

# INTERNA TIONALIST PERSPECTIVE

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Refuse capitalism's war logic !

Deeper into Deadend Street

The decadence of capital and the  
development of the productive forces

Ideological Obstacles to the Development of  
the Class Struggle

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## Contact Addresses

Write only as shown below:

Destryker  
BP 1181  
Centre Monnaie  
1000 Bruxelles  
**BELGIQUE**

BM Box 8154  
London WC1N 3XX  
**GREAT BRITAIN**

AM  
PO Box 40231  
Staten Island  
NY 10304  
**USA**

Responsible Editor : F. Destryker, 5 drève des Lilas, B-1310 La Hulpe Dépôt Bruxelles X

# REFUSE CAPITALISM'S WAR-LOGIC!

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The 21st century is rushing towards us in the form of Serbian Interior Ministry troops, automatic rifles at hand, woolen ski masks covering their faces, packing tens of thousands of terrified Kosovar women, old men, and children onto jammed trains, and dumping the bodies of the young men they have murdered into mass graves.

The 21st century is rushing towards us in the form of laser-guided bombs and cruise missiles raining down on Serbian cities like Belgrade, Novi Sad, and Nis, turning apartments and factories into piles of rubble beneath which terrified civilians are buried.

This is not the decomposition of capitalism. It is the murderous logic of capitalism at work - a logic already announced more than half a century ago at Aushwitz and Babi Yar; at Hiroshima and Dresden!

The mass death which has long been visited on the population of the Third World, in Rwanda and Sierra Leone, in Vietnam and Iraq, has now come to the heart of Europe. The brutal ethnic cleansing which had turned Bosnia, Vukovar, and the Krajina into a charnel house has now come to Kosovo. And for the first time since World War Two, the great powers - the US, Britain, France and Germany are at war in Europe.

The destruction of Serbia is justified as a humanitarian mission to save innocent Kosovars, to prevent genocide. But the unleashing of the NATO air war has already provided Slobodan Milosevic with the cover needed to complete the ethnic cleansing of Kosovo. And the West, which stood by while genocide was perpetrated in Rwanda (or, in the case of France, abetted it), which permitted mass slaughter at Srebrenica, which encouraged the ethnic cleansing of the Serbs of the Krajina by its Croat allies, now mobilizes its mass media to whip up popular opinion in the service of a "democratic" and "humanitarian" (sic.) war against Yugoslavia.

This war has nothing to do with saving innocent civilians, but is motivated solely by the Realpolitik of the NATO governments. The murderous conflicts in the ex-

Yugoslavia are not the continuation of ancient ethnic battles, but the death agonies of a modern capitalist state, which in its post-war form was created to serve as a buffer between East and West during the Cold War, and in which capitalist order could best be maintained in its aftermath, and in the face of a devastating economic crisis, by imposing a new ideological framework, one based on nationalism, xenophobia, and a mythologized past, shaped by fear and hatred of the "Other."

If NATO intervenes today after nearly a decade of bloody wars to divide up Yugoslavia, it is because war in Kosovo now has the potential to destabilize the Balkans, flooding Western Europe - already confronting massive unemployment - with hundreds of thousands of refugees, destroying the fragile buffer state of Macedonia, and raising the prospect of a new round of Balkan wars, this time directly involving NATO countries like Greece, Turkey, and Hungary. The West has no problem with ethnic cleansing as long as it doesn't disturb its vital interests, but it does have a problem with Serbia now. As the possessor of the once formidable Yugoslav army, with a central geographical position in the Balkans, its policies in Kosovo constitute a danger to stability in the whole region. Serbia's wings had to be clipped. A high tech air war which would significantly diminish Serbia's military capacity was NATO's response.

Whether or not NATO underestimated the determination of Milosevic and the Serb ruling class to resist its Diktat; whether NATO failed to take into consideration the extent to which the Serb ruling class is a prisoner of its own ideology, and incapable of surrendering Kosovo; whether or not NATO unity can survive a long military campaign, one whose logic may lead to demands for the use of ground troops in order to "win," and which may exacerbate the differences between the US and Europe; whether Washington will get its way, and the number of civilian targets in Serbia will be expanded, and a naval blockade to starve the Serbian population imposed: all remain open questions. What is clear, however, is that in this war both sides, Serbia and NATO, obey the murderous logic of capitalism. Whatever the outcome, the ruling

classes on both sides plan on surviving, even as they spread death and destruction in both Kosovo and Serbia. The crisis of capitalism will only deepen in the coming years, and as the present conflict shows, racial, ethnic, and religious antagonisms will be fomented by the ruling class as it struggles to maintain its power. We can expect a hundred Milosevics to bloom. And in the West, humanitarianism and democracy will be exploited as the justification for war, an ideology which the left is especially adept at wielding. Who better than the left, than Clinton, Blair, and Schroeder to orchestrate a campaign of mass murder in the name of humanity? The Democrat, Clinton, and the Socialists, Blair, Schroeder, and Jospin, head the war governments, and are proud of their role. The Greens, like the German Minister of Foreign Affairs, Joska Fischer, loyally and actively back them up. The whole lot shape the "democratic" hysteria which is spreading death in Yugoslavia. The logic of capitalism is implacable, and will remain so as long as humankind is subject to its laws of motion.

This murderous logic can only be opposed by a struggle to destroy a capitalist system which is no longer compatible with the survival of the human species, a capitalist system which can offer us only a future of mass death! We must realize that the problem is capitalism itself, not age-old conflicts. Humankind possesses the resources and capability to create the bases for a human community, where the expansion and satisfaction of needs, not profit, productivity, and class domination, determine social life. What is lacking is the consciousness of the global producing class that it can and must rid the world of a system – capitalism - that can only provide us with a future of interminable crisis, poverty, ethnic cleansing and technological destruction.

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May 1999

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- ◆ Towards a new theory of the decadence of capitalism
- ◆ Responding to the ICC

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# DEEPER INTO DEADEND STREET

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Welcome to the global economy at the eve of the 21th century, the most absurd environment humanity has ever lived in.

You live in Japan, and you wonder how the capital of the second largest economy on earth, which used to be praised and feared for its fabulous efficiency, has lost two thirds of its stock-value in less than a decade. Where did that “value” go to? You wonder how Japanese banks, not so long ago seen as the strongest of the world, wound up with more than a trillion dollars in bad debts. You wonder why brand new factories are being closed, why unsold goods are piling up in the warehouses, why all the desperate measures taken by the government fail to lift the economy from its slump.

You live in neighbouring Indonesia, one of the fastest growing economies on earth just a while ago, and you hear the president on the radio ask you to eat less rice because of acute shortages, but you have no rice to eat. You’re hungry, and they tell you it’s all the fault of the Chinese, so let’s go kill them. And if we find no Chinese, we’ll kill Catholics or witches. It won’t fill your belly, but it will let you vent your rage in a safer way than when you demand food from the government, because then the army will shoot you.

Or you live in South-Korea and fight with your fellow workers at Hyundai against massive layoffs and are attacked by the army, on the orders of your new leader, the ‘compassionate’ Kim Dae Jung. Yet despite this violence, despite the steeply risen unemployment and inflation, you praise yourself lucky that you don’t live in the “communist” North, where up to 3 millions were killed by hunger in the last 3 years, where a recent UN-study found 62% of all children stunted because of malnutrition, and where government-help comes in the form of what is officialy called “substitute-food”, consisting of dried leaves and straw, ground into an indigestible powder.

Conditions are only marginally better if you live north from there, in the vast interior of China. Here, the state calls itself “communist” too, the economy is supposed to produce for the needs of the people, not for profit. Yet while hunger and poverty are rampant, more than 15 million Chinese workers were laid off in the last two years because of.. overproduction.

But your misery could be bleaker still, if you live in neighbouring Russia, where production has fallen at a breathtaking pace, where a third of the population now

must survive on less than 32 dollars a month, where many millions are not only hungry but also shivering from cold, despite Russia’s enormous oil-, gas- and coal reserves. Capital is rushing to the exits and while the ruble has plunged, it still is so scarce that much of what remains of the economy has reverted to barter (trading in kind).

You have not witnessed any financial crisis recently, if you live in one of the 80 poorest countries of the world. With an average year-income of 350 dollar per person in 1997, these economies have become so marginalized in the global production chain, that there is hardly any money left to flee. Nor is there any coming in. While East Africa suffered a massive outflow of capital, during the first half of 1998, capital inflow to that region was still six times greater than that to Sub-Saharan Africa. There is no profit to be made, so these countries are written off, abandoned to disease, hunger, despair, civil war. So if you live in Congo, you may wonder what became of all that jubilant talk on “African Renewal”. And you may also wonder what the armies six neighbouring countries are coming to fight for in a land of plundered resources and collapsing infrastructure. You ask yourself why so many regions in the continent are literally drenched in blood, why they want to kill you because you’re tall enough to pass for a Tutsi. Or if you live further south, in the ‘new’ South Africa, you may wonder why ‘the good shepherd’ Mandela has recently decided to spend 5 billion dollars on war ships, submarines and fighter jets, while the official unemployment-rate of 33% is an understatement and the only things growing in the country are the shanty-towns. Still, your fate could be a thousand times worse if you’re being crushed between murderous gangs of Serbian police and Albanian thugs in Kosovo, or between the economic warfare of the West and the brutal scheming of your local dictator in Iraq, both equally indifferent to the millions who die from hunger and disease as a result of their ruthless power-games.

Sadly, the list of countries where living conditions move from bad to horrible, goes on and on. If you live in Western Europe or North America, you may think, looking at the rest of the world, that as bad many things are at home, they could be a lot worse. You heard about ‘Asian contagion’ and pray for it to stay away, you watch the stock markets gyrate wildly and pray for them to settle. You see the signs of a gathering storm and wonder what you can do to protect yourself, while the media fill your ears with sleezy tales about the sexlife of the US-president and the British cabinet.

Never has there been such an abundance of commodities, including food products, despite the incentives given to farmers in the most developed countries to produce less. There is enough available to provide every human being with at least 2700 calories a day. Yet never before have so many died from hunger -30 million a year, according to the latest UN-estimate- while one third of the human race suffers from anaemia due to malnutrition. Never before have there been so many basic needs unfulfilled, yet never before has there been so much global overcapacity of productive forces. On a global scale, more and more factories must be closed or used below capacity. The same is true for human capital: a third of the global workforce -more than 1 billion people- is thrown out of work, according to the 1998 World Employment Report of the UN's International Labor Office. Never before was there so much money floating around -close to 2 trillion of dollars are now being traded daily for sheer speculative profits- yet half of the world's population must survive on less than 2 dollar a day. Never before was it easier to provide material security to everyone -to satisfy all the world's sanitation and food requirements would cost only 13 billion dollar, roughly the same amount as what is spent each year in the US and the European Union on perfume- yet never before are so many living in insecurity, in constant worries about tomorrow.

## Crisis of Profit

This insecurity reached the very center of the global economy in a big way by the end of the summer of 1998. When the financial turmoil which started in South-East Asia and which Clinton called "just a bump on the road to global prosperity", pushed Japan into recession and brought Russia to bankruptcy and Brazil and other countries close to it, as we predicted in IP # 34, the capitalist class around the world came close to sheer panic. Capital moved nervously around in search of safe havens, stock markets and currencies plunged, even the Dow Jones took a dive. "Is Global Collapse at hand?" the New York Times asked (9/1/98); "The Crash of '99?" a Newsweek-cover blared. IMF-director Camdessus called the situation "dangerous", an adjective he never used before (earlier past summer, he declared there was no crisis in Russia) and even the dour US Treasury secretary Rubin conceded, "the number of countries experiencing difficulties at once is something we have not seen before". Never in the past half century, the capitalist class had sounded so pessimistic. "The whole tone has changed, for everyone", observed Jeffrey Garten, the dean of the Yale School of Management, "a few months ago, people were talking about seeing the light at the end of the tunnel. Now the only hope is keeping the world economy from total deterioration. And you get a sense that this all now truly left to Adam Smith's invisible hand -it's beyond any country's ability, any institution's ability, to control."<sup>1</sup> The Wall Street Journal agreed: "What makes the crisis so unnerving is that there is no clear solution in

sight -no financial firebreak that governments or international financial institutions can construct to slow the spread."<sup>2</sup>

Was the crisis unstoppable? In IP # 34, we wrote that we "don't think that the underlying contradictions have deepened yet to the point of making this inevitable." Yet most capitalists can't see the underlying contradictions of their system, and a danger one feels but can't see, is all the more terrorizing. As the economist Peter Bernstein noted about the fears of capital-owners: "There is a sense that people really don't understand what makes the world work, and they don't know what to do about it."<sup>3</sup>

But the panic abated as quickly as it started. On november 18, the New York Times noted: "Here in Washington, there is little talk of 'global economic meltdown', the chilling phrase whispered just a few weeks ago in the hallways of the Treasury, the White House and, just down the street, the International Monetary Fund." The Dow Jones resumed its upward course, the outflow of capital from countries like Brazil was temporarily stemmed, investors even returned to South-Korea and Thailand, eager to believe that Asia had hit bottom and could only rise now. No magic had produced this turnabout. The American Federal Reserve and most European central banks had lowered interest-rates, Japan increased its deficit-spending with yet another giant stimulus-package and Brazil was "rescued" with 42 billion dollar worth of loans from the IMF and others (which didn't prevent its currency from sharply devaluating later on). In other words, credit was cheapened, more 'strong' money was created. So it was that simple!

