### Friedrich Hayek and the legacy of Milton Friedman

### Neo-liberalism and the question of freedom (In part, a response to Naomi Klein)

Platypus Historians Group

The following was prepared for presentation at the University of Chicago teach-in on "Who was Milton Friedman and what is his legacy?" Tuesday, October 14, 2008.

A GOOD APPROACH to the topic of Milton Friedman and his legacy today can be made indirectly, by reference to Friedman's intellectual predecessor and mentor, Friedrich

It has been our point of departure in Platypus to regard the present as being conditioned by the undigested, and therefore problematic, legacies of at least two generations of failure on the "Left": the 1960s-70s "New" Left, and the "Old" Left of the 1920s-30s. We have critiqued the assumptions inherited from the 1960s not least because of problematic legacies they contain undigested from the 1930s, which have not been properly thought through even

This is a good opportunity, then, to register our exception in Platypus to the politics of the perspective on Friedman and his legacy offered at the October 1 talk given by Naomi Klein, author of the 2007 anti-Friedmanite book The Shock Doctrine, which we co-sponsored at the University of

Two statements made by Klein at her talk opposing the establishment of a Milton Friedman Institute at the University of Chicago can be used to frame a discussion of Friedman's legacy in light of Hayek and the classical liberal tradition more generally.

We in Platypus had the opportunity at her talk to ask Klein two direct questions to which she gave answers that we find to be indicative of fundamental problems on the

One was on the question of freedom: whether and how Klein would respond to the neo-liberalism of Friedman and his followers as attempts to promote greater freedom.

Klein responded by saying that she was suspicious and didn't think there was any "need" for any "grand projects of human freedom," and she emphasized instead their Klein's critique of Friedman was that he was a "uto-

pian" "ideologue," and that any such ideology of utopian politics can have potentially disastrous effects "in the real world," on whose behalf she offered to speak "as a journalist." Klein analogized neo-liberalism to "Trotskyism" as a "purist" ideology that might seem good in theory but is bad in practice. Klein dealt with Friedman's legacy as

being about the "power of ideas," which she said must be regarded as "dangerous."

But in addressing Friedman and his legacy this way, Klein neglected what is perhaps the most important aspect of his thought, Friedman's *critique* and opposition to what he called the "tyranny of the status quo," something any purported "Left" should not regard too cynically.

One of the principal but mistaken assumptions that the "Left" makes politically is to regard the emphasis on "individual" freedom to be characteristic of the Right, whereas the "Left" is supposed to be more collective and "social" in its focus, emphasizing the principle not of "individualism" but "solidarity" and common welfare.

This is a serious error. It neglects important aspects of the history of the Left, and thus gives a distorted view of history and of the present.

Left and Right cannot be distinguished properly along the axis of individual vs. collective rights and responsibilities, but rather must be understood in terms of how these are related socially. A Marxian approach attempts to be attentive to the desiderata of both individual and collective freedom, how capital is a problem in each of these aspects of modern society.

To help illustrate this point, the example can be raised of a recent bête noire of the media coverage of the current campaign for the U.S. Presidential election, Bill Ayers, the former '60s radical and member of the Weather Underground, who has since become known for his more significant effort as a grade school reformer, an advocate of the "small schools" program in Chicago.

Milton Friedman was also a critic of the public school system in the United States, and Ayers and his colleagues have complained that their project of school reform has been "hijacked" by the Right, in the form of "school choice," "charter schools," and "vouchers." But Ayers and others advocated, for example, the establishment of publicly funded schools for the separate education of black males to which parents could choose to send their children, in the interest of overcoming the supposedly inherent "racism" of the public school system. Whereas Friedman was coming from a libertarian perspective, Ayers has come from a racial-communitarian one. But their convergence is significant, as is their compatibility with actual processes of change underway in the recent period.

While Friedman and Ayers would not recognize their shared agenda in something like school reform, it in fact exists, although rationalized differently. What needs to be pointed out is how, unwittingly, Friedman's discontent was thus part of the historical moment of the "New Left" (for instance, it finds consonance with Foucault's critique of Fordist social rationalization and "discipline"), and, likewise, how Ayers has been just as much a part of the New

This example demonstrates that it would be one-sided and false to imagine that the present situation is the simple result of the politics of either the Left or Right, as each would like to imagine, blaming the other for the problems of the present. Rather, the present needs to be understood as the shared result of what both the "Left" and the Right have had in common since the 1960s, discontent with the Keynesian-Fordist state. The forms such discontent has taken are collectively responsible for the world in which we live today, which needs to be understood not merely as neo-liberal, but also as post-Fordist

The two dimensions of mid-20th Century society need to be distinguished so that their relation can be properly evaluated and critiqued. For the Keynesian and Fordist aspects are different, however they may have come to be related in the practical social-politics of the mid-20th Century. Keynesianism was an economics of growth; Fordism was a social politics geared to assure the national basis of that growth: Keynes was not the nationalist Ford was. To say that we live today in a "post-Fordist" society is to

emphasize the legacy of Fordism and not to indicate that we have somehow gotten beyond it. The Fordist state is alive and well in key respects, even if Keynesian economics has not fared so well. The Friedmanite turn to neo-liberal economics has taken place in the context of the Fordist national state, even if aspects of this state have been transformed accordingly. We hardly live in the libertarian relation of state to society that Friedman wished from his attack on Keynesianism

The specific relation of Keynesian economics and Fordist state politics that characterized the mid-20th Century has become unraveled, and this change can allow us to perceive and disentangle the relation between the classical political liberalism of Friedrich Hayek and the neo-liberal economics of Milton Friedman. This retrospective appraisal can help us get a better critical grasp of problems of the present financial-economic crisis, as neo-liberal economic policies are passing into disfavor, and the name of John Maynard Keynes and the policies of the 1930s New Deal era are coming up for reconsideration.

Hayek and Keynes should not be opposed, but rather Hayek, as a classical liberal, was opposed to and warned of the dangers of the Fordist-national dimension of the emergent Keynesian-Fordist synthesis of social-politics and economics in the mid-20th Century.

To illustrate this distinction, it should be pointed out that not only was Keynes a great admirer of Hayek's critique of nationalist socialism in his 1944 book *The Road* to Serfdom, but Keynes had been an early critic and opponent of the nationalism informing the punitive terms of the post-WWI resolution of the 1919 Treaty of Versailles. Keynes, no less than Hayek, saw in the emergence of the national state a great threat to human freedom. Whatever their differences on economics, Hayek and Keynes shared an opposition to the reactionary, regressive character of

contemporary "anti-capitalism" (fascism and Stalinism) and so defended capitalism, albeit differently.

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Hayek's critique of the "road to serfdom" and the potential unfreedom in early-20th Century "socialism" was specifically in its *nationalist* character, to which he opposed the freedom of earlier liberal and cosmopolitan capitalism. Hayek's critique of the inherent affinity of fascism and Nazism with Stalinist national socialism and their shared roots in problems of the character of pre-WWI ostensibly "Marxist" social democracy is profoundly insightful, and cannot be ignored by any purported Left that is concerned with the problem of freedom. A Marxian critique of such "Marxism," that could satisfy these issues raised by Hayek and other classical liberals, was— and remains— neces-

