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Statement of purpose

Taking stock of the universe of positions and goals that constitutes leftist politics today, we are left with the disquieting suspicion that a deep commonality underlies the apparent variety: What exists today is built upon the desiccated remains of what was once possible.

In order to make sense of the present, we find it necessary to disentangle the vast accumulation of positions on the Left and to evaluate their saliency for the possible reconstitution of emancipatory politics in the present. Doing this implies a reconsideration of what is meant by the Left.

Our task begins from what we see as the general disenchantment with the present state of progressive politics. We feel that this disenchantment cannot be cast off by sheer will, by simply “carrying on the fight,” but must be addressed and itself made an object of critique. Thus we begin with what immediately confronts us.

The *Platypus Review* is motivated by its sense that the Left is disoriented. We seek to be a forum among a variety of tendencies and approaches on the Left—not out of a concern with inclusion for its own sake, but rather to provoke disagreement and to open shared goals as sites of contestation. In this way, the recriminations and accusations arising from political disputes of the past may be harnessed to the project of clarifying the object of leftist critique.

The *Platypus Review* hopes to create and sustain a space for interrogating and clarifying positions and orientations currently represented on the Left, a space in which questions may be raised and discussions pursued that would not otherwise take place. As long as submissions exhibit a genuine commitment to this project, all kinds of content will be considered for publication.

Submission guidelines

Articles will typically range in length from 750–4,500 words, but longer pieces will be considered. Please send article submissions and inquiries about this project to: *review_editor@platypus1917.org*. All submissions should conform to the *Chicago Manual of Style*.

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The Platypus Review

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THE CRISIS OF NEOLIBERALISM

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John Milios

Emmanuel Tomaselli

Boris Kagarlitsky

www.platypus1917.org

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the right (Democratic Party or UK Labour) candidates. failure that could be easily reversed by simply electing neoliberalism was a more or less superficial political into the prevailing sentiment on the “Left” that account of neoliberal political corruption. This played years forgot his earlier insights in favor of a caricatured its diagnosis of the problem, his work from more recent book *The Condition of Postmodernity*—was very acute in Harvey’s work from the 1980s—for example his 1989 around Trump’s election now. For instance, while David repetition and compounding of this failure is manifesting events ever since Thatcher and Reagan’s election. A of neoliberalism, which has scrambled to chase after still is the legacy of the 1980s post-New Left of the era the present crisis and possibilities for change. Worse of the 1960s—does not facilitate a good apdpproach to that of both the Old Left of the 1930s and the New Left phenomenon. The heritage of 20th century “Marxism”—2016 election outcome, but a much broader and deeper crisis of neoliberalism, which is not an accident of the to defeat Trump, this might avoid, but cannot erase, the is to dodge the issue. For even if the Democrats were advise the Democrats on how to defeat Trump. But this “Left” might be posing this question now is in order to possibilities beyond it? This is the question that must be What is the Trump phenomenon, as an indication of point beyond itself. indeed required—is seeing how a crisis and change may as adequately critiquing the change. What is needed—taking political opportunity for change, is not the same and grasping the change, albeit with hindsight, let alone substitute for understanding. But reconciling to change already happened. Such “explanation” may serve as thus legitimating in retrospect the change that had changes, this was done apologetically—justifying and the time the “Left” began to try to make sense of the the “Left’s” response has actually been affirmative. By was met with panic and futile denunciation. As such, have been adequately grasped. Instead, each change the crisis of Fordist capital that led to neoliberalism, Coalition leading to the New Left of the 1960s–70s, nor the Great Depression, nor the crisis of the New Deal past several transformations of capitalism. Neither

character. Avowed “Marxists” have failed to explain the through political revolutions of a more or less drastic Capitalism has continued and will continue than through the Left’s own “revolutionary politics.” thunder—when change happens from the Right rather “Left” cries foul when mainstream politics steals its hysteries are less about society than about itself. The wishful thinking. The problem with the “Left” is that its transformation. Such hysteria amounts to thinly veiled were collapsing rather than experiencing a political “fascist” when he was elected, as if liberal democracy FDR a “fascist,” just as the New Left called Reagan a The “Left”—the Communist Party—initially called politics—just as happened with FDR and Reagan. realignment of mainstream, liberal-democratic continue as well as change. There will be a political anti-neoliberal but as a post-neoliberal. There will be Fordism, it is necessary to consider Trump not as an neoliberalism not as anti-Fordism but as *post-* Just as David Harvey found it helpful to describe neoliberal Democrats. defeat the neoliberal Republican Party as well as the Great Society Democrats. Similarly, Trump has had to defeat the Nixonite Republican Party as well as the Conservative Party. The same with Reagan, who had against not only Labour but also the established the UK, and the rise of Thatcher’s neoliberal revolution coalition and its related politics elsewhere, such as in through the crisis of the Democratic Party’s New Deal economic downturn but also, and perhaps especially, which found an opportunity not only in the post-1973 1960s–70s. That crisis gave rise to neoliberalism, of democratic politics experienced a crisis in the sustained through democratic politics. But that form to “save capitalism from itself,” was achieved and democratic means. For instance, FDR’s New Deal, But capitalism has also been reconstituted through thus legitimating in retrospect the change that had changes, this was done apologetically—justifying and the time the “Left” began to try to make sense of the the “Left’s” response has actually been affirmative. By was met with panic and futile denunciation. As such, have been adequately grasped. Instead, each change the crisis of Fordist capital that led to neoliberalism, Coalition leading to the New Left of the 1960s–70s, nor the Great Depression, nor the crisis of the New Deal past several transformations of capitalism. Neither

Clinton, Tony Blair, and Barack Obama. Neoliberalism elections (and re-elections) of Thatcher, Reagan, Bill triumphed through democracy—as demonstrated by the and neoliberalism are in conflict. But neoliberalism populists” phenomena? This suggests that democracy then, Sanders, Corbyn, and SYRIZA are “left-wing means to call him a “right-wing populist”—presumably, Trump as an anti-neoliberal politician. This is what it neoliberal politics that is in crisis. It is easy to mistake it clarifies to regard neoliberalism as politics. It is unclear concept, often substituting for capitalism itself. election is the most dramatic expression of this political crisis of neoliberalism. Neoliberalism has been an SYRIZA’s election in Greece, Jeremy Corbyn’s rise to leadership of the Labour Party, the Brexit referendum, and Bernie Sanders’s as well as Donald Trump’s SYRIZA’s election in Greece, Jeremy Corbyn’s rise to a political crisis. That political crisis was expressed by crisis of 2007–08 has taken eight years to manifest as a delayed response to the 1973 crisis. The economic election in 1979 and Reagan’s election in 1980 was Revolution of the late 1970s to early 1980s. Thatcher’s of political neoliberalism, in the Reagan-Thatcher a crisis of its politics. In this way it mirrors the birth Chris Cutrone: The present crisis of neoliberalism is Opening remarks Trump won the election in November? of neoliberalism has largely come from the Right, and the aim of overcoming capitalism and achieving How can the Left struggle for political power, with crisis post-2008, against attempts at political change? supported attempts to politically manage the economic crisis of neoliberalism? Why has the Left recently individual freedom affect the Left’s response to the the defense of the welfare state and the defense of How does this distinction within the Left between globalization, state, through appeals to anti-austerity and anti-generation through a defense of the post-war welfare on the Left have opposed neoliberalism for over a administered by the Fordist state. Distinctively, others Fordism.” The movement of labor and capital was still of “late capitalism” and David Harvey’s idea of “post-