The effect, as well as the intent, was of course mainly psychological. The frayed nerves of capital-owners were soothed but clearer heads realised that the improvement in the global financial climate was an illusion. "Things have gotten worse, that's what's changed", remarked one economist.<sup>4</sup> That these measures were effective, at least in the short term, only proved that capital-owners, shifting from euphoria to panic and back to euphoria, still "don't understand what makes the world work" but are desperate to believe that their chief gurus, Tietmeyer and Greenspan, understand and will always be able to postpone the inevitable.

But if the creation of more money can be the solution, than the lack of it must have been the problem. That is an assumption that defies credibility. Between 1980 and 1992, the financial assets of the OECD-countries (developed capital) grew twice as fast as their combined GDP and since then, they grew three times as fast. There is no lack of financial capital in the world, quite the contrary, and it's ready and eager to invest, provided that the investment will

<sup>1</sup> New York Times, September 5 1998

<sup>2</sup> The Wall Street Journal, August 24 1998

<sup>3</sup> Peter Bernstein in The New York Times, August 31 1998

<sup>4</sup> . William Fleckenstein in The Wall Street Journal, November 24 1998

make its value grow. That is where the problem lies. Behind the global financial crisis, there is a global crisis of profit. It is not for any specific situation that provokes financial turmoil that “no governments or financial institutions” have solutions. It’s the crisis of profit that is truly insoluble. Because it is caused by something that is really “beyond any country’s ability, any institution’s ability to control”, and not solved, but caused by “Adam Smith’s invisible hand”: the conflict between production forces and relations of production.

This conflict becomes more and more obvious. The productive forces have become enormously productive and could, technically, quite easily meet most material needs of humanity. But more and more countries are sinking into depression and the majority of the world population is living in misery and despair, because this awesome productivity, this capacity to produce ever more with less labor power, makes it impossible for capitalism to create the profit-rate and the markets which it needs to prosper.

For capitalists, this is impossible to understand. For them, it seems clear that profit grows when you produce more of what’s desired cheaper. Therefore, as long as productivity rises, profits should do too. And the market grows automatically, classic bourgeois economy teaches, as long as what is produced is what those who have purchasing power desire. So only partial overproduction is temporarily possible, because when it appears, “Adam Smith’s invisible hand” (the free market) guides capital away from saturated markets to those where demand is growing. If production increases, so does wealth, as long as buyers and sellers can meet each other unhindered.

So goes their theory but reality refuses to conform to it. Only Marx’s analysis makes it possible to understand why. Because it makes clear that all profit is surplus value, unpaid labor power, so the more technified the production forces become, indeed the more productive they are, the less surplus value and thus profit they relatively yield (even though the more technified capital obtains a competitive advantage and thus a higher profit in the market). It makes clear that the growth of society’s purchasing power and thus its demand, is imprisoned by the overall growth of exchange value in production, by the creation of surplus value, which is declining relatively because of the same technification which makes its output ever greater. It makes it clear, therefore, that the more technified and productive the forces of production become, the more supply overshoots the demand for productive consumption. It also makes clear that the capitalist production process is a cycle of value (in which consumption must recycle the value of production back to the production process, for it to continue) and that, therefore, a rise of unproductive consumption (of commodities like arms and luxuries that take value out of the cycle and don’t lead to the creation of new value) provides no solution to the market-problem. It further explains why the crisis of profit does not merely lead to a capitalism that learns to operate with less profit,

but inevitably sends the system into a series of financial shocks that ultimately cause a breakdown of production.

## Financial Crisis

The more dismal the outlook on profits becomes, the more interruptions occur in the cycle of value because of the growing incentive for the capital-owner to store his value in financial assets, rather than risking it on productive investment. Instead of returning into the productive cycle, more and more value is taken out, with the inevitable result that even less new value, hence less profit, is created. On the one hand, on a global scale, more and more productive capital finds it impossible to attract investment, while at the same time its capital-needs steeply rise because of the increasing technification of production and the intense global competition. That means that a growing number of companies worldwide goes belly up and economic desertification spreads. The weakest, most undercapitalized are the first to keel over but even the stronger must consolidate and merge or borrow heavily to survive (since 1996, borrowing by non-financial companies in the US had doubled to \$ 360 billion annually). On the other hand, the growing demand for financial assets jacks up their prices and diminishes the demand for, and thus the prices of, all other commodities. So while on the financial markets, the “value” of stocks, bonds, etc. balloons into highly explosive bubbles, in the real economy, the growing gap between rising productive capacity and flagging demand, creates mounting deflationary pressure, which further erodes profits. This further incites capital-owners to seek refuge in financial assets, driving up their prices even more. But money has value only because it is the universal commodity, exchangeable into all others. When other commodities lose their value, so must money. Stocks and other financial assets are, directly or indirectly, claims on future profits. When these fail to materialize, it becomes clear that the emperor is naked and the bubble must burst.

But when money’s value is in a free fall, it can no longer function as a means of payment. “The chain of payment breaks at a hundred places”, Marx wrote, and the production process becomes paralyzed. As long as the financial collapses are limited to the periphery, stronger money keeps greasing the global economic machine. Even in the most affected countries, the breakdown is contained with outside help. And there where the prospects or profit are so dismal that no faith in the currency can be maintained, stronger outside money still provides a way to measure and to store value, and thus to keep some commodity-production going. As for the strongest countries, the effect of the financial turmoil in the periphery is even beneficial, at least at first: capital from around the world flows to the safety of American and Western European financial assets, boosting their ‘value’, transferring surplus value and thus purchasing power from the periphery to the center.

But since nothing can be done against the underlying causes of the global profit-crisis, it can only worsen and

move from the periphery to the center. There too, the gap between the booming financial market and the real economy, increasingly threatened by deflation, between shrinking profits and the growing claims of financial capital on them, becomes untenable.

Sooner or later the point will come when the last bubbles, the dollar- and Euro-bubbles, will burst. With no strong currencies left anymore to throw into the breach, the breakdown will take unprecedented proportions.

## A Temporary Solution

The main way in which capitalism has historically succeeded in temporarily overcoming its contradictions (aside from partially destroying itself in global depression and war) has been the extension of the world market. That's why the aftermath of world war I, when such an extension did not occur, was a period of global stagnation, while the aftermath of world war II, when capitalism reorganised itself on a global scale, was one of massive growth. The expansion of its playing field not only widened the market of developed capitalism in general. It also allowed it to invade markets where the market-value of commodities was determined by the higher production-costs of less developed and thus more labor-intensive capitals, and thus to rake in surplus-profits. It also gave it more access to cheap labor power and thus to more surplus value and profit.

But the market-expansion that is needed grows ever faster, the more technified the production-methods become. Not only because the production capacity grows rapidly, and producing under the capacity raises production costs and thus reduces profits; but even more so because mass production contains ever less labor time and thus value, so that ever more of it must be sold to realise the same surplus value. So every expansion phase reaches the point when the growth of the market can't keep pace with the growth of the productive forces. Surplus profits dwindle, the average rate of profit declines again, overproduction reappears.

The post-war expansion phase reached this limit at the end of the '60's. Since then, developed capitalism has played several variations on themes of Keynes to keep the sputtering machine going. But first, stepped-up monetary expansion brought the world to the brink of hyper-inflation, then an orgy of deficit-spending raised debts to crushing levels, without preventing the deepening of the crisis on a global scale.

About a decade ago, a new expansion-phase, globalisation, gave developed capitalism a new leash on life. Again, global markets were widened. Again, developed capital made big surplus-profits by competing with technologically weaker capitals. New information-technology had such a global impact on the production process that it generated a new relative scarcity on the market, which rewarded suppliers with huge profits. And the new technology, in combination with the political climate after the fall of the Russian empire, allowed for greater access to cheap labor than ever before, which also

created a strong downward pressure on the wages in the most developed countries, and thereby increased the rate of exploitation and thus profits.

## The Second Phase of Globalisation

Already in 1996, the second phase of globalisation, in which the negative impact overwhelms the benefits for capital, began. First and most obviously, the expansion it made possible, lead to global overcapacity. In more and more sectors, the market couldn't keep up with the bulging production forces. A growing number of capitalists faced the choice of going bankrupt or selling their output at any cost, that is, under their value. As a result, a tidal wave of deflation is building.

Secondly, the surplus profits of developed capital that resulted from competing with more backward capital on the world market, gradually disappear. When capitals with advanced technology (high organic composition) and others with more labor-intensive production methods (low organic composition) compete on the same market, the market-value and -price is determined by the average value of their commodities. Since the commodities of the first are made with much less labor, their value is way under the average which determines the price, so they yield a big surplus-profit, on top of the normal profit (the surplus value capitalists steal from their own workers). But this doesn't last. From its beginning, globalisation was a process of expulsion as well as of integration. While selective areas (in South-East Asia, Latin America and Eastern Europe) gained a place in the 'global assembly line', larger zones, amongst which almost all of Africa, where wiped of the economic world map. Likewise, it bankrupted or marginalized countless capitals with a low organic composition. Not only because these were increasingly unable to compete on cost, but also because technology transforms the content of the market, the kind of commodities that are in demand, so that backward capitals are excluded from it.

As a result, in the second phase of globalisation, most markets become so thoroughly dominated by highly developed capitals, that the marginalized capitals of low organic composition are no longer a factor in the formation of the average market-value. All markets become global markets, and prices on the global markets are increasingly shaped by competition between developed capitals alone. Consequently, surplus-profits disappear for developed capital, and the general rate of profit, more global than ever because of the free global flow of capitals, must go down, because the average way of producing requires less labor power and hence yields less surplus profit relatively. This generalisation of high tech production methods also weakens the profit-boosting effect of the greater accessibility of cheap labor which globalisation made possible.

The collapse began in South-East Asia, where the gap between the expectations generated by the first phase of



globalisation, and the grim reality of its second phase settling in, was the widest. From there it spread and we can plainly see it move towards the center.

A new phase of expansion seems impossible now. Capitalism is truly marching deeper into a deadend street. Worsening overcapacity, and a falling general rate of profit are inevitable. While this process will not be one of linear decline, the overall trend will be one of capital fleeing more and more areas where deflation is killing off profits, creating an economic desertification which will shrink markets for the stronger capitals too.

## The Fight for Scarcity

We emphasized it before: economic scarcity was the hallmark of the historical conditions in which capitalism grew up. While capitalism has developed and transformed the world's productive forces in such a way that they tend to create abundance, this is absolutely incompatible with its relations of production and consumption. Capitalism needs scarcity relative to demand to survive, yet its own productive forces tend to destroy it.

Now more than ever. In the global economy, most things can be produced much more abundantly than they can be sold, hence the inevitable build-up of deflation. Only capitals that remain constantly capable to create a new relative scarcity, can hope to withstand the tide. They can do so, by constantly developing new technology that drives production costs under the global average and thus yields a surplus profit, by constantly developing new, desirable commodities that meet a global demand, by destroying enough competitors to create a monopolistic or cartel-like market-domination, giving them more control over prices, or by creating artificial scarcity through giant marketing campaigns. All of these require money, in ever greater quantities. The capital investments and overhead costs needed to survive, grow rapidly. This has caused an investment boom of sorts in the strongest countries in recent years, but one that was not caused by the expansion of their markets but by the fear of losing competitiveness. In the US, for instance, investment grew 70 percent faster than sales over the past three years. This produced short term growth and long term overcapacity. Even the biggest of companies must now increasingly join forces to survive, spurring a global concentration of capital. Company-mergers, which accelerated already in the '80's, are now taking place at an astonishing pace. In the last 3 years, merger-deals totaled more than 5 trillion dollar (half of it in '98 alone), more than in the entire previous decade. There are now several sectors where only a handful of companies remain world wide. In civil airplane production, there are in essence just two left (Boeing and Airbus). With size being increasingly the key to profitability, the threshold of capital formation becomes ever harder to reach, just as Marx predicted. This phenomenon too, explains the demobilisation of productive forces that goes on on a global scale and the contraction of the global market as a result of it, as well as the downwards pull on the general rate of

profit, even as the masters of the last unsaturated markets of the world continue to rake in surplus profits.