The problem of Milton Friedman's legacy is that its liberalism is one-sided in its too readily identifying the state policies of Keynesian-economics with Fordist socialpolitics and nationalism. The regressive character of the latter cannot be simply chalked up to the effects of the former without adopting an economistic framework that Hayek's critique of Fordism, for instance, would not have sanctioned. This is why it is important to raise Hayek to help inform the question of Friedman and his legacy. For we should be able to address the intellectual tradition from which Friedman emerged as one concerned first and foremost with the problem of freedom, and not merely as a matter of the technocratic policy concerns of "economics," as Naomi Klein does, comparing "theory" to "reality" at the level of efficacy. It is not a matter of whether either a Keynesian or Friedmanite economics "works," but rather the nature and character of the *problems of capitalism* both seek to address. Apparently "economic" problems need to be properly situated *politically* in light of the question of freedom. Any critique of Friedman needs to address this dimension and not neglect it by reference to Friedman's own opportunistic politics In the 1970s-80s, as the Keynesian-Fordist synthesis

became undone, Friedman found that his ideas received a hearing and practical political opportunities on the Right. But it is wrong, or at the very least not very useful, to try to prosecute Friedman by reference, for instance, to Augusto Pinochet's dictatorship in Chile. For it was not the case that Pinochet was Friedman's creature but rather the opposite: Friedman allowed his critique of the Keynesian-Fordist synthesis to be abused politically by the Right, and thus served ends other than freedom. Any "Left" opposition to Friedman would position itself not against his critique of Keynesian Fordism per se (however partial and one-sided it was in its wholesale advocacy of "capitalism," and tendency, as previously indicated, to collapse the distinction between Keynesian economics and the Fordist state) but rather against the degree to which Friedman in his political thought and action became a figure of the Right. The Fordist state was not "anti-capitalist" but was

an expression of inherent problems in the history of capital that drop out of Friedman's account. Friedman was of the Right to the degree to which he opportunistically adapted himself to the very "status

quo" against which he protested, becoming its apologist

"Friedman" continues on page 4

#### The Platypus Review

Taking stock of the multifaceted universe of positions and goals that constitute Left politics today, we are left with the disquieting suspicion that perhaps a deeper commonality underlies this apparent variety: what exists today is built on the desiccated remains of what was once felt to be 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 an emancipatory politics of the present. Doing this work implies a reconsideration of what we mean by "the Left"

This task necessarily begins from what we see as a prevalent feature of the Left today: a general disenchantment with the present state of progressive politics. We feel that this disenchantment cannot be cast off by sheer will, by "carrying on the fight," but must be addressed and itself made an object of critique. Thus we begin with what immediately confronts us.

The editorial board of *The Platypus Review* is motivated by a sense that the very concepts of the "political" and the "Left" have become so inclusive as to be meaningless. The Review seeks to be a forum among a variety of tendencies and approaches to these categories of thought and action—not out of a concern with inclusion for its own sake, but rather to provoke productive disagreement and to open shared goals as sites of contestation. In this way, the recriminations and accusations arising from political disputes of the past might be elevated to an ongoing critique that seeks to clarify its object

The editorial board wishes to provide an ongoing public forum wherein questioning and reconsidering one's own convictions is not seen as a weakness, but as part of the necessary work of building a revolutionary politics. We hope to create and sustain a space for interrogating and clarifying the variety of positions and orientations currently represented on the political Left, in which questions may be raised and discussions pursued that do not find a place within existing Left discourses, locally or Internationally. As long as submissions exhibit a genuine commitment to this project, all kinds of content will be considered for publication.

#### Submission guidelines

Articles can range in length from 750–1,200 words. We will consider longer pieces but prefer that they be submitted

Please send article submissions and any inquiries about this project to: platypus1917webzine@yahoogroups.com

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# The Platypus Review

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### Obama: three comparisons MLK, JFK, FDR

The coming sharp turn to the Right

Chris Cutrone

In previous articles I have addressed the Presidential campaign of Barack Obama in terms of the historical precedents of MLK, Jr. (the end of "black politics") and JFK (Iraq and the election). Now I wish to address the final and perhaps most important but problematic comparison that might be available. FDR.

MLK, Jr., JFK and FDR span the political imagination of the preceding generation, the "baby-boomers" who came of age in the 1960s, the time of the "New Left."

Obama has been received primarily as a combined incarnation of MLK, Jr. and JFK, an unstable phenomenon against which Hillary Clinton tried to rally early in the primaries by distinguishing its two different aspects. This is what was behind her provocation that it not only takes a movement to make social change but also political leadership, that the reforms MLK, Jr. called for would have come to nothing without LBJ. — By bringing in LBJ, Hillary avoided, wisely, trying to usurp the mantle of JFK from Obama. Her attack didn't exactly have the desired result, but it did raise the question of whether MLK, Jr. can run for President - whether Obama was a "movement" candidate or a politician of the elite.

As it turned out, Obama was happy to pose as JFK instead of MLK, Jr. And this is the most accurate comparison one can make historically to Obama. But the need for a new "foreign policy" that Obama represented, with his version of the "best and the brightest" to be brought to bear, like JFK, in the face of a tottering international situation (recognized by Paul Street in his characterization of JFK as having run against Nixon and the legacy of Eisenhower from the Right, in "John Kennedy, Barack Obama and the 'Triple Evils That Are Interrelated', " at blackagendareport.com July 23, 2008), has become much less important now, with the combination of the pacification of Iraq and the recent financial collapse on Wall Street. Whatever illusory hopes the 1960s generation might have had that this time McGovern would win have vacated the political stage (or have become irrelevant as props being wielded by the stage-hands on the "Left"). There is an emerging consensus that Obama is the most "liberal" candidate fielded by the Democrats since 1972.

But there is an earlier history that haunts the boomers' imagination as they struggle to get behind the Obama effect. If Obama is the "candidate that comes along once in a generation," as the Kennedys (Caroline and Ted) put it, he is not of their generation. The tasks of the historical moment Obama expresses are quite different from the 1960s.

With the financial meltdown a great shift has taken place. The Clintons are now posing as elder statesmen in their endorsement of Obama as a standard-bearer for the needed changes. Bill Clinton has accepted his part of the responsibility for the trajectory that has brought the U.S.

(and world) to its present impasse. The election of Obama would mark the end of a significant historical period, definitively closing the post-1968 era; Obama's election will be the most potentially significant at least since Reagan's

that have cast the election in this light, an earlier moment of necessary reform was already being recalled, the 1930s. In its April 7, 2008 edition, *The Nation* magazine published a forum of articles on the 75th anniversary of the New Deal. In "Race and the New Deal Coalition," Adolph

"[T]he fact is, most New Deal programs were anything but race-neutral — or, for that matter, gender-neutral - in their impact. Some, like the initial Social Security old-age pension program, were established on a racially invidious, albeit officially race-neutral, basis by excluding from coverage agricultural and domestic workers, the categories that included nearly 90 percent of black workers at the time. Others, like the CCC, operated on Jim Crow principles. Roosevelt's housing policy put the weight of federal support behind creating and reproducing an

overtly racially exclusive residential housing industry." Reed's point was that without the contemporary social movements, the New Deal government policy reforms would not have been "progressive" in the ways they have been remembered. Reed went on to write that

"We can use the New Deal as part of a discussion about what government can do and how its actions can change the playing field in progressive ways. What we need most of all, though, is to articulate a politics steeped in a vision like that of the industrial democracy that fed the social movements that pushed the New Deal to be as

Waxing optimistically about both the historical record and what it can teach us today, Reed was not opposing the New Deal reforms to social movements but rather seeing such reforms as potentially changing the conditions under which movements take place:

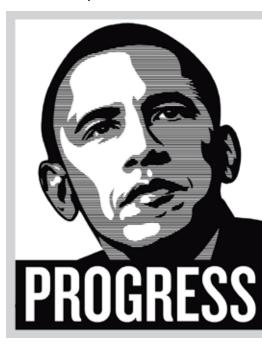
"[B]enefiting relatively less does not mean not benefiting. The Social Security exclusions were overturned, and black people did participate in the WPA, Federal Writers' Project, CCC and other classic New Deal initiatives, as well as federal income relief. Moreover, the National Labor Relations Act facilitated the Congress of Industrial Organizations' efforts, from which blacks also benefited substantially. Black Americans' emergence as a significant constituency in the Democratic electoral coalition helped to alter the party's center of gravity and was one of the factors — as was black presence in the union movement — contributing to the success of the postwar civil

What Reed leaves out is that in the 1930s, FDR's "New Deal" represented the politics of the Right against the mobilized Left of the era. Similarly, LBJ's "Great Society" programs in the 1960s were regarded by the "New Left," correctly, as representing primarily the danger of co-optation "from above" in the absence of "participatorydemocratic" organizing "from below." (This is what Reed means by "industrial democracy," above.) Reed has been concerned to overcome the simple opposition of these different aspects, and to show their inherent interrelation. Government reforms matter, for better or worse. At issue are the ways they matter, in the absence of a Left.