Fordist state, for example in Ernest Mandel’s conception “neo-liberalism” to be continuous with the post-war Some on the Left have understood this phase of form of neoliberalism—is still ambiguous today. politically by the Right—in the name of “freedom,” in the significance of the fact that all these aims were taken up professional-managerial class. Since the 1970s, the formerly oppressed identity groups into the corporate these leftists supported the Right’s efforts to integrate state. Against Keynesian economic demands, many of of expanding individual and collective freedom from the Fordism, through community organizing on the principle challenged the existing political order, of Keynesian-industrialized capitalist countries, many on the Left supported the development of the welfare state in Departing from official Communism, which had largely in an era of full employment and economic growth. In the 1960s, the Left faced political and social crises struggle for socialism under such circumstances? proven wrong. What can the Left do to advance the infamous phrase, “There is No Alternative,” has been and change is palpably in the air. Margaret Thatcher’s election. The old neoliberal consensus is falling apart, move to “Red Toryism,” and now Donald Trump’s Right, through UKIP, Brexit, the UK, Conservatives Labour leadership, has found expression on the avowed Bernie Sanders’s candidacy, and Jeremy Corbyn’s Arab Spring, anti-austerity protests more generally, the phenomena such as SYRIZA, Occupy Wall Street, the austerity. The post-2008 crisis of neoliberalism, despite neoliberal capitalism—the move to transnational trade the Democratic and Labour parties to reverse or slow years, since the crisis of 1973—placed its hopes in The Left has for over a generation—for more than 40 following speakers: Chris Cutrone, President of Platypus; John Milios, former chief economic advisor of SYRIZA; Emmanuel Tomaselli, of the International Marxist Tendancy; and Boris Kagarlitsky, of the Institute for Globalization Studies and Social Movements in Moscow. What follows is an edited transcript of their discussion. On February 18, 2017, as part of its third European Conference, the Platypus Affiliated Society organized a panel discussion, “The Crisis of Neoliberalism,” at the University of Vienna. The event brought together the following speakers: Chris Cutrone, President of Platypus; John Milios, former chief economic advisor of SYRIZA; Emmanuel Tomaselli, of the International Marxist Tendancy; and Boris Kagarlitsky, of the Institute for Globalization Studies and Social Movements in Moscow. What follows is an edited transcript of their discussion.

Chris Cutrone, John Milios, Emmanuel Tomaselli, and Boris Kagarlitsky

The Crisis of Neoliberalism

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neoliberalism as a political crisis right now with respect to the Trump phenomenon and set aside whether or not Trump is really “responsive” to the economic problem. Now I find myself wanting to flip it over and remind us all that Fordist capital, Keynesian Fordism, underwent a crisis in the late 1960s and early ’70s. A low-profit and high-wage regime seeking full employment, throughout the whole *international* system of capital, experienced a crisis. That crisis was not identical to, but it did historically coincide with, the crisis of the New Deal coalition. In many respects the crisis of the New Deal coalition in the U.S. was the product of growth. In other words, the proletarianization of the black South, but also the migration of black workers to the North, facilitated the Civil Rights Movement and the abandonment of Jim Crow. To be clear, these economic factors did not strictly determine or “cause” the Civil Rights Movement, but they did *facilitate* it. I think that we have to articulate the relationship between economics and politics, which is not “deterministic” in the narrow or colloquial sense.

One could say that already the Reaganite coalition was showing signs of stress under President George W. Bush. It was never an easy alliance between the neoconservatives and the neoliberals, or between the neoliberals and the Christian fundamentalists, or even between the Christian fundamentalists and the neoconservatives. When we talk about consensus or coalitions politically, I emphasize the question of ideology because, while these were built at a concrete practical level, they were also made plausible at a broader ideological level. Everything that has succeeded practically also made sense, at least at the time, to people generally in terms of their experience of capitalism. This raises a broader question than whether economic policies work or do not work. It is enough if they *seem* to work. Reagan was a response to the downturn of the 1970s but that hardly means that “Reaganomics” worked. What worked was very simply the coalition that got Reagan elected twice and George H.W. Bush elected in 1988. Trump does not have to do anything except get reelected. He does not even need the support of any particular section of the ruling class, as such, provided he can get enough votes in the right places. That is why I would push back on the questions, “Will this work? What are the contradictions in the policy?” Trump is particularly well suited to do whatever works, but we have to keep in mind what “working” means: He just has to get reelected.

The way parties manage their own electoral coalitions, how they articulate consensus, will affect the shape of capitalism, but not necessarily in the manner that the politicians intended. With respect to “Make America Great Again,” the United States is the United States and not just any other country, so this slogan is not simply equivalent to nationalism elsewhere, or to nationalism in the traditional sense. After all, Trump sent Rudy Giuliani down to Mexico wearing a hat that read, “Make Mexico Great Again.” He has also claimed that better trade policy with China will be better for the Chinese. Perhaps I have put too much on the table, but I want to remind everyone that the crisis of the 1970s was economic and political, but economics and politics are not the same thing, even if each feeds into the other.

JM: I think we must differentiate between the crisis of neoliberalism and the idea that neoliberalism is falling apart. I disagree on this point. I do not think it is correct to evaluate whether or not neoliberalism is falling apart from the perspective of effective demand, which assumes that capitalism needs effective demand in order to be strong, to maintain high growth rates, and so on. Marx says in Volume II of *Capital* that every capitalist wants the workers of all other capitalists to have high purchasing power so that they can buy his products, but wants his own workers to have low wages in order to maximize profits. This is a contradiction, but if we do not have a labor movement pushing for higher wages, nothing will happen, because every capitalist thinks of himself or herself first. That is, absent a labor movement, capitalists will simply put all their energies into lowering labor costs.

We cannot expect that the ruling class itself is going to change course. What happened in the U.S., with the New Deal, in Germany during the 1930s, or in Sweden depended on other factors. The labor movement led to these situations. Marx refers to the development of the productive forces but, looking at his work on the whole, what takes precedence is the class struggle. We should focus on class struggle in order to interpret the crisis of capitalism and the crisis of neoliberalism.

ET: I appreciate the advice of the other panelists; now I will give some of my own. First, whatever the other panelists say, neoliberalism is not falling apart. There is a crisis of capitalism in general, not of a particular period of capitalism. Despite all the gestures toward neo-protectionism and trade wars, we cannot view this narrowly as a “neoliberal problem,” a framework that leads only to the conclusion that “another capitalism is possible.”

What do we have in Greece—or, rather, what did we have? Did we have a crisis of neoliberalism, or a crisis of capitalism itself, dragging society down into the abyss? This is not merely an ideological problem. SYRIZA’s strategy of re-establishing a different, anti-neoliberal version of capitalism in Greece led to a complete defeat of the working class, in spite of a mass movement in which 60 percent of the people were saying “Oxi!”, “No!” This is not a theoretical debate; it speaks directly to the class struggle. How do we fight, and with what program?

Boris said that capitalism is always transforming itself. This is true, but *how* does it transform? We have entered a new epoch of capitalist development. We need to look at the long waves, which is what John was picking up on. There was a generalized crisis of capitalism in Vienna in 1873. Five years of crisis were followed by a long upswing that inaugurated the period of imperialism, culminating in the First World War. Then

we have the October Revolution of 1917, which created an unclear situation among the imperialist powers and a period of instability in world capitalism during the interwar period. The Second World War made the question clear in ways that the Great War could not. On the one hand, the end of the Second World War marked the beginning of a period that strengthened the planned economy of the kind seen in the Stalinist USSR and, on the other hand, the strengthening of Western capitalism. This twofold development was the basis for “peaceful coexistence,” as it was called in Moscow, which meant a long-term capitalist upswing that lasted until 1973–74, the first generalized crisis of capitalism after the Second World War.