## No 'Third Way' Out

If things were left to Adam Smith's invisible hand, the world would already have sunk into global recession by now. Not just into a "normal downturn of the business cycle", but in a contraction directly resulting from the exacerbation of capitalism's contradictions, from the exhaustion of the counter-acting effects of the first phase of globalisation. In other words, into a recession that could easily slide into a fullblown global depression. The capitalist class of course is trying to prevent this, but it has not discovered any new ideas or methods to do so. In essence, no bourgeois economist since Keynes ever has. So it must do what it tried in the past to postpone the inevitable: increase deficit-spending, cheapen credit by lowering interest-rates etc. As a result, left-leaning politicians, whose ideologies are more in tune with the tasks of the hour for capitalism, have come to power in most central countries. Toothy-grinned salesmen like Clinton, Blair, Schroder and Jospin, who try to present their warmed-up Keynesianism as a new 'third way' between the free market-dogmas of the right and the now old-fashioned statism of their own political tradition.

But the 'third way' offers no way out of deadend-street. There's nothing new about it; indeed, not even the name is new. Capitalist ideologues of the past have used the term more than once when disillusion in the myths of both right and left made them look for a new packaging.

But the rise in profits which many developed capitals enjoyed in the first phase of globalisation increased tax-revenues, and thereby lessened the problem of the rising public debt in several countries, especially the US. This gives them some room to manoeuvre when it becomes imperative to increase deficit-spending again, to force the reproduction process when the free market is dangerously interrupting it because of falling profits.

But not very much. All countries still carry huge debt-burdens and cannot afford to let them swell like they did in the '80's. Not only would they be forced to spend ever more on interest-payments and consequently have less to stimulate the economy, but they also would risk a loss of financial capital's confidence in their currency and in all assets denominated in their currency, and thus to provoke the financial havoc which they seek to prevent in the first place.

## Zen Banking

Likewise, the policy of lowering interest rates becomes increasingly impotent. Just look at Japan, where the lowest interest rates in the financial history of the world (beating the previous record of 1,125 % in Genova in 1619) cannot stop the recession from worsening. Long-term interest rates have tumbled to 1,07 % while some short-term rates have

even slid below zero. In other words, in stead of having to pay interest, some borrowers are being paid to borrow! Because this is absurd and yet making sense in the Japanese context, it has been nicknamed “Zen-banking”.

Deflation is both cause and effect here, but mainly cause. Because of the enormous overcapacity of Japan's domestic industry on its contracting home-market, and because of deflationary pressure coming from its Asian trading partners, prices of most commodities have been falling for several years now. Meanwhile, Japan's export-industry remains quite competitive on the world market and continues to rake in trade surpluses with the rest of the world. The repatriation of these revenues implies that other currencies are exchanged into yens, which keeps the exchange-rate of the yen relatively high. The relative strength of the currency reinforces the deflation-trend (because expressed in yen, the prices of the devalorising commodities, especially those from Japan's neighbours, are even lower) and pulls down interest rates (because money already increases in value relative to commodities, given the latter's devalorisation). Meanwhile, the Japanese Central Bank is pushing the rates down too, to stimulate the economy with cheap credit. But the outlook on profits is so dismal in the Japanese economy that there is very little appetite to invest, despite the cheap credit. So instead of investing productively, capital-owners seek refuge in the relative safety of government-bonds, even when those yield nothing and even when they must pay a slight negative interest for the privilege of lending to the state.

So the government receives money for free, but it's not doing the economy much good. Neither has the more than 800 billion dollar worth of stimulus-measures which Japan had taken since 1992, over and above its normal budget, done more than pain-killers do for a cancer-patient. But it has inflated its public debt and made its deficit the largest of all developed countries, which will limit its capacity to react when the shit hits the fan.

In contrast to the US and the EC, Japan doesn't have the advantage of a large home market. That is the main reason why it has developed a double economy; one large scale, very efficient and competitive, but wholly dependant on export; the other and larger one, more backward, more labor-intensive, serving the domestic market. The latter cannot survive without protection, so Japan cannot open its gates without letting in a devastating depression. Because of overcapacity, all measures that have been taken since the Japanese bubble burst in 1990, have failed. So Japan must try to increase its export, but its Asian markets (which bought 40% of its export) has contracted sharply. Moreover, its past success is now an obstacle for expansion. When a multinational like Nissan launched an export-offensive recently, it discovered that it was mainly competing with itself: its raised exports forced a decline of production in Nissan-plants in Tennessee and Northeast-England.

## Fighting for the Titanic's Upper Deck

What will happen when global recession yanks away the sole pillar supporting the Japanese economy, its trade-surpluses? The reason for the yen's strength would disappear and it would fall, and all yen-denominated assets with it. This would raise deflationary pressure on other countries and trigger another round of devaluations in Asia and elsewhere. It's ailing bank sector, with its more than 100 trillion Yen in bad loans, would start to collapse. To stem the panic, the Central Bank would have to use its foreign reserves. That would mean selling dollar-assets, at a time when the recession would already shake America's financial markets. With Japan a seller instead of a buyer of dollar-assets and profits shrinking together with the global market, the stock market would crash.

How deep? Would the entire bubble burst? These are questions we cannot answer. That the next global recession will be deep, and devastating for the whole world economy, seems certain. That it would become a global depression is not, but it certainly will bring the world closer to it.

It is possible that European capital would weather the next storm better than the US, because it has not yet developed the same dependency on a continuous capital-influx from Japan and elsewhere. Yet it wants to. The dollar's role as the currency of the world, the position of dollar-assets as the safe haven for capital everywhere, have allowed the US-economy over the past decades to buy much more from the rest of the world than it sells to it with relative impunity. It has fueled a steady demand for its assets, thereby raising their price, creating billions upon billions of extra-purchasing power for its possessors. In short, it has created a continuous transfer of value from around the world to American capital, making it richer and enabling it to soften class contradictions.

For the first time since the dollar-world was created in Bretton Woods at the conclusion of the second world war, there is now an alternative international currency, the Euro. Whether it will be able to threaten the dollar's position remains to be seen. But with profit-prospects darkening everywhere, the question where capital from around the world will seek shelter from the storm, becomes of primordial importance to the US and Europe. Who will occupy the upper deck on the Titanic? The rivalry and friction between both will likely grow. The defense of the strength of their currencies will be essential in that struggle.

## Fast Forward To Russia

But what can a state do when depression sets in and its currency and financial assets are sinking, so that it can neither increase deficit-spending nor increase the money supply without risking a hyper-inflation which would only accelerate the depression?

That may be the impossible situation in which even the most powerful countries find themselves in the future. It is also the situation Russia is in right now.

The depression which Russia currently suffers is often blamed on the incompetence of its leaders, on their "lack of experience with capitalist management". But that's rubbish. Of course there is incompetence, but even the most competent of leaders could change little to the fact that, with the exception of some military hardware and other products of what remains of its military-industrial complex, there is an oversupply on the world market of everything which Russian capital can sell to the rest of the world, from oil and gas and labor power to steel and even gold, and that most of it can be produced either more cheaply or of higher quality elsewhere.

It was lack of profit which forced Russian capital to give up its Stalinist mode of control and its imperialist aspirations at the end of the '80's, but its situation has grown steadily worse ever since. Its integration in the global economy has transformed Russia in an exporter of mostly raw materials and an importer of finished goods and foods, making thousands of existing factories, unable to compete with foreign capital, superfluous. State-subsidies and foreign credit did slow the pace of economic devastation but also lead to steep inflation and a buildup of debt, forcing the state to gradually abandon its subsidies, which accelerated the contraction of the economy. This worsened the already dismal profit-perspectives. Consequently, the foreign capital that came in, did not go into productive investment but simply into debt-creation, taking advantage of the high rates which the Russian central bank and private banks had to pay even on short term loans, to get any capital at all (on balance, much more capital has left Russia in the last decade than came in, as has become the case for backward countries in general. Rather than being helped by them, it is capital from the underdeveloped countries that is helping to prop up the value of the capital of the highly developed ones).

The spread of deflation, which affects raw material-prices first, hit Russia hard. Especially the drop in oil-prices last year, caused its export earnings to drop sharply. It became clear that Russia would become increasingly unable to service its debts, so capital rushed to the exit. The huge demand to exchange rubles for dollars inevitably caused the ruble to fall, devaluating it with 63 %.

So the Russian state found itself in a situation which gives developed capitals a hint of their own future. Despite the depression, it can't do much to force the reproduction process to continue, for fear that its currency would fall so steeply that it couldn't function anymore as a measure of value nor as a store of value, which would accelerate the breakdown. It can't borrow anymore, since it was forced to default in its debt. And it can't lower interest rates nor simply print more money to service its debts and stimulate the economy without causing hyper-inflation. The private

banks, half of which are in the red, are seeing the loans they extended earlier go bad and cannot find any new customers at the high interest rates they're forced to charge. As a result, credit in Russia has shrunk to 7 % of the (itself shrunk) GDP, as compared to 111% in Germany.

The ruble has lost two thirds of its purchasing power but because hyper-inflation has so far been avoided, it still can measure and store value. But it's increasingly deficient in money's third function: there isn't enough of it around to make the circulation of commodities possible. And there can't be, unless another huge chunk of the profit-scarce economy is forced into bankruptcy.

It's a tribute to the ingenuity of the Russians (and their experience from Stalinist times) that the reproduction process goes on despite this. That production and circulation, although severely shrunk, are not paralyzed. That unemployment, although much larger than the official figure of 8,5 million, is not yet growing uncontrollably. That all this hasn't happened yet, is because the majority of Russian companies, private and public, have decided to ignore the fact that they're all sitting on a mountain of unpaid bills and have run out of money to pay each other, their workers, their taxes, and to carry on their exchanges in kind (barter). A survey of 210 of the biggest companies in Russia last year showed that more than 70% of their receipts were non-monetary. Complicated chains of production-swaps, often involving dozens of companies, many of which technically bankrupt, have come in the place of money-exchanges. Similarly, workers are unceasingly paid in kind, which can be whatever. Even the government, if it pays its employees at all, uses whatever it receives in lieu of taxes for that purpose. In Voronezh for instance, teachers were paid by the local government in gravestones, which was seen as a good deal because it was at least something for which was always in demand.

Of course, this exerts a heavy toll. Barter is difficult, very awkward and inefficient. Every swap must be negotiated and commodities make all sorts of costly detours before reaching their final consumers. The waste in resources and time is enormous. Just think of all the time that must be spent in organising the exchanges (Splav, a valve-producing company in Novgorod has 50 executives who do nothing else) not to mention the millions of hours workers must spend to sell and swap their 'wages' before they obtain the basic necessities. It's funny and sad at the same time, to think about the absurd ways capitalism is forcing people to find to survive -if they can- when all these worries could disappear by producing for the purpose of satisfying what they need, liberating their energies to embrace, finally, real freedom.

Meanwhile, the Russian GDP has shrunk with 42,5% in the last 9 years. Wages, for as much as they're paid, have lost more than 60% of their purchasing power. Entire sectors are in ruins. Steel consumption, for instance has dropped from 970 pound per capita to 265 pound, as the production of trucks has fallen with 80%, of refrigerators

with 60% etc. With their domestic market decimated, with the EC imposing quota on Russian steel and the US threatening to do the same, the remaining steel factories are all facing bankruptcy. The policeman of Western financial capital, the IMF, demands that all these unprofitable plants are closed, as a condition for new loans. “We can’t do that”, said a director of the Magnitogorsk Metal Works. “There would be a huge social explosion. That’s what everyone is afraid of.”<sup>5</sup>

## Barbarism

All indicators show a steep rise of bleak misery in Russia, with no hope for improvement in sight. Not just the indicators on economic activity, but on all aspects of life. The average-lifespan is falling, diseases caused by environmental destruction are on the rise, the suicide-rate of children has doubled in the last decade, millions of homeless (amongst which two million kids) roam the streets and countryside, hunger is spreading, crime and corruption are rampant.

The many spectacular stories in the press on how Russia has become a cesspool of government corruption and a gangsters’paradise, often put the blame on Russian particularities, just like they explain the wars in the Balkans by “ancient ethnic hatreds” and the bloodshed in Africa by “the persistence of tribalism”. The implicit message is: “rest assured, it can’t happen here, in the civilised world”. Well, think again.

Of course history has left a vast reservoir of ethnic and cultural division, of racism, fear of otherness and scapegoating of minorities. Not in the least in Western Europe and America. But there is also a huge reservoir of interethnic cooperation, of human brotherhood and working class solidarity. The important question is under which conditions and by which social forces, by which classes, are these reservoirs tapped. Historical experience shows that gangsterism, corruption, racism and mass murder are not a sign of a lack of penetration of capitalist civilisation. At the contrary, no civilisation generated so much of it, not even in a relative sense, as capitalism.

Morality has never been the driving force of capitalism: profit has. And when conditions become such that profit cannot be obtained by conventional means, it will be sought after by any means possible. Thus this barbarism is not an aberration but the normal way of behaving for decadent capitalism when it sinks into crisis. That’s why crime and corruption are spreading like wildfire in most of the world. That’s why every inch of land is fought over in the Balkans. That’s why India and Pakistan test nuclear weapons while organizing pogroms against religious minorities. That’s why in Africa states are fracturing and bloodbaths have become too frequent to mention them all on the evening news.

