1. Introduction

1.1 What is a Theory of History? What does it mean for “history” to be an object of theory?

There is often much confusion in social theory when people talk about “a theory of history”. What precisely does it mean to say that we should have a social scientific theory of history?

One possible answer is that this is an illegitimate “theoretical object”: we cannot possibly have a theory of history as such. Perhaps we explain specific events in history, and we can string such explanations together and call such linked explanations a “theory of history”, but in such an explanation the overall trajectory of history per se is not an object of explanation. Or, maybe, we can have a theory about specific historical changes or patterns – we could have a theory, for example of the development of the early modern state or a theory of the industrial revolution – and we certainly can develop sociological theory in a way that takes into account the concrete historical context of what we are studying. Our theory of economic inequality, for example, can certainly include an account of how the social processes that generate inequality vary across historical contexts – feudalism in Europe generates different sorts of inequalities than capitalism. But a real theory “of” history could still be a waste of time. That is, any attempt at a general theory of the trajectory of historical change will be a failure – this trajectory is so dominated by contingency, accident, concatenation of a myriad of complex forces that we cannot possibly say anything interesting or deep about the overall trajectory.

Marx aspired to construct an extremely ambitious theory of history: his effort was to treat the overall trajectory of human history – from the earliest forms of human social organization through the present and into the future – as something which could be explained. To say that the trajectory of historical change is a legitimate theoretical object of explanation implies that history is not simply an empirical outcome of a myriad of entirely contingent processes; some kind of systematic process is operating which shapes the trajectory of historical development. This systematic process need not produce a unique path of historical development -- actual, empirical history is undoubtedly the result of a variety of contingent processes intersecting this more law-like developmental logic -- but there will be some kind of determinate pattern to historical change.

It might help to understand what this means by comparing a theory of history to the theories of the historical trajectories of three other kinds of phenomena: the physical universe, living organisms, and individual organisms. Cosmology tries to develop scientific theories of the
origins of the universe, its trajectory of development, and its ultimate fate. The “Big Bang” is the current theory of origins, and recent developments in physics suggest that the ultimate fate of the universe is continual expansion until all energy dissipates into a cold death of the universe. Evolutionary biology is a theory of how natural selection, combined with random ecological events determines the trajectory of biological development. Evolutionary theory is a less ambitious theory than cosmology because it does not attempt to predict destinations, only to retrospectively explain what’s happened. Finally, modern biology explains the development of individual organisms from fertilized eggs through cell division to embryos, birth, organism development and eventual decline and death. Not everything in this trajectory is fully understood, but the basic idea that genetic structure determines the trajectory of development is well understood.

So, the question before us is this: can we develop a theory of the development of human society from earliest forms through the present and – perhaps – into the future that is like the theory of the development of an organism?

1.2 Why Bother?

Why should radicals want such a theory? This is not just because it would be cool to have a theory of history. It is not just out of idle curiosity. Rather, a good, systematic, robust theory of history would solve a crucial problem faced by any emancipatory critical theory. Here’s the core issue:

How do you make credible the possibility of a radical, emancipatory alternative to a world of oppression, inequality, domination? How do you really convince people that “another world is possible?” One answer, of course, is religion: divine revelation, faith. But how do you do this in a secular context or reason and science? A theory of history could provide a solution. Specifically, Marx eventually proposed a theory of history in which he tried to show that capitalism has an inherent tendency to destroy its own conditions of existence – that is, that the internal dynamics of capitalism push it along a trajectory in which, eventually, it becomes unsustainable. If this is solidly demonstrated, then the task of convincing people that a better alternative is possible is much simply, since some alternative to capitalism will be inevitable. I believe that the Marxist theory of history – historical materialism – is, above all, such a theory: a theory of the historical destiny of capitalism.

This is really a fundamental point so I will stress it again:

*Historical Materialism is, above all, a theory of the future.* This does not mean that it inherently posits a singular, ultimate destiny to human civilization – there can be multiple destinies, multiple paths; but it proposes that the tendencies towards future possibilities are knowable in the present. It is thus akin to cosmology.