In the early 1970s we see the beginning of a new political offensive seeking to increase the rate of profit of various national bourgeoisies. A decade later you have Thatcher and Reagan, along with the clamdawn on the miners in Britain and the Professional Air Traffic Controllers Organization in the U.S. You also have the cultural revolution for liberalization of the Soviet Union, ultimately leading to its collapse, and the penetration of global markets in China and India. At the end of 1989, one billion people have been introduced into the capitalist world market, an influx that sustains a system in crisis, but only for so long. From 2000 onward, there is one explosion of debt after another. The year 2008 marks the culmination, not the beginning, of this crisis. Credit cannot be extended any further. The fuel provided by China’s integration into the world market has been exhausted. What we have now is an organic crisis of capitalism; there is no way out. The Left has to adopt a scientific program in order to overcome capitalism by its own means. As a leftist, the only thing to struggle for now is the expropriation for the bourgeoisie. There is no other capitalism possible.

BK: I expect this will not be popular but, on the contrary, I think another capitalism is entirely possible. The big question is whether we like the new form of capitalism or not. It may well be worse than what we had. Rosa Luxemburg was correct to pose the question, “Socialism—or barbarism?” But the point now is that barbarism won, and is winning, and will continue to win, because of us—because of the *Left*. We failed to create the proper alternative. You can say, “Expropriate the capitalists.” Is there any socialist who does not favor the expropriation of the bourgeoisie? If that is not on the agenda, you are not a socialist. But politics is about concrete steps. The goal has to be articulated through a practical strategy, or else you end up repeating general slogans and principles while disaster unfolds.

The system does not change without specific social and political events. However, these events reflect the tendencies of preceding economic development. When objective economic contradictions become irreversible, we see things like splits of the ruling class, which does not just involve the coalitions of the ruling class per se, but the broader political and social coalitions that try to stabilize the system.

John brought up the paradox that every capitalist wants higher wages for workers of the other capitalists, but not for his own workers. The way to work that out, according to Marx, is through what he called the political economy of the working class—workers’ organizations and political action through the state. In that sense, the working class forces the capitalist state to discipline capitalists, to bring them in line with political rule. As in Marx’s discussion of the English Factory Acts in Volume I of *Capital*, it may seem strange how much space Marx devotes to these sometimes minor acts in the history of English capitalism, but they are important because they demonstrate how the state puts political pressure on the capitalist class. Ironically, these successes of the labor movement often strengthen capitalism, rather than weaken it. Even when workers win economic struggles and political battles for social democracy, what is the outcome? Capitalism changes its model and resolves the crisis. Does this mean we have to drop economic struggles? No—but we have to be honest with ourselves. We have to understand the contradictions, not just of capital, but also within our own activities and our own politics.

Finally, speaking about neo-protectionism, and in light of the anniversary of 1917, I should mention that between 1890 and 1913 Russia was one of the most protectionist capitalist economies of the world, a fact reflected very well in the works of Mikhail Pokrovsky. Protectionism contributed massively to the formation of the revolutionary working class in Russia and the Bolshevik Party. The successes of the labor movement contributed to the success of capitalism, but, ironically, one of the preconditions for the success of the revolution depended on the success of capitalism. That is the other side of the same dialectic. We have to keep on fighting, but with open eyes. We have to understand that everything is contradiction. We should not give up, but we must face the contradictions, consequences, and problems that we ourselves create through our own movement.

O&A

Does Trump represent something different, politically? There seemed to be disagreement among the panelists. Emmanuel, in particular, seemed to be saying, “There’s no ideology now in economic policy and it is all the same.” I took this to mean that, in your view, we do not really need to pay attention to bourgeois politics right now. But what is the alternative? “Transitional Program plus crisis equals revolution”? Without an understanding of bourgeois politics and the state, how would we be ready, as Boris put it, to “keep our eyes open” as we try to advance the political struggle?

ET: I never said that bourgeois politics does not matter. We can see now that capital is losing its control over the political process. This matters a lot because, objectively, a split in the ruling class is a precondition for revolution.

Trump is not the candidate of Wall Street, even if he is a rich guy. He is a mad, mad, mad man, but he does not reflect the general interests of the ruling class of the United States. We see a similar phenomenon with Brexit, which was against the interests of London. Brexit began as a conflict in the Tory Party. That the Tories had to put to the vote such a broad and important question for British capitalism is itself an indication of weakness in the British bourgeoisie.

Marx and Engels write about British importation law and the question of protectionism. There, too, they tried to use a conflict within the ruling class in order to advance social issues on behalf of the working class. However, they did so without simply taking one side or the other in the conflict. I think we have to do something similar with respect to the European Union. Clearly, there is a project of de-globalization that will inevitably lead to breaks from the European Union. Politics re-emerges, but through right-wing, bourgeois politicians, not through the working class or the Left. However, the blame for this should not be laid on the working class, but on the wrong, reformist program of their leadership.

JM: Well, it must be said that capitalism will not fall apart unless we overthrow it.

ET: That is true.

BK: Yes, of course.

JM: I want to remind you that Lenin wrote the subtitle to his book *Imperialism: The Highest Stage of Capitalism*, more than a hundred years ago. How many years is this “highest stage” going to last? Must we wait another hundred years? Yes, the ruling class is split. However, a split in the ruling class only means that there are different programs of hegemony over the ruled classes. Trump deviates from mainstream policies in certain aspects. On the other hand, in this deviation, he creates a consensus with part of the ruled classes, among the petit bourgeoisie and even some segments of the working class. The purpose of this consensus will be to *stabilize* capital. Since the second half of 2013, the leadership of SYRIZA have based their outlook on the idea that austerity was a false policy being put forward by idiots. This was not correct.

ET: The idiots won.

JM: They won because it was the correct policy for capital! Creating conflict within the working class through austerity, pitting those with relatively higher wages against those with very precarious working condition—this strategy worked. It was not a “wrong policy.” Even on the Left, the issue was typically framed as a conflict between Greece and Germany, which was terribly misguided. As we saw in the referendum, the ruling classes of Greece had about 40 percent of the population supporting their calls for austerity, whether out of fear or perceived self-interest. They were only slightly in the minority, and they were much better positioned politically, with greater resources, more positions in the state apparatus, broader influence in the media, and so on. The leadership of SYRIZA straddled two different boats. Since early 2014 it was clear that SYRIZA was more interested in speaking about development and growth rather than the class interests of the working masses. That is why I stayed out of the most recent elections; I did not want to be part of SYRIZA in parliament.

With respect to Brexit, for quite some time now Tory MPs have been talking about national independence and how Europe has deprived Britain of her sovereignty. Brexit is a conflict between two competing strategies of the bourgeoisie. In my view, we always have to stick with labor interests. That is, we must follow a revolutionary path—in the state, but also against the state, and against any of the mainstream policies.

If you use the classical terms, my question concerns the relation of base and superstructure. One major topic of debate tonight has been, What sort of meaning do we give to bourgeois politics? Chris talked about what is happening in the Democratic and Republican parties in terms of arrangements at the level of the “superstructure.” On the other hand, Boris, you seem to view Trump as an expression of arbitrary contradictions in the class interests of different segments within the bourgeoisie, struggling for power. What is the relationship between base and superstructure, here? How can we make sense of what is happening on a political scale with respect to the economy, and vice versa?

CC: First, not to get too Marxological or pedantic with respect to “base” and “superstructure,” but the issue in Marxism is the contradiction between the two. In other words, the fact that we would even distinguish between base and superstructure is a phenomenon of capitalism. Not only is there a contradiction between base and superstructure, but also, as Boris pointed out earlier, the superstructure lags behind the base.

In the process of capitalism’s reproduction, there is a temporal contradiction that cannot be reduced to merely sociological, economic, or spatial phenomena. Moreover, capitalism does not really “reproduce itself.” What is re-produced is the contradiction, the crisis. Emmanuel gave a long account of how capitalism has kicked the can down the road, basically for 150 years, from the 1870s all the way to the present. Perhaps, finally, they cannot kick the can down the road anymore, because every strategy has been attempted and failed. I am not sure I agree. Like Boris, I tend to think that they do not really need a strategy. Capitalism can continue just because people are desperate enough to want a job, so new forms of employment will be created and the valorization process of capital will begin anew.