Contrary to what some dogmatics, mired in the past, still believe, these conflicts are not primarily confrontations by proxy between the big powers. The profit-potential of most of Africa has become far too low for them to care very much. And besides, the mining and other interests they still have there, would be far better served by stability than by the turmoil that now surrounds them. So it’s rather despite than because of the big powers, or more because of their disinterest than because of their interest, that Africa is plagued by endemic war.

The imperialism we see there, comes from local states and fractions of splintering states. The bloodshed is the product of the economic breakdown of capitalism there, which creates the necessary ingredients:

- ◆ a capitalist class and its state and hangers-on, which see the economic base of their profits and power dwindle so that fights break out over the shrinking pie in which the most ruthless and violence-prone (and often also the most irrational, the most likely to believe their own lies) amongst them are brought to the fore;
- ◆ alienated masses, so thoroughly robbed of all hope, that they can be mobilised for the former’s purposes with genocidal, scapegoating rhetoric.

One shudders to think of the mass death and destruction that becomes possible when the economic breakdown reaches the most developed areas of capitalism. Let’s forget any illusions in the good nature of the ruling class there and remember the productivity of the technological means at their disposal. As history has shown, death too can be mass-produced.

## Don’t Stay Inside

But there is this other vast historical reservoir, of brotherhood, of hunger for a real human community, of working class solidarity and determination. So the big question is: why isn’t the working class revolting?

It’s true that there are class struggles going on, that the ruling class isn’t free to do what it pleases and often must tread carefully for fear of provoking social outbursts. It’s also true that history shows that class anger has a way of building up subterreanously, to erupt after a long period of apparent calmth with the sudden, gigantic force of a volcano. But given the level of misery the working class is suffering internationally, given the certainty that this misery will become much worse as long as capitalism survives, in whatever clothing, given the real possibility for the working class to transform the world, to transform us all from victims into free human beings, why hasn’t this happened already? Or at the very least, it’s fair to ask, why isn’t the working class resisting much harder what’s being done to it?

A correspondent of a Belgian newspaper put this very question to the workers of a tire factory in Voronezh

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<sup>5</sup> Sergei Nosov in The New York Times, November 8 1998

(Russia), who, for the last three years, received their wages in the form of tires, which they have to sell for themselves to survive. He summarized their answers as follows: “What has the revolution of 1917 yielded? Only destruction and misery. What would be the result of a new revolution? At most that other thieves would come to power. So it’s like the weather: all you can do about it, is to stay inside.”<sup>6</sup>

These workers have a vantage point that shows many things clearly to them, which are obfuscated for many workers elsewhere. They know they’re exploited; they don’t need a complex explanation on surplus value to prove it. Their wages are, literally, just a fraction of what they produce. They know that their situation will not be improved by a change of personnel at the top; that they will not be helped by supporting one party over the other. They know that the question of how to struggle for their immediate interests inevitably poses the question of the broader perspectives, of the direction of society, of revolution.

The question they pose to us is valid: what guarantee is there, that the revolution which we advocate, would not just bring other thieves to power? That the pain which this struggle inevitably would cause, would be the birthpangs of a truly new society, of real freedom, and not just yet another round of suffering in vain?

If there is no clear answer to this question, is it not indeed quite logical to look at the forces of economic and social destruction unleashed by the crisis of capitalism as some kind of natural disaster and to seek shelter inside? Isn’t that what most people are doing all over the world, trying to escape inside, seeking refuge into the cozy niche of family-life, or of professional or cultural interests, or of a church-community, or in obsessions with sports or TV or other drugs, or whatever, while hoping that, at some point in the future, the “weather” will somehow improve?

But in reality, it’s the other way around. It’s not the economic environment that defies human control like the forces of nature, but it’s the “natural” disasters that are in fact man-made, just like the economic ones. Last year’s inundations in China for instance, would not have afflicted 250 million people and killed at least 10 000 of them, were it not for the reclamation of lakes and the enormous silt-accumulations resulting from pollution and erosion, caused by the profit-hunger of Chinese capitalism.

But “to stay inside” will offer less and less shelter. ‘Natural’ disasters, poverty, misery and bloodshed will all increase together with the collapse of the economy, as long as the capitalist system is not overthrown. There simply is no alternative.

The answers of the Russia workers quoted above do reflect a maturation of consciousness: indeed, workers everywhere must realize like the workers of Voronezh, that the question before them is not how to protect their living

and working conditions within the present world order, that the struggle for their interests leads straight to the question of revolution. As we have pointed out in recent issues of IP, some struggles in the most developed countries such as France and Belgium, have shown in the past years signs of an encouraging growth of awareness of and reflection on the broader perspectives of the struggle. This must be stimulated.

The answers of the workers in Voronezh also show the main obstacles to that maturation:

- ◆ the perversion of the communist project resulting from the bitter defeat of the Russian revolution, the equation of the working class revolution with the experience of Stalinist rule, which both the ideologies of the right and those of the left, in some form or another, continuously solidify;
- ◆ the difficulty of imagining, in the conditions of alienation and segmentation and atomisation which capitalism’s ideology and social structures create today, a real world community in which the exploitation of men by men is truly ended.

The working class will only overthrow capitalism when it becomes convinced that it must do so, and when it becomes convinced that it can do so, that it can indeed take control over the global economy which only turns because it makes it turn, and use its vast potential to meet the needs of mankind and open a reign of freedom from want, freedom from exploitation, freedom from domination. In other words, it will only stop capitalism in its lethal tracks if it becomes convinced of the necessity and the possibility of real communism.

Revolutionary minorities cannot simply inject those ideas in their class. In terms of propagandistic means, we are no match for the forces of capitalism. The communist project can only take hold of the class through the interaction between the worsening capitalist context and the growing recognition by the working class of its own potential. Our role as revolutionaries in this process, is in the first place to articulate, and thereby to clarify, what the class as a whole is already beginning to understand intuitively.

We won’t be able to do so, if we’re not aware of our own lack of clarity, if we are content to intervene in class struggles with formulaic slogans. We must join forces to make revolutionary theory the razor sharp weapon our class needs to succeed, the world needs to survive.

Sander  
23 January 1999

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<sup>6</sup> . De Morgen, August 22 1998

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## *Correspondence*

# The Decadence of Capitalism and the Development of the Productive Forces

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The autumn 1997 number of your publication, IP, contains an article titled "Value, Decadence, and Technology: Twelve Theses," signed by Mac Intosh. Many things asserted in these pompous theses are false, notably the fact of the law of value, which goes back to antiquity. These theses confuse concepts rather than clarifying them. But, three ideas particularly disgust me.

1) The attempt, in imitation of the Dutch councilist, C. Brendel, to dissociate Engels from Marx, and to make the former the father of "productivist Marxism"(sic.), a curious term, one even utilized by the anarchists. What Marx's close collaborator, Engels did after his friends death, was to prepare the edition of volumes II and III of Capital, to continue to defend communist principles in the early Social-Democratic parties, to provide clear-sighted advice to militants, and to write crucial Marxist texts, such as *The Origin of the Family, Private Property, and the State* (1884), *Ludwig Feuerbach and the End of Classical German Philosophy* (1886), *The Role of Violence in History* (1888), plus many other texts just as important. Has Mac Intosh even read them? Mac Intosh reproduces the discourse of the Marxologist, Maximilien Rubel, and takes up the old saw of cafe Marxists who, following the neo-Kantian Social-Democrats, want to empty Marxism of its economic determinism, and its scientific character. In his modernist logic, Mac Intosh should have the intellectual honesty to say that the progenitor of "productivist Marxism" was Marx himself, who wrote: "The history of industry is the open book of the essential powers of man, human psychology

under a sensible form."(*Economic and Philosophic Manuscripts of 1844*) Mac Intosh proclaims his total disdain for the importance given to the development of the productive forces, without which there could be no question of communism. According to the conception of scientific socialism, the proletarian revolution can only follow upon industrial super-development. Based on the evidence, Engels's critic does not understand that the appearance of the capitalist mode of production has been crucial because of the antagonisms which it has provoked between capital and the proletariat. Mac Intosh would be well advised to read Engels's *Anti-Dühring* (1878), a work in whose writing Marx would participate. If the conflict is no longer between productive forces and social relations of production manifested in class antagonisms, between social production and capitalist appropriation, then it is Marx who was completely wrong. It is evident that Mac Intosh, here and elsewhere, places himself outside of Marxism.

2) The amalgamation of the Communist Left with Stalin is beyond the limit of what is permissible. This judgment, that the communist Left had the same economic perspective as Stalin, that it was a manifestation of capitalism, that it reified alienated labor -- inasmuch as it was productivist -- is beneath contempt. One must be particularly twisted and evil-minded to make of the Communist Left a follower of productivism. For Stakhanovism and the oudarnik, the Communist Left? Such a gross falsification merits only contempt. A reading of *Bilan* shows that Mac Intosh lies in a shameless fashion, that he is merely

a sycophant. Because, the Italian Left proposed an economic policy which was founded not on the accumulation of capital, but on the massive production of consumer goods. For it, there had to be a relative shrinkage of sector I (means of production), and an accelerated growth of sector II (means of consumption). The mode of production must no longer obey the law of the growing accumulation of surplus-labor, but rather the opposed law of a constant and continuous improvement in the living conditions of the workers.

3) The sneak attack against Lenin, the architect of October, now assimilated to a bourgeois revolution. Happily installed in his comfortable New York digs, Mac Intosh can still write something "strong" on his computer against the "bourgeois revolutionary," Lenin, who sought to combat illiteracy and disease so as to raise Russia from its state of social and cultural backwardness, repulsive "productivist crime that it was. This kind of sally is the reflex of the "civilized man" against the "backward" Asiatic, a denigration not devoid of racist prejudice. When Mac Intosh bases himself on Lenin's celebrated formula according to which socialism would be the Soviets plus electrification, in order to demonstrate that the Bolshevik leader was indeed a "productivist," he lies again. Because Lenin spoke of the development of the productive forces under the control of the Soviets. But Lenin, knew that the chances of socialism in Russia rested on the victory of the world proletariat alone. That's why his "socialist" program was so modest. What Mac Intosh is careful not to say, is that Stalin destroyed the power of the Soviets, and developed the productive forces by grossly distorting the very meaning of the word "socialist" and promising miracles. Before the greatest battle that the organized proletariat has ever fought against capital, Mac Intosh falls into the trap of anti-Bolshevism, joining the camp of the petty-bourgeois ultra-left.

What is this capitalist "decadence" which is accompanied by a "development of the productive

forces," if not the distortion of two concepts, dressed up by giving the reader the illusion that you are "enriching" Marxism, that you are basing yourself on Karl Marx's Grundrisse, and Results of the Immediate Process of Production. With his artful constructions, Mac Intosh falls into the void. On the question of the historical development of the capitalist mode of production, the true Marxist theses see three successive phases: a revolutionary phase, where capitalism replaces the old mode of production, which has become a brake on the development of the productive forces; a progressive phase, where capital subjects the inhabited world to its own system; and a conformist phase, where capitalism tends to preserve itself in a totalitarian form of control over the whole of society.

To stop the destruction of nature and make the machine useful to man, it is necessary to destroy capital, with its greed for surplus-labor, eliminate from labor its character as a commodity, eradicate exchange-value, and demolish the whole system of the market. After which, one can speak of a "Gemeinwesen," of labor as an activity by which man will make his labor an object of his will. If Engels and the Italian Left never stopped insisting on the necessity to make the proletarian revolution, Mac Intosh, on the other hand, never speaks of it, judging it more appropriate to use the "lofty" and more ornamental term "praxis."

Whatever Mac Intosh may think, the Marxism of Engels and of the Communist Left is not a "vulgar" Marxism. It has no need to be relieved of its "productivist" impurities, because its goal was the disappearance of the proletariat (together with capital which had called it into being). It is rather the "Marxism" of Mac Intosh, cut to the measure of his intellectualism, which needs to be brought back onto the scientific terrain. Or, it will become, if he continues to deviate each time he writes, an anti-Marxist revisionism.

R.C.

# Reply

R.C.'s letter provides the occasion to clarify the position advanced in my "Value, Decadence, and Technology: Twelve Theses," which appeared in Internationalist Perspective 32-33. However, before doing so, or even addressing the issues raised in his letter, it is necessary to say something about the mind set which, I believe, animates R.C.'s comments. This letter, with its anathemas hurled at me for my "anti-Marxist revisionism", for having placed myself "outside of Marxism," is an indictment worthy of a Savonarola defending the purity of the medieval Church, and its inquisition. Indeed, I find its tone more in keeping with the contemporary fundamentalism of the Gush Emunim in Israel or the Taliban in Afghanistan than with the critical spirit, and the openness to debate, that must animate revolutionaries as they confront the vast machine of decadent capitalism, which threatens the very existence of life on this planet. R.C.'s vision of Marxism, it seems to me, is that of a narrow and cramped dogma, increasingly cut off from the dynamic of the actual social relations which its theory-praxis must confront. Indeed, I would suggest that in order to confront the grim reality of decadent capitalism, and its lethal potential, one must be a revisionist. As Georg Lukács said in his essay, "What is Orthodox Marxism:" "Orthodox Marxism ... does not imply the uncritical acceptance of the results of Marx's investigations. It is not the 'belief' in this or that thesis, nor the exegesis of a 'sacred' book."<sup>1</sup> R.C. exhibits in his letter an understanding of Marxism more in the spirit of a sacred book than the understanding of it as a living theory-praxis, as in the vision of Lukács, who was, of course, periodically damned as a "revisionist" by the priests loyal to the Kremlin.