If we provisionally accept the legitimacy of the project of building a theory of history, the question then becomes: what are the central driving forces which explain this trajectory? By virtue of what does historical development have a systematic, noncontingent character?
2. The General Theory of Historical Materialism & the Special Theory of Capitalist History

Historical materialism is really a collection of distinct theories which, while interdependent, nevertheless have some real autonomy. In particular, I want to distinguish between what might be called the “General theory of history” and the “specific theory of capitalist history”:

**General Theory** = an attempt to explain the epochal trajectory of human history from its primordial beginnings, through the present and even into the future. This is the theory of epochal history.

**Specific theory** = the theory of capitalist development, from the emergence of capitalism out of precapitalist society, through its dynamic development and to its demise.

In a sense the latter is what is ultimately important to Marxism. The General theory is important mainly because it ads force to the specific theory, provides it with -- hopefully -- firmer foundations so that the special theory becomes less dependent upon the adequacy of very detailed theoretical claims.

We will first look at the general theory and then, more briefly, at the specific theory of capitalism.

3. What precisely is the *explanandum* of the General Theory?

Classical historical materialism aspires to be a theory of the overall trajectory of history across epochs. This is still a bit vague, because, after all, it leaves unspecified how detailed the description of the trajectory to be explained should be. This is a controversial issue, and in the end the plausibility of HM may depend upon how fine-grained the theory attempts to be.

Cohen proposes that history should be divided into three broad stages that have actually occurred and a fourth stage that is predicted by the theory:

- **preclass society**: communal societies with no class divisions
- **precapitalist class society**: societies with exploitation based on direct coercion, or what is sometimes called “extraeconomic coercion”. Slavery, feudalism, tributary exploitation are examples.
- **capitalist society**
- **post-capitalist nonclass society**: this is generally conceived as socialism developing towards communism

This means that there are only two transitions that have actually occurred in history, and one that is predicted. Some people have tried to subdivide the precapitalist class society into distinct
economic structures -- slavery, tributary mode of production, feudalism -- and tried to order these into a more fine-grained historical trajectory. Cohen argues that this cannot be sustained. While HM may help to explain which type of precapitalist relations of production occur under different material conditions, it does not in fact contain any general abstract claims about the internal sequencing among these various forms.

4. The core intuition of the General Theory

Here is the core intuition of the General Theory: If you rewound the “tape of history” 1000 times (or had 1000 planet earths to experiment with) and began 100,000 years ago in a world where homo sapiens were fully evolved biologically but had not yet produced “history”, what would happen? The intuition is, first, that in all 1000 cases you would eventually get precapitalist class societies -- settled agriculture with exploiting classes based on extra-economic coercion and a specialized warrior class living off of the surplus. These societies would be able to conquer and subdue neighboring societies and force them to adopt the same division of labor. The second intuition is that eventually, with a long enough time span, somewhere there would be a consolidated capitalist breakthrough from these precapitalist relations. Once that happens capitalism would spread everywhere. The time horizons might vary a lot across the 1000 experiments, but eventually all of them would become capitalist.

We observe that this has actually happened in the world in which we live. The intuition is that something more or less like this would have happened in the 999 other experiments. The question, then, is: what kind of underlying causal mechanism would explain the outcome of this imagined experiment?

5. Functional Explanations

5.1 The basic logic of Cohen’s Reconstruction

Cohen believes that Marx’s account of this trajectory rests, at its core, on a special kind of explanatory principle, called “functional explanation”. Specifically, at the core of Cohen’s reconstruction of Marx’s views are two intersecting functional explanations:

#1. The forces of production functionally explain the relations of production, and

#2. The relations of production functionally explain the superstructures.

Before we try to unpack his specific arguments, we need to be really clear about what a functional explanation is.
5.2 The structure of functional explanations

A functional explanation is an explanation in which the beneficial effects of a structure are an important part of the explanation of the structure itself. The classic examples come from biology:

Q. Why do birds have hollow wings?
A. Because these are necessary if they are to fly.

Q. Why do giraffes have long necks?
A. Because this enables them to eat the leaves of the acacia tree

A consequence of something helps to explain its existence.

One of my favorite examples in sociology is Mallinowski’s famous explanation of fishing rituals among the Trobriand islanders:

Rituals occur because they have the effect of reducing fear. The explanation of rituals is via their consequences. Since this reduction in fear is beneficial to the community, we can say that there is a functional explanation of the occurrence and persistence of rituals. (draw the functional diagram of this explanation)

5.3 functional vs intentional explanation

Functional explanations are distinct from what is sometimes called an “intentional explanation”. An intentional explanation is an explanation in which the anticipated effects of an action enter into its explanation. When it is said, for example, that a particular law was adopted because politicians believed it would serve the interests of the capitalist class, an intentional explanation is being offered. A functional explanation, in contrast, would explain the law by its actual effects, not just its intended effects. The two may work together, of course: we could say that the introduction of the law was intentionally explained, but its persistence is functionally explained (i.e. the law remained in place because of its actual effects).