With respect to base and superstructure, I would raise what David Harvey points out about Henry Ford, who combined the idea of cheap cars, high wages, and

a disciplined workforce. Ford wanted workers to be able to buy both his cars and his competitors’. However, Ford’s strategy was actually formulated well in advance of its adoption as a regime of accumulation in capital, which did not really happen until after World War II and was therefore not simply a phenomenon of the New Deal. Similarly, John Maynard Keynes’s view of capitalism is formulated in the pre-World War I world, but it only finds an opportunity to be implemented in the context of the Great Depression. You can say, “These strategies were ahead of the curve,” but only in retrospect. Even so, I think we have to be skeptical of the idea that Fordism and Keynesianism *ever* really worked. What saved capitalism from the Great Depression? This is a long-standing controversy. Was it the New Deal, Fordism, or Keynesianism—or was it the massive destruction of World War II, creating the opportunity to redevelop capitalism on a global scale?

When we talk about base and superstructure, we are not talking about “determination” in the way that, for instance, Louis Althusser meant it. With Marx, the point is the contradiction of the superstructure—bourgeois social relations—and the economic base—the industrial forces of production. There is no politics of the latter. For Marx, the industrial forces of production are pure potential. The only politics is that of bourgeois social relations, the “superstructure,” whether of capital or of labor. It encompasses all of politics. Marxian socialism itself is a product of bourgeois social relations. It comes out of political economy, out of labor as value, out of a society of work, and so on.

To bring it back around to Trump, whatever we might say about him in terms of protectionism, nationalism, racism, or whatever else, at the end of the day he is an arch-bourgeois character who walks around with a CliffsNotes version of Adam Smith, perhaps with a few addenda from Keynes. He has a strange, mid-20th century “common sense” understanding of capitalism, and he claims that he never liked the company of other rich people, but preferred to hang around the job site with workers at his father’s construction firm.

We are talking about conflict over bourgeois social relations in the superstructure and how such conflicts ideologically make sense. Sometimes it makes sense for mainstream, centrist politicians to say, “Yes, we want to put everyone to work in order to grow the economy,” and sometimes it makes sense for them to say, “Social Darwinism—sink or swim! There will be winners and losers.” That is where the conflict is hashed out, in politics—in the “superstructure”—not at the level of what is “really going on” in the base. As long as we have capitalism, we never see the real potential that could be achieved, through socialism, out of the industrial forces of production. That potential is expressed only in obscure, perverse, and self-contradictory forms in an otherwise bourgeois world.

BK: For Marx, “base” and “superstructure” are more like a metaphor, not to be taken too literally. I was raised in the Soviet Union during endless debates about whether this or that element belonged to the base or to the superstructure. The important point is this: There is a dialectic of economic development and class struggle. Economic development creates different dynamics and opportunities for class struggle. Looking at the history of capitalism, one definitely sees cycles of free trade and protectionism, cycles of globalization and de-globalization. However, this can lead one to become fatalistic, or deterministic, as if it is enough simply to say, “Now we are in a cycle of de-globalization.” So what? The only purpose of such an analysis would be to grasp the possibilities of social and class struggle, including political action, and how they differ in comparison to the past.

We seem to be entering a period with new opportunities. However grim things might appear to be in many respects, I think there is reason for some excitement. Yesterday at the conference there was a rather pessimistic debate about Critical Theory? The so-called “subject,” the “proletariat,” or more generally, the “working class,” is much weaker structurally than it used to be, even though there are now more people who make their living through wage labor than at any time in world history. It is disorganized, ideologically disoriented, and split along the lines of race, ethnicity, and geography. Nonetheless, the recomposition of capitalism through its crisis, right now, is also creating tremendous opportunity for the recomposition of the working class, the Left, and the movement. Sadly, the crisis in Greece was a missed opportunity for the Left, not just in terms of Greece, but for all of Europe. When SYRIZA turned to the right and made its peace with neoliberal policies, this meant that political opportunities being revealed throughout Europe by the crisis of the EU were only going to be opportunities for the Right.

In the context of the Second International during World War I, it appeared to be the case that the crisis created the potential for class struggle, for turning the imperialist war into a civil war. Lenin understood the imperialist war to be, in part, a consequence of the proletarian movement for socialism, which also created the potential for the proletariat to vie for power. Today, when there is no proletarian movement for socialism, it is difficult to imagine what class struggle would even look like. What would be required in the era of Trump to make class struggle a political issue again? How far can one go supporting the anger of the masses? How can the Left go with demands for better wages, benefits, and working conditions, without an independent political party mediating those demands?

BK: According to Marx, a class “in itself,” *an sich*, can exist without struggle, but it cannot turn itself into a subject of development, politics, or history without

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becoming a class “*für sich*”—for itself. The task of the Left now lies in recomposition of the working class, which is not just about building a labor party or socialist party. We must assist in the recomposition and the re-solidarization of the class itself. In that sense, the Left has political but also social responsibility. The traditional European working class of the late 19th and early 20th century did not spring up out of nowhere to struggle spontaneously against the bourgeoisie. In many ways it was a product of the political work of activists, trade union organizers, politicians, intellectuals, and so on, whose efforts helped the working class become a class for itself.

We saw the movement around Bernie Sanders contemplate the “third-party” issue but fail to add anything to that debate. At exactly the moment where there was some potential, it went nowhere. You cannot pin all of that on Bernie Sanders being too weak or inconsistent, although certainly he was. When you read the debates about forming a new party in the United States, at some point you start asking, “What will the party stand for?” If the debate is only about the potential for *electoral* success or failure, then do not even bother. If you are thinking purely in electoral terms, it simply does not make sense to build an independent party against the Democrats and the Republicans.

ET: As intellectuals, what is our role in the class struggle? Class struggle has three key aspects: economic, political, and ideological. We have mainly been debating the ideological issues. The left intelligentsia has completely given up on the idea that socialism is possible. It is common advice that, in a loving relationship, at least once a week you should say, “I love you.” The left intelligentsia should clearly say, at least once a week, “We stand for the socialist transformation.” Ideologically, the working class has been disarmed—and the supposedly “left-wing” intelligentsia helped disarm them! Throughout the 1970s, for example, many leftist intellectuals wrote bad books about communism in which they turned against their own political history.

JM: It is a matter of conjuncture, on the one hand, and a matter of the Left—that is, of the Party—on the other. Lenin himself is clear on this leading up to the October Revolution. Returning to the case of Greece, we had the masses—the working class and the majority of the people—supporting SYRIZA, but without self-confidence and without a conscious strategy for how to change society. When the masses realized what the leadership of SYRIZA was doing, they became passive. After the compromise, those who had been protesting throughout the major cities of Greece all fell silent. People felt there was no alternative to SYRIZA. We need to have clear targets determined by a socialist strategy that seeks to change society. The Left needs to unite the people on that basis.

CC: The slogan of Platypus is, “The Left is dead—Long live the Left!” As Marx said, we make history, but not in the conditions of our own choosing. The state of the Left is also a condition that just exists; a subjective factor has become an objective factor. The Left has failed to make sense of the crisis of neoliberalism now, but this is preceded by failures to make sense of other changes in capitalism: the crisis of imperial capitalism that led to the American system in the mid-20th century, the crisis of Fordism, Keynesianism, the New Deal coalition, etc.—during which time, by the way, social democratic parties around the world were refashioned. After World War II, there are no “Social Democratic” parties in the tradition of the Second International anymore, even in strictly reformist terms. They all reorient more or less on the basis of the “Four Freedoms” of Roosevelt. The Left never made sense of neoliberalism, including this deeper history in the 1930s to the 1950s, so how could we possibly make sense of the transformation of neoliberalism?