Nonetheless, I must admit that R.C. has raised a valid point when he argues that I have cut the link between Marx and Engels, making the latter the founder of productivist Marxism, and seemingly leaving Marx himself free from that taint. Such was not my intention. The productivism against which I wrote, the conviction that the growth of the productive forces is inherently progressive, and that so long as capitalism assures such a development it remains an historically necessary mode of production, is to be found in Marx himself. Indeed, Marx's own writings contain several elements which revolutionaries today need to reject: productivism, historical determinism, a linear conception of history (inherited from Hegel), are all present in Marx's writings, and constitute so many shackles which a revolutionary movement adequate to the task of confronting decadent capitalism must shatter. But, these elements do not invalidate the revolutionary core of Marx's writings, his vision of human-kind making its own history (albeit not under conditions of its own choosing), his understanding of the role

of the law of value in human history, and its trajectory, his analysis of the historic contradictions at the heart of the capitalist mode of production, his vision of a Gemeinwesen in which the contradictions of capitalism and the law of value are overcome.

Even late in his life, Marx was prepared to challenge those facets of his own thinking, such as historical determinism, which constituted an obstacle to the revolutionary thrust of his vision, as can be seen in his correspondence with the Russian revolutionary, Vera Zasulich, for example. In the context of a discussion of whether socialism in Russia would only become possible after the country had first experienced a bourgeois revolution and capitalist development (the position of "orthodox" Marxists) or whether the existence of the rural commune, the mir, could be the springboard for a socialist transformation in Russia, Marx, in 1877, acknowledged that his vision of the development of capitalism out of feudalism was only a "sketch of the origin of capitalism in Western Europe," and not, "an historico-philosophical theory of a Universal Progress, fatally imposed on all peoples, regardless of the historical circumstances in which they find themselves ...."<sup>2</sup> For Marx, near the end of his life, and confronted by the specificities of the Russian development, it was necessary to insist that one cannot grasp social phenomena "with the open sesame of an historico-philosophical theory, of which the supreme virtue consists in its being supra-historical...."<sup>3</sup> Today, of course, it is too late for Russia to escape the path of capitalist industrialization -- indeed, perhaps it was even in 1877 -- but Marx's warning about the danger of a supra-historical, deterministic vision, of a linear historical process, remains valid for a living Marxism today. After Marx's death, however, Engels succumbed to the determinist and positivist elements, which while they were always present in both his and Marx's thinking did not exhaust it, elements which would quickly come to shape the ideology of the Second International, and were enshrined in the Marxist orthodoxy of Karl Kautsky. It is in that sense that I link Engels to the beginning of a "productivist Marxism."

Here is the point to also briefly address the reductionism into which R.C. falls in his letter. If I have argued that productivism can be found in both Stalin and the Gauche communiste, then for R.C., I have asserted that Stalinism and the communist left are the same. If I have argued that productivism can be found in both Lenin and the architects of the classic bourgeois revolutions, then for R.C., I

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<sup>1</sup> Georg Lukács, History and Class Consciousness: Studies in Marxist Dialectics (Cambridge, MA: The MIT Press, 1971), p.1.

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<sup>2</sup> Karl Marx, "Letter on the Economic Development of Russia (1877)," in Karl Marx and Friedrich Engels, The Russian Menace to Europe (Glencoe, IL: The Free Press, 1952), p.217.

<sup>3</sup> *Ibid.*, p.218.



have assimilated the October revolution to a bourgeois revolution. And, if now I acknowledge that there is productivism in Marx as well as in Kautsky, then presumably for R.C., I am saying that Marx and Kautsky are theoretically the same. Is there really any need to point out the logical and theoretical fallacy of such reductionism? However much the communist left was animated by a productivism which did not allow it to acknowledge that capitalism could be decadent if it could still develop the forces of production, this did not make it the same as Stalinism, which was animated by the task of developing the productive forces of Russia and its bloc on the basis of the accumulation of capital, and the most brutal exploitation of the working class. It is not I who have made "an amalgam of the 'Gauche communiste' with J. Stalin," but R.C. with his reductionism, who insists that having one theoretical element in common creates an identity between philosophies or political movements. I can recognize the linear conception of history, and its Hegelian provenance, which animated both Bordiga and Stalin, for example, and still recognize the class line that separated them.

Now to the theoretical clarifications which are my primary concern. The veritable theoretical basis for the conception of decadence articulated by revolutionaries in the 1920's, by both the Trotskyists and the Gauche communiste in the 1930's and '40's, by Internacionalismo and Révolution Internationale in the 1960's and early 1970's, and by the ICC since then, has been the contention of Rosa Luxemburg in her The Accumulation of Capital, that "If the capitalist mode of production is capable of ensuring an unlimited growth of the productive forces, i.e. permanent economic progress, it is invincible." For all the revolutionaries indicated above, capitalism, since 1914, has no longer been capable of developing the productive forces, such development being in and of itself equated with "progress," and hence has entered its phase of decadence, and been objectively ripe for overthrow. For the Luxemburg of The Accumulation of Capital, the proletarian revolution is objectively on the agenda, and capitalism is decadent, only if it can no longer develop the productive forces. In short, as long as the productive forces continue to develop, capitalism is invincible. This presents revolutionaries with a veritable Hobson's choice: if they acknowledge that capitalism has continued to develop the productive forces, they must deny the objective possibility and historical necessity of its overthrow; if they insist that the objective conditions for the overthrow of capitalism are ripe, they must deny that the productive forces have continued to grow.

Moreover, let us be clear: the growth of the productive forces, in my view, is not the same as economic growth, the accumulation of capital, or what bourgeois economists mean by the growth of GDP. Thus, the rate of accumulation, and the rate of growth of GDP, will slacken or even halt during periods of economic crisis, though the productive forces, science and technology, may continue to grow. So, for example, while for much of the twentieth century, especially in the first half, and for the advanced industrial societies, the rate of economic growth has been slower than in the nineteenth century, the growth of the productive forces, the tempo and pace of scientific and

technological development throughout this century, has been unprecedented. This is especially the case, when you consider the rate of growth of the productive forces, the pace of technological and scientific change (one need only think of the computer and the micro chip), and the accompanying globalization of the economy since the 1970's, made possible by the breakthroughs in telecommunications, cordless technology, and data processing.

This development of the productive forces, of course, is indeed linked to devastating economic crises, and breakdowns in the accumulation process, as comrade Sander has shown in his ongoing series of articles in these pages. If, confronted by an inexorable fall in the rate of profit, capital, in the form of the most technologically productive capital entities, must further substitute technological means, constant capital, for living labor, variable capital, this will only exacerbate the economic contradictions of capitalism as a mode of production, and intensify its crisis tendencies. Compelled to develop the productive forces, and indeed at an ever faster rate, capital cannot escape the contradiction that this very technological development will create a situation where living labor, the only source of surplus-value, will become a negligible fraction of the total capital, thereby eliminating the very basis upon which the law of value operates. Moreover, this exclusion of living labor from the production process, will also exacerbate the contradiction posed to capital by virtue of its need to realize the surplus-value produced, to sell the commodities in which that surplus-value is congealed on the market. While the development of technology makes possible the production of a plethora of commodities, the imperatives of value production dictate that they be sold on the market, at the very moment when the displacement of living labor from the production process drastically curtails the effective demand without which the accumulation process cannot continue. The actual form this process will take is increasingly devastating economic crises amidst rapid scientific and technological development.

None of the qualifications introduced by the ICC to "save the phenomenon," in this case its theory of decadence, by acknowledging that while there has been a growth of the productive forces since 1914, the rate of growth has considerably slackened since the nineteenth century, fundamentally change the dilemma posed to those who hold the classical theory of capitalist decadence. Indeed, these theoretical innovations which continue to minimize the growth of the productive forces and the rate of technological and scientific development, only widen the gap between the actual trajectory of capitalism and its theorization by revolutionaries. The way out of the Hobson's choice alluded to above, is not to argue that capitalism is decadent despite some growth in the productive forces, the pace of which is minimized, but to recognize that technological and scientific development, the unprecedented growth of the productive forces, which have characterized capitalism over the past several decades, have themselves become the hallmarks of the decadence of capitalism; that capitalism -- in no small part -- is decadent because the productive forces continue to grow!

While I recognize that this response to R.C.'s letter is not the place to elaborate a theory which reconciles the conception of decadence with a continued growth of the productive forces, I want to at least clarify some points that were too sketchy in my "Theses," and which will at least provide a clear outline for a theory to come. Such a clarification and outline, will, I hope, permit the discussion to develop. It is to Rosa Luxemburg that I turn for the germ of an understanding that the continued existence of capitalism, notwithstanding its technological and scientific development, indeed, as a consequence of that very development, has become disastrous for humanity, a mortal threat to its very existence; in short, an historical obstacle to the progress of the human species, a decadent mode of production. This is not the Luxemburg of The Accumulation of Capital, but the Luxemburg of the "Junius Pamphlet," and her other texts written in the midst of the cataclysm of World War One.<sup>4</sup> For Luxemburg, the imperialist world war confronted humanity with the alternative of "socialism or barbarism." The prodigious development of the forces of production had now taken the form of a monstrous development of the forces of destruction, a process made possible by technological and scientific development. For Rosa Luxemburg, "This world war means a reversion to barbarism. The triumph of imperialism leads to the destruction of culture, sporadically during a modern war, and forever, if the period of world wars that has just begun is allowed to take its damnable course to the last ultimate consequence."<sup>5</sup> Luxemburg had glimpsed through the mechanized slaughter of World War One the still dim outlines of Auschwitz, Hiroshima, Bosnia, and Rwanda. And on those battlefields where the proudest technological and scientific achievements of bourgeois society, the veritable hallmarks of historical progress according to the Second International, were turned to the decimation of the working classes of all nations, Luxemburg insisted that capitalism "has sacrificed its historic right of existence, that its rule is no longer compatible with the progress of humanity."<sup>6</sup>

The orgy of mass death unleashed in 1914 has continued unabated throughout this bloody century, and it will continue so long as capitalism and value production survive. But this grisly outcome has not been marked by a cessation

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<sup>4</sup> While I reject Luxemburg's theory of the breakdown of capitalism as a result of the exhaustion of extra-capitalist markets, The Accumulation of Capital still remains an important work in several respects: first, by virtue of its insistence, almost unique in the Marxist literature, on the significance of the realization of capital to the successful completion of the circuit of capital and to the accumulation process (and that notwithstanding its mistaken insistence that the capitalizable portion of the surplus-value must be realized outside the orbit of capital itself); second, by virtue of its compelling description of how petty commodity producers are historically drawn into the orbit of capital, of how the real domination of capital first establishes itself in the countryside.

<sup>5</sup> Rosa Luxemburg, "The Junius Pamphlet," in Mary-Alice Waters (Ed.), Rosa Luxemburg Speaks (New York: Pathfinder Press, 1970), p.269.

<sup>6</sup> Ibid., p.327

(or slackening) in the growth of the productive forces. Quite the contrary! It has been made possible by the very technological and scientific development which value production has itself generated, and cannot fail to generate. Indeed, as the German dramatist, cultural critic, and Marxist, Heiner Müller has pointed out, the trajectory of technological and scientific progress led straight to Auschwitz and Hiroshima. And, as Müller also pointed out: "Auschwitz is the altar of capitalism."<sup>7</sup> Even as living labor is expelled from the capitalist process of production, the forces of production are constantly revolutionized; and at an ever increasingly faster pace. Whereas in ascendant capitalism this process of technological development was accompanied by the incorporation of ever greater quantities of living labor into the circuit of capitalist production, today, in decadent capitalism, this very technological growth condemns ever growing masses of workers to penury and starvation, even as it provides the actual means to exterminate a rapidly growing and superfluous population (superfluous in terms of the imperatives of value production). Beyond that, the very earth, nature itself, the metabolism with which has characterized human life since its inception, is threatened with destruction at the hands of a science and technology completely shaped by the law of value, and its imperatives. Capitalism has, indeed, become disastrous for humanity, as Luxemburg recognized, and the development of the productive forces themselves have become implicated in this disaster. It is because capitalism is no longer compatible with the progress of humanity, indeed, because its continued existence represents a mortal danger to life on this planet, that we must assert that capitalism is a decadent mode of production. It is not because capital can no longer develop the productive forces, or cannot develop them fast enough, that warrants our designating capitalism as decadent, but rather because of the lethality which, as a result of the imperatives of value production, has seeped into every pore of what now constitutes science and technology; a science and technology now inseparable from capital, a science and technology which as an integral part of their operation entail the perpetration of mass death and ecological destruction.