Recent changes globally as well as in the U.S. have seemed to unravel all the political issues preoccupying the last two generations, since the end of WWII. Not only have reforms since the 1960s such as LBJ's Great Society programs been undone progressively since the Reagan-Clinton in the 1990s, but reforms going back to the 1930s New Deal under FDR have been brought back into contention, ever since Newt Gingrich's 1994 "Contract with America." The controversies of the 1960s that seemed to capture the most salient social and political issues since then have become superseded by the memory of the

1930s. The rationales of the New Deal are up for rehabilitation. John Maynard Keynes is being talked about again. But there are significant risks to this nostalgia for the 1930s and the post-WWII heyday of Keynesian "solutions" to the problems of capitalism. The most obvious risk is neglect of the fact that the Fordist-Keynesian welfare state of full employment and wage and price controls itself underwent a severe crisis in the 1970s, leading to the recent period of neo-liberal "free-market" capitalism. Neo-liberalism conquered the world by the 1990s, garnering near-universal approval and was fully sanctioned by the Democrats under Clinton, who not only fulfilled his promise to "end welfare as we know it," but also implemented the deregulation of financial institutions the world

The crisis of Fordist Keynesianism in the 1960s, followed by the general global downturn in the 1970s-80s raised many issues for the fundamental understanding of capitalism that have never been fully investigated let alone properly grasped since then. The risk looms of a simple pendulum swing between state-centric and free-market periods of capitalism, that now we will swing "back" to a period of "government regulation" after neo-liberalism, but under worsened conditions. The early 21st Century is not the 1930s. This difference is both for the better and for the worse. For while the present world of capitalism is not (yet) in another Great Depression nor threatened by fascism, neither is it challenged by a workers movement or an international Left. Rather, it is faced with various fundamentally *Right*-wing alternatives. Obama is nothing



### Beyond the Politics of Anti-Gentrification

A Response to Laura Schmidt

**DESSIE LIVES** in the neighbourhood of Woodlawn, three blocks south of the University of Chicago, with her father and four cats. Her apartment is part of Grove Parc Plaza, a Section 8 development project built in the late 1960s, but like many public housing residents across Chicago. Dessie doesn't know how much longer she will be able to hold on to her home. Last year, Grove Parc was threatened with foreclosure by the Department for Housing and Urban Development (HUD), and despite an organized and vocal campaign by the members of the Grove Parc Tenants Association to save it, the future of the complex is still in doubt. Right on the edge of a campus too small to contain increasing numbers of students and faculty, and only a short walk away from the proposed site for the 2016 Olympic Stadium, Grove Parc's land is prime real estate, and over the past few years residents have found themselves caught in an intensifying crossfire between the city, the university, and HUD. If there is a front line in the fight against gentrification, Dessie is on it. Laura Schmidt's (2007) article, "Taking issue with

identity: The politics of anti-gentrification," (online at http://www.platypus1917.org/archive/article33/) raises an interesting question. If I, a white, middle-class graduate student, choose to join Dessie in the fight against gentrification, what am I fighting for? "The discourse of anti-gentrification politics," Schmidt writes, "...seeks to keep those who are poor in their place, and those who are rich in theirs." Since Dessie has lived in Grove Parc, she has seen damp collect on her ceiling, had drugs sold in the vacant apartment below hers, and heard gang violence take place outside her window. If I lend my support to the campaign to save Grove Parc, am I really doing Dessie a favor? According to Schmidt, the local focus of anti-gentrification activism has given rise to the "objectification of anti-captialism into identity". Since gentrification often involves the replacement of one ethnic group with another, activists have taken to declaring certain neighbourhoods a "natural" space for one particular ethnic group and opposing any development on the grounds of protecting that identity. This, Schmidt argues, serves only to obscure the real issue. Gentrification is a consequence of poverty, which in turn is a consequence of capitalism. If I really wanted to help Dessie, I would recognize that "in order to transform the inevitability of gentrification, capital must

Schmidt's critique of the politics of anti-gentrification is misleading in many ways, not least concerning the motivations of those opposed to the displacement of people

Retort" continues on page 4

of the blue of international disorder and remaking the after the balance of world-political forces, surging out not be the case that a particular image-event can in itself . "Perhaps we should say it explicitly: it may or may separable from the historical circumstances informing that victory on the screen —the Towers crumbling— was image-war had supplanted the bullet-and-bomb one, or that the attacks of September 11 somehow proved that the at the level of its image-life. What we did not argue was do well to confront the vulnerabilities of the capitalist state Afflicted Powers was about. The Left, so we argued, would lems for the new powers that be. That was one main thing controlling appearances above all. This makes for probimagined community means, in conditions of spectacle, less virulent strains are still everywhere. Controlling the the crude pure form of this pathology, but only slightly munity and make it equal the nation-state. Fascism was forced to take control of, and intensify, imagined compolitics: more and more, in face of the deficit, the state is And this, says the theory of spectacle, produces a specific counterfactual, and therefore toxic, imagined community. ship, by its very nature, is prone to spasms of increasingly dead— is what we call weak citizenship. Weak citizenonstration," time and again rising from the spectacular actors —only think of the crude body-politics of the "demwhich is constantly being resisted and eluded by human latter by the former. The net result of the overtaking, and non-imagined community, and the overtaking of the Political modernity, then, is the collision of imagined

materialities and intentionalities—that make up a human the interaction of these different ways —of these different other meaningful besides branding and signing. And it is see that human beings have other ways of making each before the Right eviscerated the notion—they would soon guildhall or a Glasgow "steamy" —or indeed to a "market" sentation. If we could take them back to a stockyard or a believe that everything human is always already repreis crucial. It is only twenty-first century intellectuals who part by an apparatus of symbolic forms. But the "in part" imaginary —if we mean by this that they are constituted in state of pure presence-for-others. All communities are by "non-imagined" we are not pointing to an original three) that had made up previous civil society. Of course actions, agreements, and solidarities (plus negatives of all ined communities – the shredding of the pattern of inter--pemi-non to noizore the erosion of non-imag-Benedict Anderson has taught us this much. But just as ties" world-wide, as a consequence of print capitalism. the spread and intensification of "imagined communiof the history of the last two hundred years has been would be as follows: Let us grant that one main thread nineteenth- and twentieth-century nationalisms in mind, way of rephrasing its theses, now with the phenomena of capitalist politics, is one such effort at coordination. One of the factors in play. Spectacle, conceived as a theory of

historically, and how to recognize the shifting causal force

broached) is how to coordinate the category with others,

ist analysis. The question (which we think Marx himself "commodity." It remains a central theme of any Marx-Again, we have no intention of abandoning the category

depletion, and rape of the planet.) and the continual tip-over of "production" into destruction, with a vengeance again, in relation to scarcity of resourd to war and nation in the last century, we think; and now, unfolding. Such was the case with capitalism in relation destroyed the integrity of the system and its dialectical recognized that the "interference" of external factors has point is reached in historical analysis at which it has to be capitalism's immanent "overcoming." But sometimes a and redemption. We too would like to go on believing in stand the impulse behind your language of alienation ness, alienation, and eventual redemption. (We undernoise on the message of capitalism's future-directedhimself would have realized that they were more than results are there to see; and we do not doubt that Marx becoming, most dynamically, a market for arms. But the or the results that would follow from the global market the application of the new "productive forces" to warfare, for not foreseeing the world-historical consequences of pire and nation-state. No doubt it is futile to blame Marx grating between the logic of capital and the politics of emif one constant thread of Marx's writing had not been the unfolding —the disclosure— of an economic fate. It is as the twentieth century was nothing ("essentially") but the is being suggested that the permanent catastrophe of reading Marxist accounts of modernity, it seems as if it grim trio —but so is their object of study. Sometimes, Clausewitz are modernity's theorists alongside Marx. A War are, alas, just as important. Malthus, Herder, and cannot be the constant dominant. Nature, Nation, and susceptible at all to historical generalization, Commodity end-all of explanation. Insofar as the two centuries are to understanding that history, but it is not the be-all and Platypus, we think the commodity economy is a main key