5.4 functional explanation & functional description

Many people dislike functional explanations because they are too easy to make, they are often facile, they are hard to prove or disprove. More specifically, it is very easy to slide from a functional description to a functional explanation. A functional description simply points to the beneficial effects of something. We observe that rain makes flowers grow. We can say that rain is functional for the flowers. There is nothing objectionable in such a descriptive claim. But we would regard as absurd the corresponding functional explanation: why does it rain? It rains so that flowers can grow. (Note that religions often do slide from functional descriptions to explanations in the natural world, where “God” becomes the mechanism which underwrites the functional explanation: Rain exists so that flowers can grow because God designed it that way).
Cohen stresses that it is essential to distinguish a functional description from a functional explanation. To say that rain dances among the Hopi indians (one of Cohen’s favorite examples) contributes to social cohesion is to present a functional description; to say that the existence Hopi rain dances is explained by the fact that they contribute to cohesion is to offer a functional explanation. Cohen’s thesis is that historical materialism -- the Marxist theory of history -- rests on such functional explanations.

Empirical observation about beneficial effects, therefore, is not equivalent to a demonstration of a functional explanation, but it can provide a basis for an inference about a dispositional fact which adds credibility to a functional explanation. If a functional explanation is correct, then there must exist some sort of underlying mechanism -- sometimes called a “feedback mechanism” -- which explains how it comes to pass that the structure is reproduced by virtue of its beneficial effects. In the case of functional explanations in biology, Darwinian natural selection constitute the core of such mechanisms: the beneficial effects of a trait increase the probability of the genes which produce the trait to be passed on to offspring. Cohen argues that an elaboration of such mechanisms is certainly useful in defending a functional explanation and is ultimately important for the theory within which the functional explanation figures to be complete. But he insists that a specification of such mechanisms is not logically necessary for believing a functional explanation to be valid.

[5.5 Functional explanations & dispositional properties (skip in lecture)

Cohen provides a philosophically complex defense of the underlying structure of functional explanations in which he introduces the idea of a “dispositional fact” in order to avoid a confusion in the usual understanding of the temporal structure of causation. I won’t discuss this in the lecture, but the notes will contain a brief account of this:

Many people have argued that functional explanations are absurd. How can a structure be explained by its effects? Cohen argues that this misconstrues the structure of a functional explanation:

It is false that . . . the resulting cohesion [i.e. the effect of the performance of rain dances] is put forth as explaining the performance of the rain dance. Instead, the performance is explained by this dispositional fact about the society: that if it were to engage in a rain dance its social cohesion would be increased” (Cohen, KMTOH, p.261)

If the functional explanation is correct, then it must be true that even in the absence of actual rain dances Hopi society is the kind of society whose cohesion would be enhanced by such rituals. This is equivalent to saying that it was a property of short-necked giraffes in the epoch before their evolution into long-necked giraffes that their survival probabilities would be enhanced by longer necks. Without the dispositional fact, raindances (or long necks) would not persist.]
5.6 Functional explanations vs epiphenomenal attributions

It is often thought that to adopt a functional explanation in social science is to relegate the structure so explained to some kind of peripheral or epiphenomenal theoretical status. Something is “epiphenomenal” if it is caused by something but has no effects on the world of its own. To say that the economic structure functionally explains the form of the state, for example, is sometimes taken to imply that the state is relatively unimportant, perhaps even that it is “epiphenomenal”. You have often heard the accusation that Marxism is an instance of economic or class “reductionism” because the state is functionally explained by the economic structure.

These accusations constitute a basic misunderstanding of the nature of functional explanations. Cohen gives an illustration of the base-superstructure functional explanation that shows this well:

imagine a building in which a roof (the superstructure) is mounted on four struts (the base). Without the roof, the struts would fall over; with the roof in place, the struts are stabilized and remain erect. It might be proper in such an instance to say that the struts functionally explain the roof (the roof takes the form it does in order to have the effect of stabilizing the struts), but this hardly relegates the roof to a marginal status. Without the roof, the struts would fall over.

