of Fordist techniques. This cultivation best expresses what Gramsci means by 'passive revolution', a term which should be sharply contrasted to culturalist readings of Gramsci. Fordism has created the conditions for, and vice versa, been facilitated by, types of state involvement and intervention along with other forms of social regulation. The spread of Fordism brought with it new more regulated work practices, conditions and management, new wage structures, mass production and mass consumption. Looked at from a social point of view, Fordism was part of a wider set of relations which helped secure a period of relative cohesion. This included state policies of nationalisation, full employment, welfare provision, higher wages based on collective bargaining, developing its interventionist policies and range of legitimating ideologies—Keynesianism, welfarism, corporatism. We are talking, therefore, not just about the organisation of production but of society as a whole. In turn, this post-war cohesion is tied to the post-war set

of social alliances. Accumulation, regulation and hegemony are inseparable.

As the open Marxists would no doubt point out, the post-war period cannot be understood simply in terms of the development of new forms of regulation and accumulation, but must be related to the dynamics of struggle which shaped the specific form of the post-war settlement. To put it in critical realist terms, the conditions for the reproduction of the basic social structures and generative mechanisms had to be secured in the context of renewed hegemonic struggles over conservation/transformation. This was reflected in the inscribing of a hegemonic fix into the concrete structurata that agents encounter in their reproductive activity—the structurata concerned with state functions like health and education, the political parties, corporations and so on.

The post-war changes were the product of class struggle whereby the ruling class was forced to grant greater concessions to the working class. At the same time, the construction of a new hegemonic bloc was based on linking these concessions to a greater integration. This operated at two levels. Most generally the basic stratification of the working class allows for the integration of certain layers—the more privileged, skilled workers of the labour aristocracy—who were won through limited concessions and the feeling of economic empowerment and partnership. But a more exclusive role was allowed for the labour bureaucracy which was allowed to play a subordinate role within the new ruling bloc itself. This indicates a further, deeper layer of the social-fix; that of the world system and the role of imperialism. We can move in a retroductive manner from an analysis of the specific institutions and practices of the post-war era to the necessary hegemonic alliances that are the basis for post-war development. These hegemonic alliances are in turn a reflection of the need to socially secure the conditions for capital accumulation. The specific national character of this hegemony and the level of the class compromise involved must in turn be located in the wider context of the imperialist system.

Likewise, the crisis of the post-war order must be understood in relation to basic features of the capitalist system like overproduction and the tendency of the rate of profit to fall. However, the specific form of these crises must be understood in relation to the forms of regulation and the hegemonic bloc which were attempts to arrest the main tendencies of the capitalist system. Complementing this is the crisis of hegemony which

affects the reproduction of the main social structures. In critical realist terms, the crisis represented a failure in the workings of those social features designed to interact with the main generative mechanisms and a failure to counter the main structural tendencies of the system. The 'open' character of society which allows for interventions and counteractions does not overcome the fact that there are inherent contradictions within capitalism which are ready to burst forth.

Similarly, whilst the transformational model of social activity points to the fact that it is possible to intervene into the processes of social reproduction, this intervention occurs at a limited level—through interactions with specific practices or structurata rather than deeper structures—and is not able to control the whole process. Important social structures and generative mechanisms must be seen as having powers and liabilities beyond the influence of the interventions of social agents. And whilst these actions may have intentions, they usually have wider unintentional consequences. Even in a transformatory situation this is likely to be the case. A clear example would be the events in Eastern Europe where many workers had a relatively progressive conception of the struggle against Stalinism as political or democratic, but where the consequences of their actions were the far more significant and reactionary structural changes that brought about the restoration of capitalism (coupled with a swift movement by sections of the bureaucracy to re-hegemonise these forces around the restorationist project).

A central point of contradiction occurs when the state's more functional requirement to help secure the conditions for capital accumulation conflicts with strategies based on particular class interests, or with the foundations of particular hegemonic alliances (witness the Tories' crisis over Europe). The compatibility of the two roles is certainly not guaranteed. Recent developments have revealed a crisis of hegemony both at the state level, and at the international level centring around the role of US imperialism. We thus have conflicts between hegemonic projects, forms of regulation, and economic generative mechanisms.

Under Thatcher Britain's government attempted to foster a new economic climate in relation to changes at the level of production—work practices, composition of labour, flexibilisation, peripheration, de-unionisation, and so on. These were matched by a changed form of state intervention which was strident in pushing through these changes, opening up the

economy, privatising large sectors, attacking trade unions, fostering a cheap labour economy, and cutting public spending.

Ironically, such measures were exactly in line with the project around a new Europe-wide hegemony—a project which the Thatcherites vehemently opposed. Ultimately a serious conflict was bound to arise. The stratification of structures, agents and their interests has created a series of contradictions, not least at the heart of the Tory party itself. Processes of transformation have emergent consequences, not just for structures, but for the agents themselves.

The processes that are going on throughout Europe are a product of the complex interactions of different layers of the social formation. At one level, the general contradictions of capital, at another, the reorganisation of basic production relations and the reorientation of capital, at another the specific interests of the hegemonic groups and the conflicts between political and economic objectives, which in turn indicates the failure of specific forms of national-state regulation and the attempt to reorganise regulation at a wider European level, based on a new European political hegemony.

Conclusion

It would be against the principles we have outlined above if we were to claim that there is a specifically critical realist form of social analysis, a critical realist sociology or a critical realist economics. On the contrary, we have argued that it is Marxism which provides our social scientific analysis and that critical realism's role is to act as a philosophical underlabourer whose job it is to clarify the conceptual aspects of Marxism's work.