We are thinking broadly, and of course schematically, effects. Bush-and-the-evangelicals needs lessons on this politics' communities." No one who has lived through the era of tifications, homeopathic doses of togetherness, "imagined around a new (or new-old) set of identities, loyalties, idenarises the political problem of re-consolidating social life this general thinning of social oxygen, intensifies, there texture of everyday life: as this dispersal and banalization, of commodification as it spreads wider and deeper into the only —or mainly— in order to point to the central paradox capitalist development. Its object is "consumerism." But by trying to specify the characteristics of a new stage of advanced capitalism. It is no doubt a theory that starts of charismatic authority and solidarity— in conditions of ter and consolidate the state-form and the last vestiges control, of the grounds of a continuing struggle to re-cenas we read it, is primarily a theory of politics —of social of management in the realm of appearances. Spectacle, primordial brute forms, which certainly do not go away) Power becomes more and more a matter (alongside its social relations, a specific problem of power emerges.

about the history of the last two hundred years. Like

this: As appearances become the [pseudo-]substance of and society. That remains its cutting edge. The theory says particular took issue with that older Left's view of the state —the least glance at Debord's book confirms this— and in generated as part of an argument with classical Marxism ounch of politicos. It is because the concept wa of spectacle, this is not for not just) because we are a Retort: When we object to the de-politicization of the theory

and the real." Is this boundary literally or apparently eroded? "erodes the boundary between the imaged (the imaginary) Afflicted Powers points out that the realm of the spectacle

Debord first published The Society of the Spectacle. To what approved postmodern discourse" in the four decades since that the concept of spectacle has undergone at the hands of SW: You have sharply criticized the radical de-politicization

an economy of abstract equivalence. encounter with things as bodies and bodies as totalities— for pseudo-sociality —the necessary shadow-form of a vanished image (or virtuality, or image, or spectacle) is the necessary economy accompanying an economy of use-value, just as to human subjects' wishes— is the necessary symbolic "embodied," "here and now," having this specific otherness of representations of the world as substantial, resistant, just logical operators: materiality —the continual production ity cedes to appearance. And the "as" and "so" here are not as use-value is supplanted by exchange-value, so materialintensification. To cast the basic proposal in Marxist terms: political problems and opportunities that follow from that phantasmagoric power over human actors, and the specific of the phenomenal form, the intensification of the form's phenomenal form of that fetishism: the specific character commodifies, but it puts more stress than Marx did on the an extrapolation from Marx's notion of the fetishism of human interactions and self-understanding. It is certainly that economic ghost-dance for the day-to-day substance of Spectacle is a theory of the ongoing consequences of

system takes shape in which almost all human activities and

social dealings, rooted in hands-on work and consumpage-old pattern of face-to-face (and sword-to-sword) what happens to social relations when a previous the form, as we understand it, is an attempt to describe ing of the last four hundred years. Marx's analysis of Retort: We too, with reservations to be explained later,

regain its critical purchase?

do you attribute this trajectory? And how might the term

ing, as abstractions or phantoms, in a generalized circuit of have value only (or predominantly) by dint of their participatproducts, and more and more natural goods, are deemed to money economy. The picture Marx paints is familiar: a tion, are more and more comprehensively mediated by a

awesome forces be transformed and redeemed? toward their own conscious overcoming? Can these destructive— can themselves be politically redirected their own historical agents have proven unfathomably in which these great forces —which, as alienated from human potential and transformation. Do you see a way ally both undermine and reproduce the possibilities of mous social and productive forces of capitalism continu-Along the same lines, we in Platypus feel that the enor-

way? Is spectacle a dialectical category? think that spectacle points beyond itself in a similar be raised. What do you think of this statement? Do you from which critical and progressive consciousness can itself, that as the site of reification it is also the basis current form of social mediation—that it points beyond spontd not merely be condemned, but rather —as the It is Platypus' understanding that the commodity form

accumulated to the point where it becomes image"? spectacle— first formulated by Guy Debord as "capital capitalist society in all its aspects"—and the concept of rated by Lukacs as "the central, structural problem of form —first articulated by Marx and further elaboand conceptual relationship between the commodity Soren Whited: How would you describe the historical

well as the nature of our disagreements. ground between Retort and Platypus will be clear —as see underlying them. That way, we hope, the common trying to spell out the key issues and assumptions we answered best by grouping together several of them and your questions at length, we find that they can be A prefatory statement from Retort: Having talked over

Afflicted Powers. collective writing body who in 2005 published the book Clark, Joseph Matthews, and Michael Watts of Retort, the L.T., JeoB niel bne betidW nerol neetween Boal, T.J. The following interview was conducted as an email

Soren Whited

an Interview with Retort

Capital, Spectacle, and Modernity

Issue #8 / November 2008 The Platypus Review "Anti-Gentrification" continues on page 4

## Rethinking the Crisis of Capital in Light of the Crisis of the Left

Peter Hudis

"Far from expressing a sequence of never-ending progression, the Hegelian dialectic lets retrogression appear as translucent as progression and indeed makes it very nearly inevitable if one ever tries to escape regression by mere faith."—Raya Dunayevskaya(1)

IT MAY SEEM IRONIC that a moment so typified by the crisis of capital calls for a serious critique of the crisis on the Left; however, in the present moment it has become impossible to take on the crisis of existing society without facing the limitations found in prevailing leftist responses

The Left's response to the financial crisis and bailout provides a case in point. One might suspect from reading the radical press in recent weeks that the government bailout of global financial institutions represents a hidden acknowledgment on the part of devotees of the free market that the socialists have been right all along. After all, has not the federal government stepped in to regulate and oversee financial institutions on an unprecedented scale? Is not the Republican Right up in arms over the specter of "socialism" that now haunts the Federal Reserve? Has not "Main Street" finally woken up to the need to impose greater state control over Wall Street? Lost in all this, of course, is the simple recognition that state intervention is as old as capitalism and is as integral to its dynamics as the market. "State intervention" and "market anarchy" are not and never have been absolute opposites. The Left. however, caught in a superficial understanding of capital and transfixed by the sudden use of the "s" word in the media, deludes itself into believing that it may one day be able to ride to victory on the backs of state intervention in the economy —even though Bush is leading the charge.

In light of this, Chris Cutrone's (2008) "Capital in history: The need for a Marxian philosophy of history of the Left" is a refreshing contribution to re-thinking today's crises because of the way it confronts the poverty that defines most radical discourse. I agree that the main problem is "the commonplace view of capitalism as primarily a problem of exploitation." Many frequently often overlook that capital is a unique social form of domination defined by the logic of abstraction —viz, capital is congealed abstract or value-creating labor. The relationships established through modern labor are not merely exploitative but alienating. Capital as a social form is defined not by individual or state ownership of property but by the domination of concrete, living labor by abstract, dead labor. Capitalism cannot be annulled without abolishing capital, and capital cannot be annulled without creating non-alienated human relations at work and in society as a whole. My main disagreement with Cutrone's article concerns

the basis of the "historical consciousness" needed for

orienting us towards capital's transcendence. I agree that Marx held that the "proletarianization" of society —the consolidation of industrial capitalism and the universalization of wage labor— does not necessarily point to capital's transcendence.(2) Marx certainly did not conceive of socialism as industrialized labor "coming into its own." I nevertheless argue that the internal dynamics of capitalism generate the means by which capital can be overcome. There is a marked difference, between the proletarianization of society and the proletariat's effort to overcome the existing society by resisting the domination of concrete labor by abstract labor. The overcoming of this distinct form of domination, however, requires the self-abolition of the proletarian as a class. That goal can be reached only by uprooting capital from within through the self-activity of the proletariat and other social forces that resist and seek to negate the value form of mediation.