This is precisely what historical materialism claims for the state: The state is massively important for the stability of capitalism; without a properly organized state, capitalism would be very fragile and perhaps collapse. So, the state matters. Nevertheless, it is functionally explained by class relations: the state takes the form that it does and engages in the practices it does because this form and these practices stabilize the class structure.

5.7. Functional explanations in HM

Now, the crucial point for Cohen is that historical materialism as elaborated in Marx’s work requires functional explanations. Take the example of the relationship between legal rights and economic powers: the powers would be empty without legal rights, so it seems like legal rights in the superstructure explain economic powers in the base. Only by interpreting this relationship as part of a functional explanation can the base be understood as having causal primacy over the superstructure.

Cohen introduces functional explanations as a way of reconciling two sets of seemingly contradictory propositions:

1a. the level of development of the productive forces in a society explains the nature of its economic structure.

1b. The economic structure of a society has the effect of furthering the development of the productive forces.
Cohen argues that 1a and 1b are compatible, and 2a and 2b are compatible, only if the word “explains” in the left hand propositions is taken to mean “functionally explains”:

1. the economic structure takes the form that it takes because this has the effect of furthering the development of the productive forces.
2. the superstructure takes the form that it takes because this has the effect of contributing to the stability of the economic structure.

We will focus mainly on the PF/PR relationship since this is the crucial relation for giving history a determinate structure. We will explore the problem of the “superstructure” more systematically when we engage the study of the state and ideology in the second half of the course.

6. Technological Determinism

Cohen argues that the only way of making sense of the general theory of history in Marx is to see it as a special variety of technological determinist. Historical materialism is based on the thesis, Cohen argues, that the forces of production explain the form of the social relations of production, and by virtue of this, the development of the forces of production ultimately explains the trajectory of social development. Let’s see how he builds this argument.

6.1. Why the PF tend to develop

Historical materialism begins, Cohen argues, with a primal fact about human beings and their situation in the world:

human beings live in a world of scarcity such that, to survive, they must transform nature in various ways. Furthermore, human beings are the sort of creatures which have the capacity (intelligence and instrumental rationality) to respond to this condition of scarcity by improving the forces of production at their disposal, if only in a slow and haphazard manner, in order to survive more satisfactorily.

This does not imply an incessant drive for technical change, but simply a minimal claim that when technical changes occur that improve productivity there will at least be a tendency for them to be eventually adopted. And once adopted, a given technical innovation is unlikely to be reversed, unless the knowledge behind the innovation is lost. This creates at least a weak transhistorical tendency for the forces of production to develop. It is this tendency which sets in motion an underlying dynamic to the transformation social forms.

How does this dynamic actually work? The basic story is the following:
1. by improving the forces of production, people gradually increase their capacity to transform nature to such an extent that eventually it becomes possible to produce more than the pure subsistence needs of the population. This does not mean that an actual physical surplus will in fact be produced, but simply that it can be produced. It is always possible that instead of producing a physical surplus, people will decide to work less, to have more “leisure” time.

2. Once the forces of production have developed to the point where a surplus can be produced it becomes possible for a class of people to arise who do not produce at all, but who, through one mechanism or another, appropriate some or all of that surplus. Why, given this possibility, do classes actually emerge?

3. G.A. Cohen has argued that the emergence of classes under these historical conditions of potential surplus, should be explained functionally: classes emerge because, given the level of development of the forces of production, their emergence enhances the further development of the forces of production.

6.2 A functional Explanation for the emergence of classes.

In the absence of an exploiting class, the forces of production would eventually reach a point where they would permanently stagnate. Producers would simply opt for less work rather than more production, and once work was reduced beyond a certain point, they would become relatively indifferent to subsequent improvements in productive forces. If an exploiting class emerges, however, the stimulus for the development of the productive forces would be sustained for two reasons: first, the exploiters would have an interest (if only a weak one) in improvements in productivity since this would increase the surplus available to them and thus their power; secondly, the condition of scarcity would be perpetuated for the direct producers and thus their interest in increasing productivity would be maintained. The functional explanation then asserts that an exploiting class emerges precisely because this transformation of the relations of production has the effect of furthering the development of the productive forces.