However, this does not mean that critical realism has nothing to say about current analysis. In providing a conceptual guide to social analysis, critical realism is obliged to take an ontological stance. What do these theories say about the real world? What ontology is implicit from their analysis? In assessing classical economics or analytical Marxism, for example, critical realism is able to argue how their analysis presupposes a flat ontology based on methodological individualism, atomistic relations and an unstratified, (naturally given) society.

An economic analysis must therefore be able to express the structuration and stratification of the social world and the

processes involved in its reproduction and/or conservation/transformation. Through its insistence on the transformational model of social activity, critical realism points the fact that it is necessary to intervene into structural processes, hence giving a key role to the concept of hegemony.

The necessity of hegemony, manifested through specific political projects, forms of regulation and state strategies, is linked to our conception of the transformational model of social activity and the open, complex and contradictory character of the social world. Emergent from this necessity is the possibility of the specific projects of different class fractions and hegemony's attempts, through the state, to unify those interests. By pointing to the complex, multifarious sets of relations, structures, practices and generative mechanisms, critical realism points us in the direction of the state. Given the complexity of the social structure, it is the state which is best positioned to make an effective intervention. This is certainly the case in assessing the possibility of transformatory strategies which are required not only to intervene into these complex structural processes, but also to organise the complexly stratified social agents.

A critical realist method therefore helps facilitate an analysis of a complex and contradictory social whole and its different structures and mechanisms. The dominance of the economic within this whole, highlights the driving force of capital accumulation. But this cannot stand apart from the whole and therefore must be seen as mediated through a multifarious set of social relations.

Starting from a notion of social ensembles, it is possible to analyse the associated relationships between generative mechanisms, social structures, state strategies and hegemonic projects. Each of these has its own dynamics and emergent powers. The interests of the ruling hegemonic group cannot therefore be reduced to the needs of capital. However, the interests of that group, if they are to be maintained through the social order, must to an extent meet the general needs of capital. Therefore, these different layers are dependent, to a greater or lesser extent, on each other as well as presupposing and co-determining each other.

A particular generative mechanism may support a number of structures. A particular structure may relate to a number of mechanisms. A hegemonic project may be based on some of these dynamics but not on others. These stratified relations and

the conflicts between them are of central importance. Beyond this, there are also the complex relations between national and international structures and strategies.

Critical realism also points to the complex stratification of agency and its interactions. As we have said, not only is agency stratified (class fractions, etc.), its relations with social structures are complexly mediated. Social reproduction of the basic social structures and generative mechanisms is largely an unconscious affair, and it is with the more concrete entities, which Andrew Collier calls structurata, that our conscious interactions are concerned. Whereas a structure is a deeper set of relations, a structuratum is that which is structured, rather than the structure itself. A particular economic institution would be a structuratum an economic mechanism would be a structure. Therefore, whilst we are acting upon a structuratum, we may also be affecting the deeper structures of which that structuratum is a part. This is also the case in distinguishing between structures and practices and critical realism's insistence on examining the social situatedness of human practices. In this way we start to get a picture of the complex mediations through which agency takes place.

The transformational model of social activity provides a framework for us to understand the activities of social agents and the possibilities that these agents have to act upon and transform social structures. But given the connectedness of these relations, the stratification of society and the difficulty faced in changing the whole set of relations, the capture of state power becomes the most important task. Rather than developing a heterogeneous model of transformation, the logic of the critical realist position points to the centrality of the working class. This might be denied by various critical realist theorists, but if critical realism argues that the social world is comprised of structures and generative mechanisms, and that these structures and mechanisms are stratified and hierarchical, then our task is to assess which are the key structures and what are the key agents within these structures. Obviously the producers are going to be the key agents if we argue that productive relations are key to understanding society. Having said this, it is obviously necessary to study the stratification of these relations and the stratification of their agents. Indeed, the stratification of both agents and structures gives reason for further consideration. By emphasising structural transformation, and by pointing in the direction of hegemonic projects, it is necessary to assess the importance of leadership and direction. It

does not require too much transcendental contemplation to come to the conclusion that, given the nature of society and the agents within it, and the fact that processes of change require interactions with several structures, practices and mechanisms, it is only through the leading role of the state, and some form of revolutionary party, that the transformation of society as a whole can occur.

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Notes

1. Bhaskar's own writings on hegemony are limited and he restricts the concept to hermeneutic struggles, rather than assessing hegemony's material location in the process of reproduction transformation (e.g. Bhaskar, 1993: 62). Of more interest is Esteve Morera's book on Gramsci's realism (Morera, 1990) as well as Jessop's work.
2. For an account of the genealogy of critical realism and other reminiscences see 'What is Critical Realism?' (in Bhaskar, 1989b: 180-193).
3. See Bhaskar (1989a: 133) and Bhaskar (1993: 10-11, 397).
4. Embracing the Hegelian idea of 'good conversation' or recognition of our conversational other, Richard Gunn would seem to suggest that theory develops internally through theoretical debate. But to make sense of a theoretical dispute it is necessary to examine those objects (structures, practices, events) to which theory refers. If theory and practice are one, then it would seem that this intransitive realm of objects is denied (or sunk into an inter-subjective swamp). As John Lovering (1989: 142) suggests, it would seem that Gunn gets caught up in epistemological disputes to the detriment of ontology. It must be said, however, that despite their adherence to these philosophical positions the open Marxists have produced some excellent theoretical analysis.

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