There are ways to consider the overcoming of capital without the participation of the working class, but they tend towards disconcerting conclusions. Take the case of Proudhon: Marx did not consider him a representative of "proletarian socialism" despite the fact that a significant section the French workers' movement followed him. Marx considered him instead as an exemplar of petty-bourgeois socialism, since Proudhon's critique of capitalism centered on exchange relations instead of the domination of abstract labor. Marx held that proletarian socialism, in contrast, aims to abolish wage labor —and hence capital. In retrospect, I'd argue that Marx's critique of Proudhon brilliantly anticipated the totalitarian "socialism" that defined the 20th century. What led to the latter was not the affirmation of the subjectivity of the proletariat but rather its denigration in the name of state planning and bureaucratic control over industry. Instead of hearing in the workers' resistance to the despotic plan of capital a drive to surmount the domination of dead over living labor, the planners and revolutionary-intellectual "leaders" turned their attention elsewhere —to the "miracles" of modern science and state-imposed "planning" from above. The fetishism of the commodity was replaced by the fetishism of state-planned value production(3). In doing so they lost sight of the cognitive source that could point the way to capital's transcendence.

At issue today is whether we can develop a viable conception of capital's transcendence by turning our attention away from a vital source of radical critique —the internal

resistance that arises against capital. Capital is not a onedimensional entity. Though it based on the domination of dead over living labor, it cannot exist without living labor. Capital constantly runs up against an internal contradiction: it seeks to deny the human even as it remains dependent on the human in the form of living labor. No matter how hard it tries, capital cannot avoid encountering resistance. This resistance provides the material basis for our ability to criticize capital. If proletarian resistance marks not the potential negation of capital but its "fullest realization," what is the source of our own critique of capital? What gives us the right to claim insight into what capital is "really" like if it swallows up everything opposed to it? As Hegel taught us, the ability to criticize a phenom-

enon depends on existing in some sense beyond its limits.

Otherwise, we wouldn't be able to see it as a problem in

We here encounter a major stumbling bloc in radical theory. An array of radical thinkers, from Lukacs to Adorno, affirmed the "totalizing" character of capital. However, they never succeeded in explaining what enabled them to gain privileged insight into the "real" nature of capital if it is a totalizing subject that annuls all internal efforts to transcend it. Lukács sought to respond to the problem with his famous theory of "imputed class consciousness." Whereas the workers, according to this view, are trapped within the alienated horizon of capital, "the party to lead" directs the masses to victory by instructing them as to what is really going on. But what gives "the party" this privileged access to truth? Lukács never adequately resolved the problem. Lenin was honest enough (in What is to be Done?) to rely on Karl Kautsky for an answer. He quoted Kautsky's view that "socialist consciousness" is a form of scientific insight that transcends the standpoint of those trapped in the capital relation. Yet where did Kautsky get his notion that "the vehicle of science is not the proletariat but the bourgeois intelligentsia"? From Ferdinand Lassalle, whom Marx lambasted as a "workers' dictator."(4) As I see it, Marx had a distinctly different conception of the relation between spontaneous struggles and historical consciousness than most "Marxists."(5) In this sense I would agree with Cutrone's statement, "Unfortunately, beginning in Marx's own lifetime, the form of politics he sought to inspire began to fall below the threshold

of this critically important consciousness of history." I am not arguing that grasping the role of spontane ous forms of resistance —especially at critical historical turning points— solves the problem of articulating a viable alternative to capital. That is only where our work first

begins. Once theory listens to the voices of the "wretched of the earth," it becomes imperative to fully develop a conception of a different world that is implicitly contained in them. There is no substitute for being philosophically responsible to history. Although narratives of resistance serve as an important antidote to begin thinking past the capital relation, they are by no means a sufficient condition for constituting an alternative to capital.

The problem that we face today is that the absence of a philosophically grounded alternative to capital negatively impacts the revolutionary potential of ongoing forms of resistance by producing diffidence about the ability to fundamentally change the world. Why should masses of people be expected to rise up against the totalizing nature of capital if radical theorists cannot even manage to point to a viable alternative to it? This is not a mere rhetorical question. The breakdown in projecting a viable conception of socialism represents the greatest failure of Marxism. In this day and age does anyone really expect "the masses" to "storm the heavens" when all that is offered them in the "new society" is to remain imprisoned by the tyranny of the factory clock?

We cannot adequately challenge today's regression by leaving a gap between "is " and "ought"—between our critique of capital and our conception of the alternative to it. One reason why many leftists settle for halfway houses and partial solutions is that alternative views that leave us with an unresolved "ought" are so unpersuasive. Just as the educators need to be educated, so we who subject the Left to criticism must examine whether we are living up to the historical task of projecting a viable alternative to its shortcomings. IP

1) See The Power of Negativity: Selected Writings on the Dialectic in Hegel and Marx, by Raya Du yevskaya, edited by Peter Hudis and Kevin B. Anderson (Lanham: Lexington Books, 2002), p. 330. 2) For more on this, see "The Death of the Death of the Subject," by Peter Hudis, Historical Material

 This argument rests on the claim that "Soviet"-type societies were state-capitalist. For more or this, see The Marxist-Humanist Theory of State-Capitalism, by Raya Dunayevskaya, edited with a

ntroduction by Peter Hudis (Chicago: News and Letters, 1992). 4) See Marx's letter to Engels of April 9,1963: "His attitude is that of a future workers' dictator." For assalle, see "Developing a Philosophically Grounded Alternative to Capitalism," by Peter Hudis. Socialism and Democracy, 19 (2), July 2005, pp. 1-8.

5) The assumption that workers are incapable of achieving class or socialist consciousness on the

basis of their struggles at the point of production was not held by many of the greatest Marxists, such as Pannekoek and Luxemburg. For a discussion of Marx's understanding of this problem, see Retort, continued from page 1



terms of statecraft. Logically this is possible. The notion of spectacle at least suggests a tendential development toward a situation in which, empirically, something like this might one day happen. But September 11 was not it. It was an image-defeat, yes; but it only produced the longterm or midterm effects that it did because, as an image, it resonated so ominously with the gross material realities of 'failed states,' the disintegrating world arms market, the threats to the state's monopoly of the means of mass destruction, and the general neo-liberalization of war." (1)

**SW:** Why has Spectacle figured so prominently in your analysis of post 9/11 politics? Is the role and function of spectacle different now than it was when Debord first developed the category? Did it change as a result of 9/11?

Retort: Much more remains to be said about the new politics of appearance. In various ways, the image-events of the past four years point to forms of warfare beyond the Al-Qaida frame. The militants of September 11 aimed at producing a crisis in the consumption of appearances: they would ensure that for a while the wrong appearance —the anti-appearance— would flood the weak citizen's sensorium. But nowadays the generalized availability of the digital camera, the cell-phone, and the cell-phone video —in the streets and morgues of Lebanon, in Saddam's execution chamber, in Chavez's palace as the US stooges stage their "democratic" coup— begins to alter the terms of image-struggle. A crisis of consumption is followed by a crisis of production. As with war in the twentieth century, there is a strictly technological dimension to the blowback. The new gadgetry is spawned as part of —instrumentation of— the ongoing colonization of everyday life. "Consumers" must become producers, minute by minute, of their alienated image-life. There's money in Facebook. But when strong citizens —most often hideously strong, with the strength of umma and jihad— wish to do battle with their oppressors, they have new weapons at their disposal They can show on line, in "real" time, what their oppres-

machines from their owners' hands, and turn them against modernity itself, would be only the first sign, the opening not to be family viewing. "Death to the Persians!" Lindie salvo, in a new battle to reconstitute the human. We hope he is right.

