

# ***Long-run Stages of Capitalist Development***

## **On the granular structure of a mode of production**

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### **Abstract**

Since the 16<sup>th</sup> century several forms of the capitalist mode of production have shaped the evolution of the human species. Any closer inspection of the concept of evolution reveals that it is a name for a dynamic, which incorporates several underlying contradictions. Seen from a larger perspective, a unifying characteristic of the evolution of capitalism is necessary to justify the use of a common name for this time period. But parallel to this necessity, partly contradicting it, a set of shorter stages of capitalism are needed to understand how the long-run phenomena could emerge at all. During each of these stages some well-working mechanisms can be identified, which first led to a surge of this stage; and later, due to their working, these same mechanisms led to a partial collapse of the stage. In these shorter revolutionary intermezzi that often took several decades, new mechanisms were entering social evolution to maintain capitalism's basic thrust and at the same time to overcome the obstacles of the previous stage.

There clearly is a kind of fractal structure in such a historical treatment of capitalism's evolution: Within each stage of capitalism mid-range pulsations, sometimes called business cycles, can be observed which resemble the characteristic of the stage within which they are embedded. Of course, capitalism is a broad social formation and cannot be reduced to a simple core of stylized economic behaviour in the fashion of '*achieving the highest output with scarce resources*'. It extends to geopolitical power constellations as well as to cultural traits of capitalism's stages.

Capitalism in its long-run evolution, in its historical mission, brought about mainly two achievements: A tremendous increase in labour productivity and a more and more sophisticated design for a global democratic institutional framework guiding the species into the next, non-capitalist mode of production. Evolutionary and institutional economics are the sub-disciplines of political economy that traditionally assembled research in this area of research. And the consideration of the stages of capitalism is the place where the inner workings of the dialectics of continuity and break be best investigated.