I am reminded that one of the advantages of historical Marxism was that it did not need to invent socialism or communism. The mass movement for socialism predates Marx and Engels and certainly predates any Marxist party—the First International was not a “Marxist party,” of course. There was a long history leading up to the emergence of Marxism. By contrast, we today are dealing with at least 40, if not 80, years of disorganization, demoralization, and misleadership. For the crisis to become political, there has to be some constituted agency able to turn a crisis into an opportunity. In other words, when a crisis hits, it can be an opportunity for an already constituted Left, but it is not an opportunity for *constituting* the Left. Any crisis of capitalism right now will be an opportunity for the Right, not for the Left, because of the current state of the Left, which is part of the conditions that we have inherited from the past generation—but, really, going back further than that. So, regarding “Marxism in the age of Trump”—if the Left does not do it, the Right will take initiative on its own terms. But that has been true for a long time. FDR was the Right. The New Deal was the Right.

Boris, you have speculated about whether things would get worse or better. What does “worse” mean, in this context? How do we measure “worse” or “better”?

BK: There is a Russian joke. What is the difference between an optimist and a pessimist? A pessimist is someone who says, “Things cannot possibly get worse,” whereas an optimist says, “No, no! They can get much worse than this!” I consider myself an optimist in that sense. We are seeing the absolute collapse of the liberal left, especially in the United States, but not only there. Maybe that is an opportunity—a beginning for a new Left. Perhaps.

At the same time, I think this is only the beginning of a deeper institutional crisis of the American political system, which has always presented itself as the model of civility, democracy, and peaceful transfer of power,

going all the way back to Independence—with the exception of the Civil War. There is no guarantee that things will not spin out of control, leading to some nasty things, even a coup d’état in the form of impeachment. However things develop, it is important that the Left does not allow itself to be used as puppets in any *realpolitik* games.

I want to follow up on the point Chris made about what it means for things to work against the Left. For Trump, he will be doing extremely well if he simply survives 2018. What would be the cost of this survival? If he survives, how will political conditions in America and around the world look afterward? Recently I heard about Moroccans going on strike; companies are bringing in strikebreakers from Eastern Europe. The Romanians and Ukrainians are being shipped in to scab for wages lower than anything the Moroccans would accept. This cannot continue forever. The world is globalized. What is now happening in the United States will have tremendous effects globally, not only in Europe, but in Latin America and China, in India, and in Central Europe. The world will be very different in just a few years.

We have a tremendous responsibility to go forward with our own politics. Earlier, the Transitional Program was mentioned in passing.¹ I think the Transitional Program is essential, but we have to think through what the Program was and what it would need to be today, given the conditions and dangers we *now* face. There is enormous theoretical and practical work to be done and we do not have the luxury of separating the theoretical from the practical.

John mentioned that capital loses control over politicians, but there is still mediation in the form of the state. How has the capitalist state itself changed over time? What, if anything, has remained constant—and what does this mean for the Left?

ET: The state apparatus adapts in order to correct things. The apparatus of a capitalist state is profoundly counterrevolutionary towards the working class, but it also acts as a general capitalist and, for that reason, there is a push to oust people like Trump. Conflict is brewing within the institutions of the state. I am also an optimist, but in a different sense. Even the bourgeois politicians, media financial types, economists, and so on—they are all gloomy about the future. The bourgeoisie itself does not have great confidence that it can fix things. Their gloominess is the basis of my optimism.

JM: The state has a repressive apparatus—the administration, the army, the police, the courts of law, and so on—all of which function to reproduce the power of capitalists. On the other hand, we have to think at the limits when we discuss these issues: the history of fascism in Italy and Nazism in Germany. A specific conjuncture brought masses of people around to supporting a radically reactionary transformation in the form of the state. If we look at Italian fascism, or even at Nazism to an extent, we see that the very core of the state—the repressive apparatus—in many aspects remained the same. The difference came from how the Party operated, in connection with specific strata of society.

CC: Perhaps the orthodox Marxist position from before World War I is still useful: The essence of the state consists in the repressive “special bodies of armed men.” In that respect, the welfare state can be dated from a few different moments. It can be dated from the New Deal, but it can also be dated from the 1870s crisis—in other words, going all the way back to Bismarck. The welfare state has always been a police state. If the state is going to distribute goods to the population, for whatever reason—for example, if there is a natural disaster—at the end of the day, it is a police state measure. It is a security measure. You give away just enough to ensure that a greater amount is not stolen or destroyed due to unrest.

Social workers, to take another example, have a plenipotentiary function that, among other things, does involve policing. They can take children away from families, after all. To paraphrase Adorno, an abused woman might have more to fear from a social worker than from her husband.⁴ That cuts against the whole ethos of the last generation. The New Left considered the welfare state fascist. The 1960s generation, in particular the radical fringes of it, despised the organized capitalist state, the “administered world,” which they saw as completely repressive. At the same time, even though neoliberalism claims to be liberalitarian in certain respects, what has happened since the 1960s is that the state has not been diminished, but has metastasized. Now we have all sorts of social dysfunction being adjudicated by courts, all sorts of “victims’ services,” and so on. The welfare state did not go away. Rather, its function has changed. The disciplinary, policing, and surveillance aspects of the welfare state have remained completely intact. The nostalgia for the welfare state among the 1960s and ’70s generation comes later; originally, the New Left was against it. Both Trump and Brexit tap into discontents with the state. We need to remain cognizant of that. Otherwise, the Left just becomes associated with statism.

There is a general sense of crisis, which has raised the hope that there could be a politicized left-wing response. The problem is that, among most segments of what one would call the “Left” in the United States, the main effect of the election of Trump has been to bind the Left even more closely to the Democratic Party. It is hard to see how this will be a path to a revived Left. When people talk about a “revived Left” in this context, I have to assume that they really mean some kind of militant social democracy. If, after each crisis over the last fifty years or more, the Right

has ultimately “won,” where is the potential for something happening now that would be different? What concretely do you see in terms of possibilities for the Left?

CC: In terms of a revived politics, the lessons that the present can offer are largely negative. Perhaps now we can gain some clarity: We should not want a revival of the kind of “movementism” we saw with the New Left, which expressed discontent with the Democratic Party’s New Deal coalition and the state, but ultimately became merely a pressure tactic on it. The New Left generation succeeded in undermining the Democratic Party, but they were then traumatized by the fact that the Republicans were the ones to benefit from this, first with Nixon, then Reagan.

Right now we are also seeing a reassertion of politics per se. It could be that Trump ends up being a very weak president who fails to refashion anything out of the wreckage of the Republicans and the Democrats. But really what we have been talking about is what would need to be constituted, in the first place, in order for this crisis to become any sort of opportunity for the Left.

We should remember that social democracy, historically, came out of the experience of 1848. There was a tradition of the Red ’48ers: Marx and Engels were part of that cohort, but its influence was not restricted to Marxism. We are not just talking about a socialist movement, but also about democratic discontents within capitalism. Socialists have to take the lead on such discontents, or else the revolution will always come to grief. Thus, I would not be too negative or pejorative about the idea of a renesant social democracy—if what we mean by that is not post-World War I social democracy, but something more like pre-World War I social democracy. The interwar social democracy is, of course, a mixed bag; it is the counterrevolution, on the one hand, but there was still a process of splits and regroupments between socialists and communists during the 1920s. The Communist Party in Germany became a mass party because, ultimately, they did split the social democrats, the USPD.

This brings us back to something Emmanuel and Boris spoke about earlier: the Transitional Program, which became central for most Trotskyist tendencies. This is tricky, because the “transitional demands” have not served the function that, in Trotsky’s conception, they were meant to serve. In practice, they are now just a way to rally movementism on the part of propaganda organizations, with the idea being that you demand reforms that cannot be met under capitalism and therefore show people that they ought to be struggling, not for reform, but for revolution. This is a perversion of Trotsky’s original intention for the transitional demands, which were very much about the 1930s and, at the time, the still-living memory of the Russian Revolution and the betrayals by Stalinism. All of that is now deeply obscure to us.