"Given the global media environment," complained one SW: In the book Afflicted Powers, Islamic fundamentalist terrorism is categorically condemned, but it is credited terrorists may have developed methods that make it nearly with being the only "adequate" opposition to modernity. impossible for superior military forces to uproot them." (2) The final chapter of the book asks what such an opposition from the Left might look like. But why must Modernity itself be opposed? Or, to change the emphasis, why is it modernity that must be opposed?

> The final chapter of Afflicted Powers introduces a variation of Nietzsche's question, "What Do Ascetic Ideals Mean?" Retort asks "What Does The Vanguard Ideal Mean?" In his own question Nietzsche, you point out, "is very far from dismissing" the ascetic ideal, rather, he is interested in its "purpose", its "historical function". You then advocate for the same approach to a critique of the vanguard ideal. But your own verdict on the phenomenon of the vanguard ideal is that it "was an understandable response to the reality... of history." But does this not imply that such a response was merely mistaken, rendering your critique somewhat dismissive? Do you feel that vanguard revolutionary leadership has had and can have no historical function in the development of revolutionary consciousness, even if ultimately such forms of leadership must be worked through and overcome?

In that same chapter you imagine a militant's pledge to not be Modern. To what degree is this possible, and how should we interpret such a sentiment today? If one can choose to not be modern, can one, conversely, choose to be modern? Should one? Does one have to?

Retort: Your basic intuition here is right: for us the guestions of modernity and vanguardism are intertwined. The vanguard model of revolutionary action —the belief that history has a knowable path into the future, and that the key forces that go to make that future can and must be represented (in the two senses of the word) by a disciplined set of proprietors of historical truth— is one pure form of an historical consciousness that stands at the center of modernity as we understand it. We think this a poisonous heritage. The theory of history is wrong; the stress put on representation is wrong; and both errors lead on to something much worse than error: the theory and practice of the proprietorship of truth, about whose conseguences for the Left, and its victims, in the last century the less said the better.

We make a distinction between vanguardism and political leadership. If the latter can be prized apart from the history/representation/proprietorship triad, a whole field of necessary —and difficult— questions opens up. Of course Left politics revolves in part around small groups of intellectuals with (occasionally) bright ideas. Of course

resistance to the present order suffers often from being too local and single-issue, or from still seeing its particular struggle in "broader" terms borrowed from Lenin or Mao or Slavoj Zizek. Small groups with a sense of history —because we deny that history is knowable as a totality and a "direction," does not mean we think it any the less important for particular refutable theses about its past and present shape to be made part of the Left's practical armory— have a job to do. Resistance often needs to be focused. Small groups can sometimes be crucial in providing initiative, or even a "larger framework." The very word "leadership" need not put us in a panic: the task is to align it with craftsmanship or seamanship or musicianship - that is, to tie it to competence in a particular set of tasks and skills. All of which amounts to saying that if "vanguard" or "militant" could be robbed of their metaphorics of history as Napoleonic campaign —with always the samebut-different Napoleon moving the masses on his map in the tent— then even these words might be reclaimable. But we doubt it.

It interests us that many of our best readers on the Left balk at our seeming hostility to the modern. (Several of our worst readers conflate our hostility with that of the Islamist vanguard. But such idiocies are par for the course.) Rather than try yet again to state that "modernity" is not a specifiable set of social and technical advances —from which, obviously, there is no turning back— but a specific symbolic economy, a picture of history and subjectivity... Rather than pointing to the fact that the effective present form of resistance to capitalism just is an attack on capitalism as the carrier of that symbolic economy, and that the Left will permanently sideline itself if it leaves the terms of critique in the hands of al-Zawahiri... Rather than asking if a critique of modernity has necessarily to end up as a primitivism... (Obviously we think not. And the fear of a new primitivism is at present mainly an alibi for the Left's not thinking about the crisis of natural resources, and what might be involved in a politics of real deceleration of "development." The deceleration will happen, we think, whether we like it or not. We are living through its beginnings. The problem for the Left, then, is how to prevent the process bringing on an atavism that will make Fascism itself look benign.] Rather than repeating ourselves, let us turn the tables. Why is modernity the sticking point for so much of the Left? Again the question of vanguardism looms. For if our argument has been that modernity is now in crisis, what we mainly mean by this —our critics have sensed as much —is that its very model of temporality is foundering: its assumption that history is future-directed, and therefore open to direction. And could there be a Left without such an assumption? What will the Left be like without futurity —without the notion of the vanguard as handmaid of history? Modernity is precious to its true believers —a present without modernity is unthinkable —above all because the modern is always about to deliver its "next stage," its aufhebung. IP

### Remember the future!

A rejoinder to Peter Hudis on "Capital in History"

Chris Cutrone

HISTORICAL CONSCIOUSNESS articulates the problem of what "ought" to be with what "is." The question is how the necessities of emancipatory struggles in the present relate to those of the past. The tasks revealed by historical Marxism have not been superseded but only obscured and forgotten, at the expense of emancipatory social politics in

### Dunayevskaya and post-Trotskyism

The problem with Raya Dunayevskaya lies in the belief that there has been any real theoretical or practical political progress since the failure of the revolutions of 1917-19. This imagined progress is explicitly or implicitly assumed in all "Trotskyism" and post-Trotskyism.

Contrary to the prevailing views of post-Marxism, the high-water mark of progress in the movement for human freedom was in the practical politics and theoretical selfunderstanding of Lenin and Trotsky's Bolsheviks in Russia and Rosa Luxemburg's Spartacists in Germany. We have not progressed beyond the horizon of such political practice and its theory, but only regressed and fallen below this threshold. We urgently need to attain its spirit anew.

For the past half century, revolutionary "Left" politics, Marxist or otherwise, have remained stuck in the antinomies of "spontaneity" and "organization," "participatory democracy" and "vanguardist" politics, etc. Meanwhile, the historical moment of 1917-19 and its protagonists in thought and action remain enigmas to us.

A repressed historical fact: neither Lenin nor Luxemburg was a "vanguardist" or a "spontaneist." These and other phantasies —indeed, any apparent resolution to, and progress beyond, the genuine political *problems* of social emancipation beyond capital revealed in 1917-19— are pernicious illusions.

Dunayevskaya never properly registers the problem of *regression*. The most problematic assumption is that coming later means knowing better. But newly emergent forms of "resistance to capital" might be symptomatic of regression, and thereby not point beyond capitalist social relations any more — and perhaps far less — than proletarian socialism did in the early 20th Century. It is not a matter of such new forms of politics expressing advances in social-political consciousness, but rather the effects of the horizon of a Marxian anticapitalist politics slipping away.

Hudis's conception of capital as the domination of living labor by abstract labor leads to his equating all forms of resistance to capital as forms of "living labor's" protest against and purportedly immanent attempt to overcome

Such an analysis finds "new" forms of anticapitalism in the social movements of the 1960s "New Left" (e.g.

women's and gay liberation, black power, anti-colonization). The "New Left", however, actually represented a turning away from the problem of capital.

Why? Because only through proletarian socialism

does the problem of the "contradiction" of capital —the self-contradictory character of proletarian labor in both its "abstract" and "concrete" dimensions— come to light. For capital is not merely the abstract dimension dominating the concrete, "living" dimension. It is rather the ways the abstract and concrete dimensions are related through market or state forms. Capital is the mode of self-relation of the proletariat and its consequences as a social-historical totality. All forms of "resistance to capital" constitute its reproduction in an on-going way.