The argument so far merely shows that if classes emerged in the specified conditions, they would further the development of the forces of production. But why should one expect classes to actually emerge at all under these conditions? One possible explanation would proceed in the following manner [Note: this is story-telling, not scientific demonstration]:

For long stretches of human history a high enough level of productivity existed to allow for exploiters without an exploiting class emerging. As a contingent event, however, from time to time in any given community, someone, some family or some group will attempt to become an exploiter, either by subordinating part of the community or by subordinating some other community. (Classes need not initially arise primarily through class differentiation within communities; in many instances they may have been forged by the enslavement of one community by another). Given the relatively low level of productivity combined with the
potential for a surplus, the material payoffs to those succeeding in this attempt are potentially very great.

Many -- perhaps most -- such attempts would fail for one reason or another. But a few eventually succeed. When they do, if they are able to consolidate their positions with appropriate institutional protections -- especially proto-state coercive apparatuses -- then the new class structure will tend to be self-perpetuating and perhaps expansive. Why? There are two basic reasons: first, with respect to potential conflicts with other communities, all things being equal, a society with an exploiting class is likely to be militarily superior to classless communitarian societies. A division of labor over military functions is more likely under conditions of exploitation where part of the surplus can be used for this purpose. This will mean that in the long term class-based exploitative communities will tend to subordinate classless, communitarian communities.

Secondly, the ruling class in such a society is able to adopt a wide range of strategies which make it difficult for the exploited to overthrow its power. Both through repression and cooptation a ruling class that controls the surplus is in a strong position to disorganize opposition and maintain its power.

Now, here is the crucial point: **Such attempts at forging class relations are most likely to be stable and to be reproduced over time where they lead to the further development of the productive forces.** When it happens that the consolidation of an exploitative class structure leads to a serious deterioration of productive forces, then in the long term it would be expected that such a society is likely to experience severe crises and disruptions, and above all to be vulnerable to subordination by societies with more dynamic class structures. To the extent that the forces of production further develop because of the pressures from the class structure, then the available surplus for purposes of social control and expansion is also increased (if only slowly), and this in turn would increase the stability of the class structure.

In the long run, because of such processes of conflict within and between societies, there will be a tendency for exploitative class relations to persist when they would in fact facilitate the expansion of the forces of production. The emergence of exploiting classes, therefore, tends to create a ratchet-like character to transformations of social forms: once a class structure is established it becomes much less likely that classlessness will reemerge than that class structures will continue. The implicit mechanism is basically some kind of quasi-Darwinian natural selection: societies with dynamic capacities to develop the forces of production will tend to thrive, spread, conquer, outcompete; societies with stagnant forces of production will lose out in such a process and will disappear unless they are isolated.

### 6.3 A Functional Explanation for the Transformation of class structures.

This explanation for the initial emergence of classes is a specific instance of a more general functional argument, namely that the social relations of production are what they are because they optimally facilitate the development of the forces of production. Given the level of
productivity in these early societies, the subsequent development of the forces of production would be enhanced by the emergence of classes, and this is precisely what (functionally) explains such emergence.

Cohen argues that Marx supported, if only implicitly, the functional explanation of this first epochal change in human society. The critical question for historical materialism then becomes why this initially formed class structure does not continue indefinitely? Cohen adopts the same basic functional explanation to account for the subsequent trajectory of social forms:

Once exploiting classes are established, if their rule is to be stabilized, then political and ideological “superstructures” must emerge (either by design, trial and error, or luck) which have the effect of reproducing the power of such exploiting classes. The forces of production, however, continue to develop under the double impulse of human beings contending with nature and ruling classes appropriating the surplus. This development may be exceptionally slow and erratic, but technical change will continue within the institutional constraints of a given class structure.

This continued expansion of the productive forces sets the stage for the central contradiction announced by Marx in the “Preface” to A Contribution to a Critique of Political Economy: the social relations of production become institutionally frozen through the creation of political and ideological mechanisms (superstructures) which maintain a particular ruling class in power while the forces of production continue to develop. Eventually, it is argued, the forces of production reach the limits of possible expansion under the existing relations of production. The relations then cease to stimulate the development of forces of production, but instead become fetters on such development, obstacles to the future enhancement of productivity. This constitutes what is called the “contradiction between forces and relations of production”.