The struggle for socialism has to come out of an attempt on the part of subaltern people—working class and other people—to make good on the claims that society makes for itself. What the Socialist Party did during the Gilded Age in the United States was essentially to take back up the “social question”—the question of social democracy—that liberalism had abandoned. We should also think through all the missed opportunities in the past, such as the collapse of the Liberal Party in the U.K. leading, not to a socialist party, but to the Labour Party. That is the sort of deep tragedy that affected the course of the 20th century profoundly. These kinds of lessons need to be kept in mind. When we talk about splits in the ruling class, we are also talking about splits in parties, in political forms, and in all these mediating factors. We are at least a couple of steps behind the question, “What is to be done?” Lenin had the advantage of a Second International, of mass social democratic parties, of the fact that the Narodniks had already split, with the Left Narodniks deciding, in effect, that they should become Marxists. All these developments had been unfolding for more than a decade before Lenin even arrives on the scene.

JM: Marx and Engels wrote the *Communist Manifesto* in February 1848, before the revolutionary events of ’48 took place. In the *Communist Manifesto*, we do not see anything about a revolution looming just ahead. It was not expected. Likewise, nobody predicted the Paris Commune either. The First Russian Revolution in 1905 was not predicted by Plekhanov, Lenin, or anyone else. Afterward, socialists took the soviets very seriously.

But even so, no one predicted how decisively important the workers’ councils would be in the course of 1917. Breakthroughs, revolutions, and major turning points are not predictable. In the meantime, we believe some potential is there, even if we do not know exactly when or how it will be realized. Our task, then, is to keep this potential in mind and to keep the flame burning.

ET: The International Marxist Tendency characterizes our epoch in three ways. It is an epoch of wars, revolutions, and counterrevolutions. We do not think that the way to socialism is a triumphal march. Defeat is possible, as shown by history and in practice. However, capitalists cannot fix their system. The world is *already* in a period of upheaval. Revolution remains possible. As for the program and transitional slogans, we should remember that “Land, bread, and peace,” the people’s slogan of 1917, is hardly socialist. Nonetheless, it led to the overthrow of capitalism, because there was a mass force with an avant-garde party at its head, willing to take such slogans to the end. Capitalism in Russia could not provide land, bread, and peace. In the same way, the slogan, “We are the 99 percent” could be a revolutionary slogan. It would depend on the political consequences one draws from it. Any slogan that rouses the people, the masses, to fight to the end, could be a transitional slogan in this sense.

History is a mixture of gradual and rapid change.

The spontaneity of the working-class movement, the uprisings of the downtrodden masses—that is the motive force of history. We have seen this time and again in recent years. There was the revolutionary cycle in Latin America—in Bolivia, in Venezuela, there was the Arab Spring, an incredible outburst with the biggest demonstration in human history—17 million in the streets; the fight against Morsi the Second achieved a revolution, even though it ultimately ended in a defeat—for now. We need clarity in program, we need to organize, and we need intellectual audacity. As Danton said, “Audacity, audacity, audacity.” That is the program for victory.

BK: I think Trump marks the end of the middle class, liberal Left. This is good news. It means opportunities for recomposition, which will necessarily involve splits. Lenin believed that, in order to become united, first you must be divided. You can be united with people who do not share your views, but only up to a certain point. Eventually, a split becomes necessary. Anybody who wants a class-based Left with any consistency has to split politically from identity politics and from the neoliberal values that have been dubiously presented as “progressive.” The book I am writing now, to be titled, *From Discourse to Class*, will put forth a similar argument in greater detail. We need to break away from “discursive” politics in favor of a politics based on class interest.

Regarding social democracy, perhaps this is a stage through which we have to pass in order to get somewhere further. In our practice we have to reflect the actual state of the class itself, which is split, divided, and disorganized. Quite possibly, the first stage toward recomposition or realignment of the laboring class will take the form of either social democracy, or of populist movements reminiscent of the New Left. In that sense, Jeremy Corbyn in Britain and Bernie Sanders in the U.S. represent an objective logic. The question is whether we can move further. Even Corbyn—who is much better than Sanders, in my view—is not capable of developing an agenda that will push his movement further.

In the context of the United States, quite a lot was formulated during the Sanders campaign. The demands were good: universal healthcare, free college, and so on. Capitalism in the U.S. is backward compared to Western Europe. The Sanders campaign was seeking capitalist reform, trying to make America’s capitalism less backward, in social terms. Nonetheless, these were demands that mobilized people.

We can speak about labor rights, about public spending and investment, and so on. It is not going to be anything radical, but, viewing the current situation in the world, it would be a tremendous step forward. It gives us an opportunity to speak about something beyond the narrow logic of the market. This is the first necessary step. We have to pass through the stage of Left populism—while understanding that it is just one stage. **IP**

Transcribed by Matt Cavagrotti and Carlos Matul

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More specifically, the Millennial “left” that grew up initially against the Iraq war under George W. Bush and then continued in Occupy Wall Street under Obama, and last year got behind the Sanders campaign, is particularly ill-equipped to address Trump. It is confounded by the crisis of neoliberalism, to which it had grown too accustomed in opposition. Now, with Trump, it faces a new and different dilemma. This is most obvious in the inability to regard the relationship between Sanders and Trump in the common crisis of both the Republican and Democratic parties in 2015–16. For just as the New Left—and then neoliberalism itself—expressed the crisis of the Democratic Party’s New Deal coalition, Trump’s election expresses the crisis of the Reagan coalition of the Republican Party: a crisis of not only neoliberalism as economic policy in particular, but also of neoconservatism and of Christian fundamentalist politics, as well as of Tea Party libertarian, strict constructionist-Constitutional conservatism. Trump represents none of these elements of the Reaganite Republican heritage—but expresses the current crisis common to all of them. He also expresses the crisis of Clintonism–Obamaism. So did Sanders. “Marxists” and the “Left” more generally have been very weak in the face of such phenomena—ever since Reagan and up through Bill Clinton’s presidency. Neoliberalism was not well processed in terms of actual political possibilities. Now it is too late: Whatever opportunity neoliberalism presented is past.

It was appropriate that in the Democratic Party primaries the impulse to change was expressed by Bernie Sanders, who predated the Reagan turn. Discontent with neoliberalism found an advocate for returning to a pre-neoliberal politics—of the New Deal and Great Society. While Trump’s “Make America Great Again” sounded like nostalgia for the 1950s, actually it was more a call for a return to the 1990s, to Clintonite neoliberal prosperity and untroubled U.S. global hegemony. In the 2016 campaign, Sanders was more the 1950s to ’60s-style Democratic Party figure. Indeed, his apparent age and style seemed even to recall the 1930s—long before he was born—and not so much the New Left counterculture, whatever youthful writings of his that were dug up. What’s remarkable is that Sanders invoked the very New Deal coalition Democratic Party that he had opposed as a “socialist” in his youth, and what had kept him independent of the Democrats when he first ran for elected office in the 1980s Reagan era, during which the Democrats were still the majority party in Congress. Sanders, who had opposed the Democrats, now offered to save them by returning them to their glory days.

But Trump succeeded where Sanders failed. It is only fitting that the party that led the neoliberal turn under Reagan should experience the focus of the crisis of neoliberal politics. In other words, the Republicans conducted neoliberalism, and so it is appropriate that they experience the crisis of neoliberalism most strongly. If Sanders called for a “political revolution”—however vaguely defined—Trump has effected it. Trump has even declared that his campaign was not simply a candidacy for office but a “movement.” His triumph is a stunning coup not only for the Democrats, but the Republicans as well. Where Sanders called for a groundswell of “progressive” Democrats, Trump won the very narrowest of possible electoral victories. It is almost impossible to imagine a narrower victory than Trump’s. Nonetheless, it was a well-calculated strategy that won the day.