Proletarian socialism, on the other hand, is the movement that reveals the self-contradiction of capital most explicitly and intensely in its reproduction. Other symptomatic forms of *coping with* the capital dynamic do so only more obscurely. Only proletarian socialism, the most acute manifestation of the self-contradiction of capital. concretely points beyond it

We need a proletarian socialist politics to manifest the problem of capital for us, so that we can begin to formulate a politics for getting beyond it.

The degree to which an approach such as Hudis's attempts to be more open-minded about social struggles and their relation to the problem of capital, it actually conceals more than it reveals. Capital is a form of life, however "alienated." and not just a form of domination "over" life. Hence, one cannot take the position of "life" against capital, of "living labor" against "abstract labor, without naturalizing capital at another, deeper level.

### Marx's political vision: the "dictatorship of the proletariat"

Recognizing capital as a form of life also means recognizing the truly radical difference between a post-capitalist society and the society of capital. It is, in fact, too radical for us to really foresee, despite humanity's struggle to realize it over the course of more than a century. To clarify the relationship between the historical present and a possible future, it is helpful to consider Marx's political thinking on socialism.

Marx's understanding of socialist politics is expressed most clearly in his notion of the "dictatorship of the proletariat." For Marx, the "dictatorship of the proletariat" is not merely the overcoming of abstract labor by living labor, but rather the highest expression of their contradiction in the subjectivity of the commodity form.

Further, it expresses the contradiction of the democratic will of the producers in both their particular-"concrete" and "abstract"-general social dimensions. For

example, the "participatory"-democratic ordering of the site of production will conflict with the more abstract "representative" democracy of political forms at a more general social level. In fact, the political circumstances of socialism would likely produce social conflicts, and hence politics. In a sense it would be, by comparison with the present the first time in which authentic social-politics.

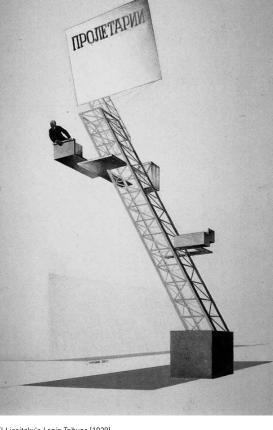
In this sense, the "dictatorship of the proletariat" marks the end of politics as we know it, and the beginning of politics in a new and more advanced sense, with the working class and its activity helping to point beyond the social dynamic of capital. I disagree with Hudis that historical revolutionary Marxist protagonists such as Luxemburg. Lenin and Trotsky adopted a fundamentally different conception of the future of politics than Marx. Each of them, to the contrary, recognized the necessary leading, "vanguard" role of the working class in the attempt to democratize, or bring under conscious human control, the social process set in motion by capital.

The dynamic of capital does not evaporate through the activity of the working class. Quite the contrary, it is through this activity that capital, as Marx understood it, comes into being. Through the "dictatorship of the proletariat," however, the working class plays the necessarily leading role globally in addressing the problem of capital and its effects. In other words, it is the political means by which the social problem of capital is revealed so that it can begin to be overcome.

The proletariat then becomes for the first time, in Lukács's Hegelian-Marxist terms, the subject-object of (its own) history. At the same time, the proletariat as a class begins to cease being the self-contradictory "subject-object" it is today under capital. The proletariat, when these conditions are met, becomes itself for the first time while ceasing to be what it has been — constituted by and reconstitutive of capital — and thus begins to overcome and abolish itself.

The most potentially "participatory" concrete form of democracy, that of "the producers," must be recognized as the highest expression of the subjectivity of the commodity form, the subject-object relation of the proletariat with its own social activity of labor — and not as its "negation."

Hence, evading or otherwise abandoning Marx's conception of the "dictatorship of the proletariat" means abandoning the struggle to overcome capital. We need to remember what this actually meant by way of studying the most developed expressions to date of such a politics. We must remember the tasks of the past still informing our present by recalling what it was that revolutionary Marxism sought to accomplish, despite its historical failure.



The political thought and action bound up in the revolutionary moment of 1917-19 comprise a complex, rich heritage we neglect at our peril. This heritage, that of Luxemburg, Lenin and Trotsky and theorists in their wake, such as Lukács, Korsch, Benjamin and Adorno, is in the form of a set of *problems to be worked through* and not

In order to recognize these outstanding problems of capital we must remember the future whose horizons of possibility informed the politics of the best traditions of revolutionary Marxism. Despite the limitations of Marxism as a historical movement, we nevertheless remain within the horizon of the history of capital and its social effects, whether politics today recognizes it or not. Hence, apparently paradoxically, it is by recognizing the horizons of possibility of capital as revealed in the past that we may recognize the limits humanity needs to overcome to realize its potential, emancipated future.

For example, in the earlier Marxist movement of the 2nd International (1889-1914), the women's liberation movement took place as an integral part of the struggle for socialism, to which it was neither subordinated nor from which was it separated. Such Marxist socialists as August Bebel and Clara Zetkin, among countless other, now-forgotten, participants in this movement, achieved profound insights into the relation of traditional gender roles and sexuality to the radically changed circumstances of modern capitalism. They recognized how capitalism both drew upon and radically reconstituted, on a new and different basis, such "traditional" oppressive aspects of society.

### Future, continued from page 3

1 Afflicted Powers, 2nd edition, pp. 200-01

Furthermore, they recognized the obstacle to women's emancipation capital had become and thus the fundamental connection between women's and sexual oppression and other problems in modern society. It was only because of the subsequent degeneration and conservatization of this movement, due to a series of failures and defeats, that a separate "feminist" movement had to come into being in the course of the regression of the 20th Century. Embracing the history of feminism thus amounts to naturalizing and adapting to such defeat and lowering the horizons of social politics.

Over-attentiveness to newly emergent — though concrete — forms of "resistance" to capitalism amounts to chasing our tails in the present and tailing after the effects of capital. Such over-attentiveness does not broaden but narrows our horizons; it does not, as Luxemburg demanded, engage, seize hold of and attempt to guide, in however limited ways, the changes in and of capital, so that we might get beyond them. "Resistance" in the present represents attempts to cope with and thus catch up with the social dynamics of capital. And the terms of such resistance have only worsened over time with the waning and disappearance of proletarian socialist politics.

Far from pointing to a post-capitalist society, such forms of social struggle under capital actually represent the limits of the present and its future, but only in obscure form, and thus not the actual breadth of the horizon of a potential future of and beyond capital. They express not the potentially new future beyond capital, but only the trailing edge, the wake of the newly emerging past in the

present. The post-'60s "new social movements" such as feminism and other forms of politics of social identity have expressed reconstituted forms of participation in capital. Not "getting beyond" the working class as might have been thought, such movements have opened the way to new and reconstituted forms of proletarianization. Moreover, they have done so in ways that have obscured the problem of the social totality in which they have taken place — the central role of the working class in the reconstitution of capital. The illusion is that such new forms of politics mean getting beyond the necessity of proletarian socialism, when in fact they have meant the avoidance of

Such purportedly post-proletarian forms of politics have represented new forms of capital in an already-captured future of the present. They do not help us recognize the actual necessary tasks of a politics in, through and beyond capital. Only a proletarian socialist politics could do this. We need to remember the horizon of this politics, or remain forever trapped, knowingly or not, by its unfulfilled potential and betrayed possibilities. |P

### Friedman, continued from page 2

despite his avowed intentions. Friedman chose his battle, against Keynesian economics, and made his devil's bargain compromise, with the power of the Fordist state, and we have paid the price for this politics. This is a real aspect of Friedman's legacy, and deserves critique and opposition, and not least from the perspective of the tradition of classical liberalism from which Friedman drew his thinking but ultimately ended up betraying. As Naomi Klein correctly points out, the irony of Friedman and his legacy is that his anti-Keynesian economic policy advocacy depended upon the very power of the (Fordist, national) state against whose unfreedom he was ostensibly aiming his critique.

sors are up to. "Bombing" becomes bodies bursting into

flame. The "birth-pangs of a new Middle East" turn out

English mugs for the camera. A severed head explodes

commentator at the time of the Lebanon invasion, "the

But only a fool would exult in all this. We are no admir-

ers of Sheik Nasrallah. And what Retort thinks is happen-

ing is an image-production arms-race, not a wholesale

leakage of image-power into the city of slums. Power is

working frantically to outmaneuver the opposition. The Chi-

nese Communist Party, we gather, installed 300,000 new

CCTVs in Beijing for the Olympics. But do they work? Will

have dispersed? Will they keep pace with the forms of re-

sistance to come (which is certainly why the Party spent so

much on them)? Or will there be 300,000 bloody sequences,

after the event, of bureaucrats pleading for mercy?

a guide to action, dwells precisely on this dialectic

Spectacle, as a theory and (in Situationist hands)

Spectacle is commodification perfected: once upon a time

(in Polanyi's universe) it was only the ruling realities of

land, labor, and money that stood to be de-realized and

desire, identity, community, subjectivity, "difference" itself.