How is this “contradiction” resolved? There are three possibilities:

(1) the forces of production could regress;

(2) a condition of permanent stagnation could exist;

(3) the relations of production could be transformed in such a way to allow for the future development of the forces of production.

If one accepts the functional arguments advanced by Cohen, then the third of these would tend to be the long-term outcome of such contradictions. That is, when the relations of production fetter the forces of production, there will be a systematic long term tendency for the relations of production to be transformed (i.e. for the class structure to be transformed) in order to liberate the subsequent development of the forces of production. With the transformation of the class structure, the accompanying superstructures -- which are themselves explained by the functions they serve for reproducing the class structure -- are also transformed.
6.4 The outcome of transformation

One more element is needed in the argument for the theory to yield a determinate overall trajectory to historical epochs. If it were the case that there were an indeterminate variety of new social relations of production that could follow in the wake of the destruction of old relations of production, then the argument above would not yield a well defined historical trajectory. Cohen, therefore, adds to what has been said so far what can be termed the “optimality” thesis. This states not simply that when the relations of production fetter the forces of production it is the relations which will be transformed, but that they will be transformed in such a way as to optimally facilitate subsequent development of the forces of production.

The epochal development of human societies is thus marked by two primary movements:

1. the more or less continuous development of the forces of production, sometimes rapidly, sometimes slower, and occasionally fettered; and

2. the radically discontinuous development of the relations of production and their corresponding superstructures.

The epochs of human history are thus qualitatively marked off by the discontinuities in their relations of production. These epochs follow a particular trajectory or sequence because in each epoch those relations optimally suited to the development of the forces of production will exist.

Remember, that this argument is meant to only explain a trajectory consisting of a specific sequence of three historically occurring forms of society and one predicted future form.

The overall argument defended by Cohen can be summarized in terms of five basic theses:

1. **Compatibility Thesis.** Given a particular level of development of the forces of production, only certain relations of production are possible; given a particular form of the relations of production, only certain levels of the forces of production are possible. “Possible” means that only certain combinations of forces and relations of production would be stable. If an attempt was made, for example, to restore slavery under advanced technologies, it would ultimate be unstable and generate the kinds of turmoil and crises that would lead to a transformation of the production relations. More poignantly, if the attempt is made to create socialism under unfavorable conditions (i.e. under conditions of technological backwardness without a sufficient surplus to sustain socialist relations of production), then it too will generate crises which will lead to a transformation of the social relations.

2. **Development thesis.** The forces of production tend to develop through history.

3. **Contradiction thesis.** Given the compatibility thesis and the development thesis, for any given form of relations of production (with the exception of developed communism) there will come a point in which the forces of production become fettered by the relations of production.
4. **Transformation Thesis.** When the relations fetter the forces, in the long run there will be a systematic tendency for the relation to be transformed to unfetter the forces.

5. **Optimality thesis.** When the relations of production are transformed, new relations of production will be created which are optimal, given the existing level of the forces of production, for the further development of the forces of production.

Taking these theses together generates the general theory of historical trajectory originally presented by Marx and systematically elaborated by Cohen. In the next session we will examine a variety of problems within this theoretical construction.

7. **The special theory of capitalist history**

Within Marxism the crucial pay-off of a theory of history is its application to the specific case of understanding the logic of capitalist development. Historical materialism is not just a general theory of all of human history; it is also a specific theory of the trajectory capitalist history. Indeed, one might argue that this is the very heart of classical Marxism: a theory about the historical trajectory of the development of capitalism culminating in a revolutionary rupture which leads to socialism. The theory is based on two causal chains, both rooted in the internal dynamics of capitalism as a mode of production. One causal chain leads from the contradictions between forces and relations of production within capitalist development through the falling rate of profit to the fettering of the forces of production within capitalism and thus the long term nonsustainability of capitalism; the other causal chain leads through the growth of the working class to the increasing capacity to transform capitalism of those historic agents with an interest in such transformation. The coincidence of these two causal chains makes a rupture in capitalism desirable and possible.

**The Traditional Marxist Theory of How Capitalist Contradictions ➔ Socialism**

Of course, this gets elaborated in a much more complex manner than this simple schema: there are specific stages of capitalist development, each with their own specific form of emerging contradictions between relations and forces of production. Each stage is characterized by specific kinds of crisis tendencies which continue until eventually the relations of production are transformed from one form of capitalism to another in such a way as to stimulate the subsequent development of the forces of production.