Trump’s victory is the beginning, not the end of a process of transforming the Republican Party, as well as mainstream politics more generally, which is his avowed goal. Steve Bannon announced that his main task was to un-elect recalcitrant Republicans. Trump economic advisor Stephen Moore, a former neoliberal, declared to Congressional Republicans that it was no longer the old Reaganite neoliberal Republican Party but was going to be a new “economic populist” party. Trump said during the campaign that the Republicans should not be a “conservative party” but a “working-class party.” We shall see whether and how he may or may not succeed in this aim. But he will certainly try—if only to retain the swing working class voters he won in traditionally Democratic Party-voting states such as in the Midwest “Rustbelt.” Trump will seek to expand his electoral base—the base for a transformed Republican Party. The Democrats will necessarily respond in kind, competing for the same voters as well as expanding their electoral base in other ways. Is this a process of “democratization?” Yes and no. The question is not of more or less “democracy,” but rather how democracy takes shape politically. “Populism” is a problematic term because it expresses fundamental ambivalence about democracy itself and so fails to clarify the issue. It is understood that new and expanded political mobilization is fraught with danger. Nonetheless, it is a fact of life for democracy, for good or for ill. The frightening specter of “angry white voters” storming onto the political stage is met by the sober reality that what decided Trump’s victory were voters who had previously elected Obama.

So, the question is the transformation of democracy—of how liberal democratic politics is conducted, by both Democrats as well as Republicans. This was bound to change, with or without Trump. Now, with Trump, the issue is posed point-blank. There’s no avoiding the crisis of neoliberalism.

John Milios: Your thesis, Chris, is that what happened in the 2016 election was a response to the crisis of neoliberalism and not primarily a response to recent movements, such as Occupy and the anti-globalization protests. Of course, these movements were bound up with the crisis, but we might see Trump first and foremost as a response to these mobilizations. We must keep in mind that the strategies of the mainstream, bourgeois parties involve consensus with parts of the ruling classes. When progressive movements demand the redistribution of wealth and

power, this prompts opposition by various strata of the ruling class, typically in the form of nationalistic and protective policies. Perhaps this is how we should interpret Trump and the turn toward a conservative, nationalistic, and protectionist version of bourgeois politics, which claims to be “anti-establishment” but is actually part of the system.

Statist and nationalist policies do not necessarily challenge neoliberalism, which is a form of capitalist “governmentality,” that is, a form of organizing the power of capital over the working classes and the social majority. Neoliberalism is based on austerity and the elevation of markets and global finance to the level of the ideal regulatory principle of society. The financial sphere does not represent the reign of speculation as a kind of casino. Techniques for risk management, applied at the most fundamental level within the functioning of the money market, now play a critical role in the management of *resistance*—in particular, any resistance put up by labor. Financial markets generate a supervisory structure for the movement of capital. Through numerous different channels, the demand for high financial value puts pressure on individual capital enterprises for more intensive and effective exploitation of labor. To give one example, when a large company depends on financial markets, every suspicion of inadequate valorization increases the cost of funding, reduces the likelihood that funding will be available, and depresses prices. In such a climate, the forces of labor face the dilemma of deciding whether to accept the employer’s increasingly unfavorable terms or risk unemployment.

Austerity is the cornerstone of neoliberal policies: reduce labor costs, increase profits per hour of labor. From this point of view, austerity is for the capitalist class not accidental, but the *correct* policy. Austerity gives priority to budget cuts over public revenue, reducing taxes on capital and high incomes, and downsizing the welfare state. However, this erodes the living standard of the majority of society. Austerity is a class policy promoting the interests of capital against those of the workers, professionals, pensioners, unemployed, and economically vulnerable people in general. In the long run it aims for labor with fewer rights and less social protection, with low and flexible wages, and with little substantial bargaining power.

Austerity leads to low growth rates, as recession pressures every individual entrepreneur, both capitalists and middling bourgeoisie, to reduce costs, cut wages, intensify the labor process, infringe on labor regulations and workers’ rights, and so on. These strategies are not being challenged by nationalistic slogans like Trump’s “America First” or by neo-protectionist measures that favor one country’s capitalists over another’s. Nationalism does not necessarily contradict neoliberalism. Nationalism binds labor to the “common national interest”; the nation is an inseparable aspect of the capitalist social order that homogenizes every community within a political territory on the basis of national identity, effacing the boundaries between the classes. Economically, the nation-state creates the conditions for the reproduction of capitalist relations. At the political and ideological-cultural level, the state legitimizes the exercise of the bourgeoisie’s political power on the basis of national “independence” and national interests. The strategic interests of the capitalist class that are concentrated within the state nonetheless require a compromise with the laboring classes. Any form of class power can reproduce itself only if it manages to win the consensus, or at least the tolerance, of the ruling classes. Nonetheless, compromises of the ruling classes with the laboring classes are necessary for the stabilization of capitalism. In capitalist social formations, nationalism is an ideology through which the ruling classes ensure hegemony over the ruled.

Nationalism, by virtue of its historical composition, is racist. Since World War II, however, racism has attained a cultural dimension. People are differentiated on the basis of their culture. Devaluation of the foreigner flourishes in the soil of latent racist ideology and nationalism. In mass society, this ideology acquires an aggressive, militaristic character in the form of the far right and fascism, but we can detect it in supposedly liberal policies as well. My conclusion, in short, is that nationalism, statism, and protectionism are fully compatible with neoliberalism. The Left has to fight against both neoliberalism and its false negation in the new nationalism. The laboring classes must reveal their power, creating their own structure of self-organization, governance, and struggle against capital, which will inevitably involve participation in state institutions, but also consciously fighting against state power.

Emmanuel Tomasselli: It was difficult to find my way to the panel today, which seems appropriate given the current crisis of the Left. What does “the Left” mean today? People like Jean-Paul Juncker and Donald Tusk, leaders within the institutions of the European Union, have said quite clearly that today we face a crisis of the very system they represent. I think these bourgeois executives are perhaps more accurate in describing the real problem than the Left, including Platypus, who has framed the debate at this panel so as to focus on the crisis of neoliberalism. On the contrary, what we see today is an organic crisis of capitalism. In reality, there is neither neoliberalism nor Keynesianism anymore. The policies of President Trump are an eclectic mix with only one unifying idea: resolve this crisis of the capitalist system while defending the wealth and position of the ruling class. This is the case not only with President Trump, but also with the politics of governance worldwide in the last decade, regardless of whether the governing party is right-leaning or social democratic. Even the policies of SYRIZA in Greece reflected this tendency, for instance.

Trump is proposing public reinvestment in infrastructure and state finance while at the same time cutting taxes on the rich. He also wants new

protectionist measures, which, let us be clear, is a very crazy policy at odds with the real development of capitalism over the last half a century. It will create disturbances not only in the economy but also in diplomacy. On top of all this, Trump wants further deregulation of the banking sector. This is a complete mix of politics from different schools of bourgeois economics. Anything goes, so long as it might propel us out of this crisis while defending the wealth of the rich. No one even pretends that there is a semi-coherent ideology behind this set of economic policies. Though this phenomenon is quite clear in the U.S., it is not unique to it. In Austria, a grab-bag of measures is also being sold to the public as a solution. It is less ambitious and aggressive than Trump’s policies, certainly, but this is only because, unlike the United States, Austria is a *weak* imperialist power. At the same time, except for periods of full-scale war, today we have the highest levels of debt in the history of capitalism. This high level of debt is the inheritance of the so-called “neoliberal era” coming to terms with the financial crisis, which actually began in 1999–2000, at the end of the “dot-com” boom and bust cycle.