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<sup>7</sup> Heiner Müller, "Jenseits Der Nation" [Beyond the Nation] (Rotbuch Verlag, 1991), p.40.

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## Discussion Meeting

# The Decadence of Capital

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Last September our group organized a discussion meeting in Paris on the concept of the decadence of capitalism and its evolution. We hold such meetings regularly in Paris, and this one had been preceded by one on the roots of the economic crisis of capitalism. For several years, Internationalist Perspective has been engaged in working out a solid theoretical framework on the basis of which to grasp economic, political, and social reality. We believe that part of that work is to debate with those in the political milieu who share our desire for theoretical deepening. Therefore, our ideas were not presented as a finished package, which had to be accepted as the Great Truth. Rather, we sought to indicate the lines along which we have been thinking about this question, and submit our reflections to the reaction and discussion of other comrades. It is in this spirit that we present this summary of the lively discussion that ensued between our group and about 15 comrades from outside it.<sup>1</sup>

Our introduction first recalled the origin of the concept of decadence and its significance for understanding the historical trajectory of capitalism, and the possibility of communism. It then retraced the reasons which have led us to reexamine and redefine this concept now: the recognition of the significant development of the productive forces over the course of the twentieth century, the insufficiency of merely quantitative economic criteria to define the decadence of a social system, the insufficiency of the classical theories of the economic crisis, and the importance of the transition from the formal to the real domination of capital. We tried to show how these elements can be incorporated into a new theory of capitalist decadence. The introduction concluded with the implications of such an analysis for the class struggle, and for the existence of class lines, in the current period. Thus, it

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<sup>1</sup> The ICC, which was not invited to this meeting, once again tried to impose itself, pretending to ignore the clear position we had taken towards it. Therefore, we had to ask them to leave, so that a real meeting and discussion could take place. We don't want to dwell on our decision, which was in no way motivated by any kind of sectarianism, but, on the contrary, by our own experience, over many years, of the sectarianism of the ICC: their endless harangues and denunciations of our group (and most others), which reached a fever pitch during the latest internal crisis of the ICC, and which makes any kind of discussion impossible. More on this in: "(Sigh) Responding to the ICC" in *Internationalist Perspective* 34.

basically followed the text, "Towards a New Theory of the Decadence of Capitalism" in IP 34. But, in its analysis of the implications of the theory of decadence for the understanding of the class struggle, our introduction went beyond that text. In particular, it acknowledged the existence of durable improvements in certain aspects of the living conditions of the proletariat under the real domination of capital (even as other aspects deteriorated), and, therefore, the insufficiency of the argument which explains the integration of the unions and mass workers parties into the capitalist state apparatus, and the concomitant need to reject parliamentary politics and unionism, with the claim that durable improvements in the living conditions of the working class are impossible in decadence. Finally, the introduction also shed new light on the role of the transition to the real domination of capital in the understanding of all this.

It was the first part of our introduction which provoked the most discussion at the meeting. Many of the participants had also been reflecting upon, and even questioning, the concept of decadence as it had been defined by the ICC. Given the spectacular growth of capitalism since World War Two, it's hard to stick to the position that decadence means a brake on the development of the productive forces, and harder still to maintain that decadence means an absolute limit, an end point, to the expansion of capitalism, as the Luxemburgist theory of the saturation of the world market claims. So the discussion focused on this first point: what do we understand by the decadence of capitalism? For some comrades, the very concept is invalid, since we can see structural changes regularly over the course of the system's life. Others defended the periodization in the history of capitalism (ascendence and decadence), and stated that decadence means an inability for capitalism to develop the productive forces to their full potential. For our part, we tried to elaborate a vision of decadence that entails both quantitative changes in the development of the productive forces and qualitative changes (such as the growing gap between the development of the economic system and its increasing incapacity to meet human needs). We must be able to explain the development of the productive forces after two world wars, as well as the depth and evolution of the historic crisis of capitalism.

(continued on page 24)

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# The Ideological Obstacles to the Development of the Class Struggle

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1) Although the objective conditions of economic crisis provide hope that capitalism will collapse, still, the system persists. Capitalist society is in crisis and, as Sander shows in his texts published in IP<sup>1</sup>, the economic system is increasingly feeling the full effect of its own contradictions. And yet, despite this crisis and the deepening structural problems, the fundamental economic relations are still not put into question. There are only two possibilities: either bourgeois society will continue or it will collapse. Either the revolution will introduce radically new social relations of production which will do away with the obstacles and contradictions which fetter the productive forces and which, according to Marx, will entail the simultaneous disappearance of the nation, the state, the family, and even labor, or the old social relations will be perpetuated, as a result of a kind of inertia and internal dynamic, which it is our task to explain.

2) We must, therefore, explain how the prevailing social relations have for the time being been maintained. The capitalist mode of production has developed much as Marx foresaw, by keeping its laws of motion hidden from sight, which makes it difficult to grasp them. Capital has absorbed, recomposed, and integrated, all that was transmitted to it by history: precapitalist relations of production, agriculture, the city, knowledge, science. It has subordinated it all to its relentless functioning, even as it has globalized it. Capitalism has not merely subordinated once independent sectors to its developmental trajectory, it has also created new sectors, by transforming what existed before, by revolutionizing existing institutions. It is not just society which has become the site of social reproduction, but nature and space itself, which is destroyed and then transformed into a social product by the prevailing technologies, from physics to the micro-chip. Nonetheless, this growth of the productive forces engenders specific contradictions, which it reproduces and sharpens.

3) If capitalism persists, it is because it contains self-regulating mechanisms. Marx had analyzed these and showed how they intensify social conflicts. Marx believed that the productive forces constantly collide with the narrow limits of the existing relations of production and modes of production.

Partial crises can be transformed into a general crisis. However, capitalism has been able to attenuate its internal contradictions during this century. But, at what cost? Surely the millions who have died in the innumerable wars which have racked the planet were but a part of this cost. The question of the relations of production and their reproduction is thus posed. The relations of production must be constantly reproduced. For capital, this reproduction is effected when the process of accumulation, of the circulation of goods and money, is not interrupted. As Marx showed, the goal of this process, of the cycle of accumulation, is a redistribution of surplus-value which, through a complex series of movements, is also the beginning of a new cycle of accumulation.

4) Besides the weight of its economic contradictions, which plague it throughout its development, capitalism must also grapple with the fundamental contradiction posed by labor-power. That's why capital must be grasped as a totality, comprising the whole of the economic and social system, not just the production process itself. The task of capital is to try to reduce living labor-power to the simple category of variable capital, to attempt to completely integrate the proletariat as a mere commodity, and to thereby remove the living contradiction. Nonetheless, the contradiction of the class struggle persists. The class struggle is the practical expression of the living contradiction which lies at the heart of capital, and which can bring the system of production to a halt. As Marx saw it, the class struggle is the material basis for the development of revolutionary consciousness. Paradoxically, it is often an economic struggle for limited demands that ignites the sparks from which can arise a new power which can block the development of capital. The class struggle shatters bourgeois legitimacy, makes clear the roots of exploitation, and shows that other social relations are possible.

5) A society entails the production and reproduction of social relations, and not just the production of goods. That aspect of reproduction, the reproduction of social relations themselves, only lay hold of the means of production towards the end of the nineteenth century. It's at that moment that the capitalist mode of production really becomes dominant, integrates the sub-systems which pre-existed capitalism, without being able to constitute itself as a totally coherent

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<sup>1</sup> *Internationalist Perspective* n° 30–34.

system, devoid of contradictions. Capitalist society persists because its social relations are intact, or are not put in question. What permits the reproduction of these social relations is surely the weight of ideology. Thus, we must analyze how ideology can facilitate the renewal of the existing social relations, either by making them acceptable or by hiding and distorting them. Ideology acts through persuasion, complementing the social constraints of the repressive apparatus. Reproduction can never occur only on the basis of either ideology or repression alone. The many ideologies, philosophy, religion, culture, morality, have served throughout the history of capitalism as diversions as much as instruments of reproduction.

6) The upheaval of the working class is not mechanistically determined: the development of the class consciousness of the workers can be blocked. The development of class consciousness is not a linear process. It collides with the conditions of exploitation and with the ideology sown by the bourgeoisie to derail the class from its revolutionary tasks. There is no such thing as a straight line to revolution, and a revolutionary outcome is not inevitable. Knowing that class consciousness does not arise independently of the conditions of exploitation and of the struggles against them, and repudiating any kind of idealism, we believe that the development of class consciousness is integrally linked to the growth of working class combativity, itself the product of general economic conditions. On the path towards revolution, the factor of class consciousness is primordial.

7) However, ideological pressure cannot explain everything. Its power is real but limited. It masks contradictions both for and within consciousness. At worst, it postpones the effects but cannot suppress them. It is clear that without economic growth, ideology alone would not be able to maintain the relations of production. It can only mask their reproduction. As ideology has become more diffuse, less centralized, it has become a part of daily life, assuring that the workers, who are atomized on the job, are also atomized with respect to the whole of life and its perspectives.

8) But the working class can fulfill its historic role only by fighting as a distinct, autonomous class. Otherwise, it becomes "integrated," and will disappear as an historic class, subsisting only as a social category. But a movement in that direction is not a conscious one. It is provoked either by violence or by ideological persuasion, and illustrates the fundamental contradiction of capitalism: the contradiction between the affirmation of the class in its struggle and its negation by its momentary acceptance of its situation of exploitation, which means integration. It results in an unease which is vaguely felt throughout society, and which the bourgeoisie tries to extinguish with its ideological discourse.

9) It is this last point that we want to pursue, so as to be able to determine the changes that have occurred in the constitution of the ideological fetters on the development of the class struggle. We must try to discover the strength of the ideological obstacles developed by the bourgeoisie to prevent

the development of class consciousness, so that we can develop a perspective on the chances for the development of revolutionary working class struggles in the context of the present crisis. Confronted by this crisis, and with a renewal of working class combativity, the bourgeoisie must prevent the reality of exploitation from becoming clear, the content of its relations of production from becoming transparent, which can only be accomplished by utilizing and adapting its ideological discourse.

10) The essential function of ideological production is to block the possible movement of the proletariat towards autonomy. This latter being understood as a consciousness of the existence of interests that run counter to the logic of capital. The ICC pamphlet "Class Consciousness and Communist Organization" (a pamphlet which the ICC today no longer holds to in all respects) showed that the point of departure of bourgeois ideology was, on the one hand, private property in the means of production, which isolates individuals, and on the other, the relations of production themselves, the contradictions of which are reflected in bourgeois thought.

11) Any representation which contributes to the reproduction of the relations of production is ideological. Ideology cannot be separated from practice, but not all practice is the application of ideology. Ideological discourse accelerates the hegemony of bourgeois practice, and forges adherence to the value system of bourgeois society. It is founded on right, on law, opposed to blind force, presented as barbarism. Ideology makes it possible to forge a consensus, and to legitimize the system of exploitation. Even if it is an expression of the domination of an exploiting class, ideology develops on the basis of an actual practice. It is always established on a material base, which is then de-objectified, spiritualized. It is a social practice seeking to assume the permanence of a dissemination of false consciousness.

12) Ideas, which in the primitive community express the language of all, become, in a society based on the production of commodities, the ideas of the ruling class. An ideological superstructure is constituted at the same time as a political superstructure. The division of society into classes is thereby justified by the ruling class: that is the primary function of ideology. Ideology makes it possible to disguise the reality of exploitation; through it, the particular interests of an exploiting minority are presented as the interests of all. Ideology hides the reality, the brutality, of capitalism's economic thrust, and expansion. It masks the contradictions, makes them "disappear."

13) While this justification for the exploitation of one class by another is constantly strengthened, it is also ever changing. With the development of the productive forces, man can better grasp reality, new ideas and analyses arise, forcing the bourgeoisie to regularly reconsider its ideological arsenal and to produce new discourses. One consequence of capitalist ideology is that thought is utilized in a contemplative fashion, that it possesses no power of its own, that social relations are conceived and studied as phenomena

ruled by supra-historical laws. This is a deformation of political thought, a corollary to the reification which tends to eliminate the boundaries between nature and culture, as is the case with racist ideology, for example, where what is an historical creation is presented as natural and a-historical. Ideology makes itself a-historical; it doesn't accord any place to human action which can transform the laws to which it is purportedly subject. Such a reified perception is the opposite of the historical and social analysis defended by Marxism. Ideological discourse implies the non-recognition of experience, and becomes a factor in the elimination of the dialectic through the irruption of utopian thought, a perfect totalitarian ideal, in line with the propagandistic aims of the ruling class.

14) The development of capitalism has its repercussions on ideology. We have pointed out the vast changes which have occurred over the course of capitalist development. These changes affect the development of the class struggle and the development of class consciousness, and thus also the development of ideology. We can see differences between the two phases in the development of capital, with respect both to the situation of the working class and the role of workers' organizations, and the ideology disseminated by capital to counter the development of class consciousness.