Maybe the de-realization is irreversible. But perhaps there

is a *politique du pire* even in the realm of unreality. Images

are not in and of themselves "unreal." What is unreal is

their self-sufficiency, their being-together in a circuit in

which they appear to be what they show. What is unreal

images, in so many circumstances, are not open to recall,

correction, parody, refutation. Without being in the least

starry-eyed about the specific battlecries and combatants

at present, we can say that the last few years have seen

the one-way street begin to turn into a site of house-to-

house warfare. The Left will continue an irrelevance

this struggle for mastery over the means of symbolic

production. Polanyi may still prove right. He believed, you

will recall, that capitalism's progressive dissolution and

fragmentation of human sociality was bound to reach an

end-point, in which the fictitiousness of the commodity

world would prove self-defeating. Human sociality, he

thought, simply could not sustain itself without a texture

of practices that continually put men and women back in

Polanyi would have felt, is simply a further stage in the

process will implode. For him, the present desperate

destruction of those practices. And at a certain point the

-and most often frightening- efforts to wrest the image-

contact with nature, materiality, and each other. Spectacle,

—as it mostly is at present—if it fails to respond to

is the one-way street of representation – the fact that

turned into fully fungible abstractions; now it is body,

they be serviced regularly? What are they for, once the fans

But Klein and the "Left" she represents are also not free of such inconsistency from the standpoint of the struggle for greater freedom. They share the inability to regard properly the (post-) Fordist (national) state, for which Klein explicitly apologizes, especially when advocating its developing-world varieties, at least as much as Friedman did by default in his opportunism. But Hayek would have

The second question we in Platypus posed to Klein at her talk was "what is to be done?" Initially, Klein had little to say in this regard. But later in the Q&A, she responded, in an intentionally "provocative" way, that one thing that could be done would be to "nationalize the oil industry." Klein understands such a demand to be part of her greater advocacy of a "new New Deal," an idea gaining traction in light of the present economic crisis and the expectations of change with the coming election.

But we need to be careful not to conflate the different dimensions of the historic Keynesian-Fordist state and its social-politics as well as its economic policies, for in doing so we would lose the distinction between its liberal and illiberal aspects, and thus lose the criterion of freedom. Hayek's critique of the problems of the 1930s Left and its ostensibly "socialist" collusion with the emergent national-state form remains valid. For such "socialism" fell below the threshold of the freedom of capitalism as it had developed under preceding, more "liberal" historical conditions, prior to WWI, an important turning-point Hayek recognized. Hayek was harking back to earlier thinkers in the classical liberal tradition such as Benjamin Constant, who in the early 19th Century saw in national-collectivist politics the betrayal of modern forms of both individual

For not only Friedman but his mentor Hayek would have blanched at Klein's thought of universal oil nationalizations — from Hugo Chavez's Venezuela and Ahmedinejad's Iran to Putin's Russia, and an Obama "new New Deal" America — and for good reason. As Friedman's mentor Hayek perceived in the emergence of the Fordist national state after WWI, in both its relatively benign as well as grossly pathological forms, such a wave of nationalizations would lay the ground very well, and very quickly, for future wars and other forms of social destruction, at the expense of the freedom-potential a more liberal and cosmopolitan capitalism makes possible. IP

### Anti-Gentrification, continued from page 2

like Dessie. Nevertheless, the fundamental question posed by her article —when we fight gentrification, what are we fighting for? —is one that cannot be ignored. I think there are two different ways to answer it. The first is this: the assumption that gentrification is simply an inevitable product of a capitalist society is one that the developers hovering over Grove Parc would like us to make, but it is not warranted. Neighborhoods can be revitalized without being gentrified. The current state of Grove Parc is not a consequence of the natural function of capitalism, but of the dysfunction of under-funded bodies like HUD that have mismanaged the nation's public housing stock whilst pouring taxpayers' money into the hands of badly-vetted proprietors. A reformed and better funded HUD would prevent the crumbling neglect that makes poorer neighbourhoods so vulnerable to gentrification and dislocation. On this view, far from seeking to overcome capitalist society, anti-gentrification activism simply demands that government do the job it is supposed to do.

That is the first answer. I think that it is good as far as it goes, but on the most fundamental level it gets us no further than Schmidt's critique of the politics of gentrification or the developers' mantra of progress through capital. What all three approaches have in common is the understanding of gentrification as a purely abstract phenomenon. There is nothing wrong with this in principle; indeed, for those on the receiving end of social upheaval, understanding one's own struggles as part of a wider context can be illuminating and empowering. What is generally forgotten, however, is that there is no such thing as the view from nowhere. Any account of social phenomena, however abstract, is rooted in a particular situation, and cannot be understood apart from the particular interests and relationships that characterize it. For me to offer an analysis of some problem of yours is not for me to take up a perspective outside of our relationship, but to add a new element to it. With this in mind, let us be clear about the context in which this essay is written. The possible foreclosure of Grove Parc is Dessie's problem, not mine. As Schmidt points out, I may well hear about it in an organic

coffee shop built when the last wave of gentrification rolled through. Dessie would take my comfortable, middle-class existence any day, and I know because she's told me. If my solidarity with her is based on some vaguely-imagined identity politics that wants to preserve the ghetto for the blacks, she'd be better off without me.

The fact is, however, that I have reason to stand alongside Dessie that is entirely self-interested. Gentrification is just one symptom of a sickness that has taken hold of modern urban society: we have become strangers to one another. If we students think that our comparative wealth and mobility leaves us unaffected, we are deluding ourselves. To live in a neighborhood patrolled by one of the world's largest private police forces is not healthy. To move within a culturally homogenous bubble is not healthy. To be afraid of crossing a street only a few blocks from where you live for fear of the people on the other side is not healthy. Like all the worst sicknesses, you can carry this one a long time before you realize it.

That is why I began this article with Dessie. I refuse to treat her merely as a statistic because I believe that people like me looking at people like her in that way is a big part of the problem. Dessie is far from being an anti-capitalist. If she places any value in the preservation of Grove Parc, it is because that is her home, and she has had to fight for it. The main reason that I stand with her is because I have learnt that I cannot separate my own self-interest from hers. In a way, then, our common action, our not being strangers to each other, is a kind of critique of our society, but one that is laid out in practice. One might say of opposing oneself to gentrification what Wittgenstein said of philosophy, that it is "not a theory but an activity". The task for us privileged students is not to pretend that we don't like hanging out in Wicker Park and drinking organic coffee, but learn how our lives are tied up with those of our neighbours. It is possible, as Schmidt suggests, to see gentrification as a "local-level rallying point for anti-capitalist practice"; however, if we want to be true radicals we are going to have to get beyond that perspective and learn how to see it as Dessie's fight to keep a roof over her cats' heads. IP



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