The only ideologies left over with any traction are racism and, interestingly, an anti-elite rhetoric being deployed more and more frequently, especially by Trump. The anti-establishment rhetoric was the most important factor in Trump’s upset victory. This mixture is necessary to reestablish public support, if only temporarily. A general feature in capitalism now is that people are fed up with politics. They cannot see any alternative in politics; politicians are among the most hated strata of society. We saw this most clearly with Trump, perhaps, but it is a global phenomenon. We should not forget that this year marks the centenary of the Russian Revolution, during which a split in the ruling class was a precondition for revolution. Capital is losing control and political legitimacy, resulting in splits within the ruling class. This manifested most clearly in two ways in the last year: Brexit and the election of Trump. The ruling classes of England and the U.S. have lost control over the political process to a minority within their bourgeoisie who want a new kind of politics that, from the perspective of general stability, is simply crazy.

The fundamental reason for the crisis is that capitalism cannot develop its productive forces, a phenomenon that has now achieved global dimensions. Even just two or three years ago the Left might have felt its task was to fight the BRIC nations—but no longer. *World* trade is stagnating and all that the official institutions can offer is non-politics, everywhere. Inequality grows, while the real income of the vast majority declines or remains stagnant. We see negative saving rates for working class households, endemic unemployment and poverty; in general, everybody feels a lack of security and loss of control over their lives. This is a recipe for class struggle and revolution. There are no economic policies that can save capitalism. Crisis in the system is a feature of our epoch.

To conclude, I wanted to say again that I was perplexed by how Platypus framed this event. I had to read the event description ten times to get a sense of what this panel might be about. There is a fundamental problem in the way the questions were posed here. We will not be able to understand what is happening now through books, or through terms derived from political discourse in the past, which was based on a completely different historical period of capitalism. In order for the Left to get into gear we have to look at the real process. Of course, studying the past can provide general guidance and a program, but we have to orient towards the elementary outbursts of anger among the masses *now*, as we have seen in Athens, and as was the case 100 years ago in the Russian Revolution. Our program should be exactly the same: The only program worth struggling for is the expropriation of the bourgeoisie. Given the technological and cultural level of today’s society, the first thing a government should do is reduce working time to its necessary minimum level, which is probably about 10 to 15 hours a week, so that people are free to develop and organize human society harmoniously.

Boris Kagarlitsky: A lot was already said, but I will have to start from the beginning. When I read left-liberal American discussions about Trump, it is just full of crying and horror. The world is collapsing! Everything is terrible, Trump is terrible, and so on. Okay, great—Where is the analysis? What is terrible? I am not sure. That is definitely a starting point: Life is terrible. Fine. But where do we go from there?

Two basic things are missing from the current debate. First, not only the liberal discourse—whether neoliberal-mainstream or left-wing liberal—but also most of the radical leftist discourse, fails to grasp the irreversibility of the crisis of neoliberalism. It is falling apart. Here we have to be very careful. At this stage, we can only say that neoliberalism is falling apart, but that does not mean capitalism is falling apart. Through similar crises, capitalism has changed its form quite a few times. The important thing to understand about neoliberalism is that it was really pursuing policies of class revenge over the working class. It was really about defeating labor. However, in defeating labor, it destroyed global demand, and thus undermined the most basic conditions for the reproduction of the capitalist economy globally. Unless we get out of this vicious circle, the neoliberal system cannot be retained, and it will not be retained, but this does not mean that capitalism is not capable of developing along other lines. Here we have another stage in the development of capitalism, in which there will be different possibilities and different windows of opportunity for the Left, but also for the Right.

First, a bit more about the irreversibility of the crisis of neoliberalism. We are seeing a spontaneous decomposition of the system that is taking place with or without Trump, who is a political reflection of the

spontaneous economic and social process. Of course, politics lags behind economic development. Chris made a good point in comparing the present moment with the crisis of the 1970s. I especially love it when, in the U.S., people write about the *white* working class: In such formulations, the underscored characteristic is that they are white, not that they are working class. Relatedly, black people are characterized as one single social group, “black.” Black entrepreneurs, black workers, unemployed black people—they are all the same thing, apparently.

Class is missing from this picture. Looking at class interests, we see two different types of class interests, which can help explain the Trump phenomenon. On the one hand, there is a deep division within the bourgeoisie and everybody knows it. What is the meaning of this division? It is not that some people are homophobic and others are not. You see Trump and his entourage, all of them extremely rich people, of course, but with all of their billions, are they so big really in the context of modern capitalism? Compared to transnational companies they are meager bourgeois, actually. This is the part of the bourgeoisie that is already moving to domestic production and domestic markets, which have suffered under neoliberalism. They were constrained by the shift in emphasis to transnational capital.

On the other side of it, there is a rebellion of workers, of the toiling classes, against neoliberalism, along with petit-bourgeois sections of the population and the unemployed. Ironically, this domestic bourgeoisie and a large segment of the workers have something in common: higher wages. The domestic bourgeoisie who do not have the means to access international markets want higher wages for workers of their country, as this would mean more consumers for their own products. For workers, higher wages means they will have higher wages, period. That is the beginning and the end of the common interest.

Liberals and neoliberals say that neo-protectionism will not work. But what is interesting is that leftists repeat their slogans and they often take neoliberal and liberal arguments at face value, too. Every time any government in the world practiced protectionism, all liberal economists immediately said, “It is not going to work.” Time and again, it worked. The revolt against neoliberalism is not about the end of capitalism, but it is a very important transformation of capitalism, including the logic of class relations within capitalism.

By the way, this new political situation, whatever its tensions and contradictions, could be more favorable for the working class in terms of developing its own structures, organizations, and strength to fight back, at least when it comes to economic reform. The strange combination of working class privilege and bourgeois privilege within capitalism leads also to tremendous contradictions. Everybody today has said that Trump’s policies are full of contradictions; nowhere is this more apparent than in those parts of Trump’s speeches that read as if they were prepared by people from Seattle who protested in 1999. Yet, all of the sudden, you have Trump announcing decisions completely hostile to everything these protestors would fight for. On the one hand, we have his educational policies; on the other hand, we have his anti-globalization measures. This reflects the class contradiction within the political coalition Trump is seeking to build. It also explains the situation of Bernie Sanders, who denounces Trump one day, and the next day says, “Well, Trump’s stance on NAFTA is not so bad, after all.” The point is that this is where the real perspective of class struggle emerges. It is clear that the Trump project will fall apart, not because of the protests of the liberals, but because of the inherent contradictions not only within Trump’s policies, but within the class coalition that brought him to power. It is going to disintegrate sooner or later, unless Trump suddenly changes sides and becomes a working class hero, which is hardly imaginable—but, who knows what can happen with this kind of character?

A bigger crisis is coming. Sooner or later, in one way or another, things will decompose. What is to be done? That is the big question for the Left. I hate to say it, but at this point a considerable part of the Left is actually playing the role of foot soldiers for neoliberals. They lack their own initiative, their own agenda. Much of the Left is just being manipulated for purposes that have nothing to do with anything progressive.

The answer is not to support Donald Trump, of course, even when he does or says something good. Given the forces Trump has entered into a coalition with, he is no working class hero. Still, it is absolutely essential to dissociate the Left and leftist critique of Trump from the liberal offensive. We should not be a part of *that* attack. While liberals or neoliberals attack Trump for trying to change something, we have to say that the bad thing about Trump is exactly that he is *not* changing things. The bad aspect of Trump is that he is re-creating the same policies. Trump is not a drastic reversal of the Obama administration, but in many ways continues it, including this famous Muslim ban, which was actually proposed and prepared under the previous administration. The worst aspects of Trump’s policies are the same as the liberals, who are denouncing Trump’s policies only because the liberals are not the ones carrying out these policies themselves. Political and organizational independence is the answer for leftist politics. It was the answer, it is the answer, and it will always be the answer. Without political independence for the Left there will be no social change. There will be no success, no social reform, and no revolution.

Responses

CC: A common theme among the speakers, including myself, was the question of what works and what does not work in capitalism. I chose to emphasize