15) Within the framework of the formal domination of capital, the working class could still appear and function as a distinct class: it openly organized itself to resist the worst effects of capitalist exploitation. Ascendant capitalism, of course, brought with it profound changes, such as the separation of the worker from his work place. The introduction of a division internal to the workplace, of a technological division of labor, creates a distance between the processes of production and consumption. Such separations are necessary to bring about the conditions for the accumulation of capital. The industrial revolution brought with it a generalized division of labor, socially as well as technically, which, however, necessitated the creation of a new space for exploitation: the workshop.

16) The strategy which underlies the industrial process is not so much to isolate individuals, as to deprive them of the space to lead a natural life, and thereby deprive them of their own being. Capital dispossesses a group of its space, thereby depriving it of the conditions for its reproduction, cutting it off from its sources of non-industrial subsistence and income. The privatization of collective space eradicates the sense of primitive solidarity. It becomes difficult for the person, the laborer, to exercise his capacity for work freely. The watchword of the industrial world is to situate everyone in a given social space, to limit the movement of people, so as to be able to control and subjugate the worker, and assert the domination of capital over man. This creates the conditions for capitalist development, but also, in a contradictory fashion, the conditions for a new social life, a new class solidarity, by virtue of the concentrations of workers in such a social space. The development of capitalism, thus, entails the setting up of a whole series of procedures designed to control,

subjugate, tame, and measure, individuals, to make them, at the same time, both docile and useful.

17) Surveillance, statistics, classification, tests, and records, are all ways to subjugate bodies. Capital has divided up the social landscape, privatized it, created walls, enclosures, and sites of imposed residence. The aim was to subordinate the workers to the project of capital, to shape them, to control them, in their very being. Industrial society has provided itself with the specific sites where it can subjugate the labor-power which it needs to reproduce itself and to develop, to teach this labor-power to be disciplined, to respond to the rules that are imposed on it, and to break its resistance. The new industrial power thus develops new social relations, and seeks to eliminate solidarity amongst the workers, to turn each of them into a fragmented individual so as to make them dependent. In this way, an ideology of the enterprise was created: as the social site of production, the enterprise became the framework for the reproduction of social relations. This site was also the center of the relations between daily life, work, and leisure, which were all organized around the enterprise. This site was the seat of economic rationality, from which the technical division of labor was extended to the whole of society. In the factory, the social relations of exploitation and domination, of authority and power, were reproduced. And, there too, in contradiction to what the new industrial power sought, the bases for workers' resistance and class solidarity were also laid.

18) The social relation of production are not just reproduced in the social space where the working class acts, thinks, and is: the enterprise. They are reproduced in the market place, in the broadest sense of that word, in daily life, in the family, in the city. They are also reproduced there where the global surplus-value of society is realized, divided up, expended, in the global functioning of society, in art, culture and science. This requires a powerful apparatus of education, adaptation, and integration, the decisive role of the mass media, and the conditioning of the mass of the population. One crucial element of this process is the school. Pedagogic methods, even the physical space itself, reduce the student to passivity, habituate him to hard work, devoid of any pleasure. The space in which learning occurs is repressive, but this structure has an import much greater than just localized repression. The very knowledge itself, swallowed by the student, and regurgitated on tests, corresponds to the division of labor in bourgeois society. The school itself is a site for the reproduction of the prevailing social relations. The school disseminates knowledge and molds the younger generation to the needs of business. Beyond this function of the schools in general, the elitist function of the university proceeds through a careful selection of prospective students, which discourages those who do not fit in, and thereby constitutes and reconstitutes the Establishment.

19) In its ascendant phase, the bourgeoisie articulated an ideology of order and progress, concetized in the struggles between secularists and clericals, between progressives and conservatives. What was proposed was rationalism and centralizing nationalism. Rationalism purported to be

universalist and humanist. It claimed to base itself on science, on ethics, on right. Industrialization brought with it its own conception of reason. It overthrew old philosophies, sciences and knowledges, and replaced them with new ones. Industry brought with it, too, new practices. The world of the commodity spread, together with the growth of industrial productivity, and absorbed what had existed before. The world market was constituted, and forcibly subjected everything which existed to the demands of the market and of capitalist production. With this, there also developed an ideology of growth.

20) A separation was brought about between the individual and the social, between the activity of individual capitalists and global capital which implacably advanced. Similarly, there was a separation between values and interests; interests cynically calculated in terms of cash, and values promulgated on an ideal plane. The bourgeoisie defined itself as the social class which does not want to be called a class. This phenomenon of refusal to style itself as a class, took place through the idea of the nation, which is specific to the bourgeoisie. Thus, the bourgeoisie disappeared completely on the ideological plane. The bourgeoisie was self-effacing, and hid behind its representation, via nationalism. Patriotism would be the mold into which the population would be pressed, the national flag uniting classes, and providing, by way of universal military service, an ideology of respect for established hierarchies, the Nation, and national unity.

21) This ideological claim of the bourgeoisie clashed with the reality of the contradiction of capitalist exploitation itself. The workers, recruited, isolated, atomized, within the factory forged new social links and constituted themselves as a class. The working class could resist in an organized way, and thereby demonstrated its existence as such. Historically, the working class provided itself with organizations for resistance: unions, political parties, cooperatives, mutual associations and clubs, such that its daily life was shaped around organs of the working class. The working class could still clearly identify itself as a separate class, clearly distinguished from the values promoted by the bourgeoisie, and having a life of its own. That was the period when working class neighborhoods overflowed with militant life, where political newspapers multiplied, testimony to a keen anti-bourgeois consciousness. Unfortunately, these same channels would be utilized by the Social Democracy to distill what would become a reformist ideology. Reformism meant that socialism would be possible by changing some of the more extreme forms of capitalism, and expanding the cooperative experience under the control of the state, obtaining improvements in the conditions of exploitation by way of trade union and parliamentary struggles. The class struggle could not only be repressed brutally, the bourgeois order legitimating itself by force, and by reference to its authority as a separate class. The bourgeoisie, through its control of the state, could supervise the development of the class struggle by repression, but also by ideological means, and by its progressive integration into the very logic of the capitalist system.

22) Therein lay the importance of the integration of Social Democracy. This ideological discourse would be transmitted by the Social Democracy, which would become, despite the opposition of its left wing, the spokesman for nationalism, thereby indicating its progressive integration into the capitalist state, itself the effect of the ongoing transformation of Western capitalism. This would be clear in Social Democratic thinking, illustrated by Kautsky, Jaurès, and Vandervelde, defending the virtues of the state, which would constitute the veritable basis for the ideological integration of the working class.

23) With the passage of capitalism to its phase of real domination, less and less space would be free, and that space would increasingly be invaded by the logic of the process of the valorization of capital. That process develops its own coherence, and every aspect of daily life is commodified and drawn into the web of valorization. Under the real domination of capital, capital acts solely on the basis of its own logic. There is a tendency to the unification of the once distinct processes of production and circulation into a global process of the reproduction and accumulation of capital, the formation of an average rate of profit, the direct integration of science into production by way of the state, and the penetration of the law of value into every facet of social life. Capitalist accumulation changes its nature: it's no longer merely the accumulation of wealth or of means of production strictly speaking, but also the accumulation of technology, information, and knowledge, literally subjected to the imperatives of capital, impregnated by it, the centralized organization of which is guaranteed by the state. The concentration and centralization of capital, which are permanent processes, confer on capital an elasticity and capacity for organization hitherto unforeseen.

24) The end of World War One made manifest a fundamental transformation of capitalism: a significant economic concentration occurred in the West under the aegis of the state. Thus began a generalization of the passage to the real domination of capital in the most developed countries. The war had also made possible the revolutionary upheavals which allowed us to glimpse the possibilities for autonomous action on the part of the exploited class on an international scale. This was an autonomy, however, that was smashed by the evolution of capital and by Social Democratic ideology, such that the October revolution, despite the formidable achievements which it had made possible, including the significant proletarian cultural movements of 1918-1920, could be liquidated by the Stalinist reaction. The old working class organizations were now integrated into the state: if the Social Democracy had undergone a process of absorption by the state lasting several decades, the movement had been greatly accelerated, and it would only take a few years for the proletarian life of the Bolshevik party to be drained by the logic of the capitalist state.

25) If World War One brought about a revolutionary explosion whereby the proletariat could become an autonomous subject with its own social project, we have not really witnessed anything on that scale since. The bourgeoisie

has drawn the lessons of the Russian Revolution. It can better control the most flagrant contradictions of the accumulation process through the intervention of the state, by the regular massacre of millions of workers, and by the development of an ideological apparatus better adapted to the control of explosions of class struggle. This implies a vastly increased role for the state, which involves utilizing Social Democratic ideology to keep the working class subject to it.

26) The bourgeoisie has developed an ideology based on the smooth functioning of the state, such that the working class finds itself confronted by the historical impossibility of acting as an autonomous force. All the weapons of Social Democratic reform have been emptied of their proletarian content, and completely integrated into the bourgeois logic of profit. What are put forward are generic ideological themes, not based on class, and universal. This tendency is growing.

27) Thus, in the period between the two World Wars, traditional liberal ideology was rejected, in large part because the profound shock of the economic crisis shook to its very foundations any confidence in individual advancement. Moreover, it was necessary to justify the growing intervention of the state, and therefore to reject economic individualism in favor of statification, whether in the form of the New Deal, the Popular Front, or the De Man Plan. The defeat of liberalism would also give rise to a need for collective action and a certain ideology of "fraternity": the League of Nations, "workers'" fraternities under the aegis of the SP or CP, youth hostels, etc., even as the communist revolution met with defeat. This situation would generate a technocratic ideology, crystallizing in the conception of a purely bureaucratic leadership and administration of society.

28) At the same time, mass movements mythifying the sovereign state also emerged. These ideologies were immediately recuperated by the state. The way was open for the development of fascism and Stalinism, preaching one or another form of populist authoritarianism. These ideologies took up the idea of an elite party, a vanguard, in the service of the people, incarnating itself in the national state. The state became the principal vehicle of bourgeois ideology through its growing control of several apparatuses: the press, the Church, schools, unions. The critical study of Stalinist ideology is provided by George Orwell in his novel, 1984. That novel showed the three essential dimensions of ideological false consciousness: the dethronement of temporalization, the repression of sexuality, and the schizoid structure of totalitarian consciousness.

29) World War Two was the apogee of that ideological thrust, with its anti-fascist mobilization under the cover of the national and democratic state. As a result of the atrocities revealed by the war, an essentially individualist reaction occurred, expressed through the concept of the defense of the rights of man. Despite the Marshall Plan, the immediate post-war period was characterized by material scarcity in Europe. Culturally, engagement and the defense of the party were still the rage. Existentialism, personalism, ideologies affirming man's freedom while he submitted himself to political

apparatuses which were the bearers of the truth, still animated the intellectuals. This paradox reached its highest point with Hungary 1956 and the anti-colonial movements.

30) Can one speak of the "golden sixties" without caricaturing the economic evolution of the post-war period? The period of the '50's and '60's were characterized in the advanced countries, in general terms, by a certain kind of abundance, with a doubling of the purchasing power of the workers' from 1950-1968. The growth continued, but a change occurred: growth now entailed destruction in order to be possible. Destruction, as the two World Wars showed, had now become integral to capitalism, and not only in overt violence, civil or military. Everywhere, the bourgeoisie planned the obsolescence of goods; that is to say, how long industrial products would last was now deliberately shortened. Armaments also became the key to economic growth. Peace and war became increasingly indistinguishable. Destruction became immanent to production.

31) Artificial needs are created. Advertising and the media stimulated needs, shaped them, and made them correspond to the objects produced, and vice versa. Massification led to the complex phenomenon of a loss of personal identity; the individual became lost in the crowd. There was a tendency towards the normalization of thinking as a function of an abstract and average social norm, a permanent pressure exercised on the mind, on conduct, on the personality itself, leading to a passive submission, to a defense of cultural stereotypes, to fashion. Sociologists theorized all this under the heading of the consumer society: crude individualism prevailed in the leisure society, shaped by TV and the car. As Jean Baudrillard pointed out, "consumption is a myth," denouncing it as the major form of contemporary alienation. It is apparent that consumption has a functional character: the satisfaction of needs, yes; but also the happiness postulated by bourgeois ideology thanks to advertising. The atomization of the working class is consolidated on the ideological plane: "my car is my freedom" symbolizes the phantasy of individual freedom.

32) While the bourgeoisie theorized the integration of the working class, May '68 signified, on the international level, the resurgence of class struggle seeking the path of autonomy. May '68 transcended the clichés of purely economic or purely student struggles, to pose the question of the future of society, even if the movement did not possess the means to resolve it. May '68 rejected the authoritarian order, and the various apparatuses linked to it. Stalinism, reformism, Christianity, were all swept away. The workers turned back towards a past filled with struggle, and gave life to new proletarian expressions of it.

33) The bourgeoisie reacted to this challenge, and Social Democratic ideologies, under the control of leftism, became more radical. This period also saw the decomposition, within bourgeois ideology, of collective subjects and sectoral apparatuses, in favor of movements crystallizing around the defense of the rights of man and of nature: Amnesty International, the League for the Rights of Man, feminism,



ecology, etc. Pop culture also developed, a phenomenon which acted on the consciousness of the younger generation, proposing a life style adapted to circumstances: live fast, multiply one's experiences, refuse to be engaged. Ideology little by little gravitated from political discourse, which had been discredited, to culture or the counter-culture, such that the alienated image of man became even more confused. An ideology fixated on the moment developed in the USA, with its focus on the micro-local reflected by TV in "reality shows." These tendencies were exacerbated through their emotional expression in gatherings orchestrated by charismatic figures.

34) The '70's and '80's have been characterized, in a contradictory fashion, by a rejection of political dogmas which expressed itself in an ecologist, and anti-totalitarian, ideology, even as there was a search for new forms of religiosity, and by the consumption of rapidly changing cultural products. This latter has included an offensive of scientificity, in which the knowledge of specialists provides not a globalizing perspective, but theorizes chaos, the reappearance of fragmentary explanations, atomization. With the progress of AIDS, the image of science becomes increasingly blurred. Theories are less global. We are witnessing a more and more fragmented knowledge, leading to the splintering of the representation of the world. New questions arise directed at sociobiology and the issue of genetic manipulations. It seems clear that all this generates a climate of ethical insecurity, at a time when economic security cannot be guaranteed.

35) This period is also characterized by important technological changes in the labor process. Since the fall of the Berlin wall, we have seen a new reaction to economic crisis. More than ever, variable capital has become a small part of the process of production, while between capitalists there is a ferocious intensification of competition. The market is increasingly integrated in a global fashion on an international scale. Moreover, the national state has less and less control of the market, in contrast to supranational institutions and networks. And a new ideological matrix has also appeared. It's no longer a matter of seeing ideology as a vast military operation decided on by a well hidden general-staff. Ideology is disseminated by taking account of the general state of mind. Ideological productions are disseminated to the public by the mass media, an industry which develops multiple channels of emission so as to reach the diverse sectors of the population. The state no longer controls it from above, ideology being largely decentralized, via cable, local TV, and impregnating the whole of daily life, such that we are seeing a real phenomenon of autonomization of ideology.

36) Hyper-individualism is no longer adapted to an anxious society, where the fear of unemployment, exclusion, sickness, and insecurity is rampant. Reassurance is needed, and that is incarnated in the emergent thematics of health, family, ecology, the soil, the return to the past, forcing the bourgeoisie to readjust its ideological discourses. The 35 hour week, reduction of labor time, and the creation of jobs, have

been the themes of mobilization. What appears necessary is the defense of jobs and the enterprise in a context of recomposition, in which the economic certitudes of the past are in tatters. An ideology of doubt establishes itself, not the kind of doubt which stimulates research, but a scepticism with respect to the possibility of a future different from the one provided by capitalism. Raymond Aron summarized this feeling very well when he proclaimed that "progress now brings with it disillusion" (1969). Meanwhile, Michel Crozier, another French sociologist, theorized the same thing in 1970, with his La société bloquée.

37) The bourgeoisie can invoke the failure of communism to strengthen the feeling of there being no possibility of a future outside of bourgeois society. The perpetuation of capitalist social relations has as one of its results a distrust of history, an uncertainty about historical time. The result is the theorization of the invariance of capitalism, and the utopianism of communism.

38) And what of the future? In this fin de siècle, the working class remains alienated, without its own expression, isolated by the confusion of the revolutionary groups that arose in May'68. Without pretending to have fully grasped the problem of ideology, it nonetheless seems that the obstacles to the development of class consciousness have grown, and make the emergence of class struggles more difficult.

39) However, there is never a closed system, only a tendency towards systematization, based on the relations of production and their contradictions. The state has always attempted to reduce the conflicts arising from these contradictions, or to at least attenuate their consequences. It seeks to create a cohesion from out of the chaos of contradictions. However, just when such a systematization begins to take hold, an upheaval is being prepared. The apparent solidity masks the rottenness; decadence is on the march. The principles of cohesion can never eliminate the contradictions, even as these latter cannot eliminate the regulatory mechanisms of class society. These mechanisms are blind and spontaneous. The economy contains an internal regulation stemming from the social relations of production, but the control of worker's resistance cannot always succeed. This resistance is irreducible. The contradiction of labor power remains fundamental. And if the mass of workers expelled from the labor process increases, if their atomization grows, and if working class culture has been effaced, giving way to a-class references, such that ideological control is effected in a less authoritarian, less centralized manner, discontent, disenchantment, dissaray vis a vis the official discourse also grows. The official ideology is less and less credible. Within the different movements of struggle which have interfered with the capitalist readjustment to the present economic crisis, the signs of a questioning of the logic of the bourgeoisie have also appeared.

40) If their starting point is specific economic demands, recent workers' struggles nonetheless pose the question of an alternative, of a necessary change in social relations, and put in question the credibility of bourgeois state measures to

overcome the economic crisis. As a result, the ideological and cultural apparatuses of bourgeois society are also affected. Although a clear working class response has not yet been given, elements indicative of an evolution, of a slow development of consciousness, no longer saddled with Stalinist mystifications, indeed, of a desired revolution, have begun to appear. Questions about the social calm of the '80's, about tail-ending the unions, about defeatism and indifference, about the needed solidarity in struggle, have all been raised to one degree or another in recent struggles. And

all of this is indicative of a real change within the working class.

41) The struggle against ideology cannot be waged in a formal manner. It is through the development of workers' struggles that answers will arise, answers which can become the object of a theorization, and then linked to a revolutionary perspective.

F.D.

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(continued from page 17)

## **Discussion Meeting : The Decadence of Capital**

Confronting our economic theories with reality, putting into question key notions such as decadence, has a direct impact on a whole series of other issues. One of these, which was discussed at the meeting, concerned the origins of the two world wars. Were they merely interludes or part and parcel of the developmental logic of the capitalist system, the outcome of its historic tendency, as in Luxemburg's view? Other questions were raised: how to understand the revolutionary wave of the 1920's? Where are we today in the unfolding of the capitalist crisis? Where is our class? All of these questions, though some of them could not be answered at this meeting, spring from the same preoccupations as those which animate our own group. We think that the texts which we have published on the bases of capitalism and the roots of its historic crisis will eventually result in a new theoretical coherence. The analysis of the transition to the real domination of capital, for example, which explains how the law of value penetrates every aspect of social life, helps us to understand how state capitalism takes many forms and absorbs all types of permanent organization, including those that had their origins in the working class, such as unions and mass political parties. It further explains how the dominant ideology manifests itself and thus elucidates questions our

class is confronting in the development of its struggles and its consciousness. The transition from formal to real domination also marks a profound transformation in the composition of the two antagonistic classes, which is one important reason why the working class in this period finds it so difficult to see itself as a class with a common interest.

Other questions were raised: Is the real domination of capital a world-wide phenomenon? Is state capitalism still an applicable concept today? Some comrades didn't think so, because for them state capitalism means nationalization of the means of production. We argued that nationalizations are only one particular manifestation of state capitalism; that state capitalism involves a much more fundamental change in the organization of the social relations of capital than just nationalizations (see the articles on this issue in previous numbers of IP). Given the openness and dynamism of this meeting, and the crucial nature of the questions that were raised in it, we concluded by asking the comrades who participated to contribute texts on these subjects, which we will endeavor to publish in IP.

Rose

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# FAREWELL TO OUR FRIEND AND COMRADE, JEAN MALAQUAIS

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*. Jean Malaquais, whose life we celebrate, and whose death we mourn, was both an important figure in French letters and a militant revolutionary internationalist. While his principal novels are now being republished in France, Jean Malaquais has remained largely unknown outside of the Francophone world. A fact which is unfortunate, because his works speak to us today about the world of decadent capitalism with the same power as when they were first written. Les Javenais (Men from Nowhere) speaks to us about a proletariat recruited from the four corners of the world, sharing a life determined by the implacable needs of capital. Planet without Visa makes us aware of that other "product" of decadent capitalism, the refugee, the Other, atomized, despised, and transformed into a victim, by a capitalism whose true face is more and more that of death.*

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For the past three years, after twenty odd years of oblivion (since the publication of his work on Kierkegaard in 1971), the media (television, radio, the press) has rediscovered the existence of a writer by the name of Jean Malaquais. The Phébus publishing house brought out a new edition of his novel, Les Javenais, which won the prix Renaudot in 1939, and then his War Journals (followed by the previously unpublished Journal du Météque) the insolence of which vis a vis "Putainiste" France had until now prevented its republication in our fatherland of the rights of man, when it had been published in French in New York after the war. Wasted by cancer, Jean Malaquais left us December 22, 1998, in Geneva, where he lived with his partner, Elizabeth. He had, as he put it, "left nothing undone."

That will not prevent the Phébus publishing house from continue to reprint his other novels, such as Planète sans visa (scheduled for April 1999) and Le Gaffeur. Moreover, other publishers will bring out his correspondence with André Gide, and, without doubt, his play, La Courte paille, which a company will also put on. Meanwhile, éditions Syllepse will reprint the phamplet originally brought out in the Cahiers Spartacus in February 1947: Louis Aragon by name, or the professional patriot.

The friend who has left us, and whom we sorely miss, despite his talent as a novelist, always refused to become a literary star. (At age 90, he passed away in his hospital bed, grappling with his pain by working on the re-edition of his Planète sans visa.) Nor did he want to write propagandistic novels, which is something that Leon Trotsky had understood in 1939, when he discussed Les Javenais in these terms: "Although social in its implications, this novel is in no way tendentious in character. He [Malaquais] does not

try to prove anything, he does not propagandize, as do many productions of our time, when far too many submit to orders even in the sphere of art. The Malaquais novel is "only" a work of art. At the same time we sense at every step the convulsions of our epoch, the most grandiose and the most monstrous, the most significant and the most despotic ever known to human history. The combination of the rebellious lyricism of the personality with the ferocious epic of the era creates, perhaps, the chief fascination of this work.<sup>1</sup>

Jean was also a comrade, who, since the 1920's, had belonged to various currents of the internationalist communist left, opposed not only to Stalinism, but first and foremost critical of all of the factors, including those within Lenin and the Bolsheviks, which had brought about the degeneration of the Russian Revolution. Born in Warsaw, April 11, 1908, to a Jewish family, but one which was totally agnostic (his real name was Vladimir Malacki), he left Poland following his baccalaureat and, after a long period of travel in which he discovered the world, settled in France, which in his youthful imagination seemed to incarnate the country of revolutionary ideas. This self-styled "alien," would quickly be disillusioned by his so-called "land of asylum:" "Stalinism disgusted him just as much as the nationalistic and xenophobic atmosphere which reigned in France. He gravitated towards the Trotskyist Ligue communiste led by Rosmer, Franck, and Naville, but did not join it, unlike his friend Marc Chirik.<sup>2</sup> Around 1933,

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<sup>1</sup> Leon Trotsky, "A Masterly First Novel: Jean Malaquais's Les Javenais" in On Literature and Art (New York: Pathfinder Press, 1970), p.230.

<sup>2</sup> Chirik would be one of the principal characters of his novel, Planète sans visa, under the name of Marc Laverne.

Vladimir Malacki, who now called himself Jean Malaquais (as in a Parisian Quai), made contact with revolutionary groups to the left of Trotskyism: Chazé's Union Communiste, and the Italian Bordigists of Bilan who had emigrated to France and Belgium (Ottorino Perrone, Otello Ricceri, Bruno Zecchini)"<sup>3</sup>

During this time, after having worked in a silver and lead mine in the south of France, near Hyères, together with an exploited class which spoke all the languages of the world (they would be the heroes of his novel, Les Javenais), he was forced to survive by doing odd jobs and found himself in poverty in Paris, without even a place to call his own, often sleeping under the bridges along the Seine. "In 1936 he left for Spain when the revolution broke out, making contact with the POUM militia, and the Lenin Column, led by dissident Italian Bordigists like Enrico Russo. He had the misfortune one day of finding himself face to face with Ilya Ehrenburg, the Stalinist writer promoted to head of the International Brigade, and came within inches of being executed as a "fascist agent," and provocateur. He succeeded in returning to France, and made contact with Victor Serge and Anton Ciliga who had escaped from the Stalinist Gulag."<sup>4</sup>

Spending his days in the Sainte-Geneviève library until closing time, Malaquais read voraciously and became not just familiar with, but a master of, the French language. Coming to the attention of André Gide through a critical correspondence on the condition of a writer in contrast to a worker forced to earn his daily bread and alienated by the exhaustion of work, it was thanks to him (health care, money, loan of a place to work) that Malaquais was able to write Les Javenais.

During the war, after having been mobilized on the Maginot line, Malaquais was captured at the time of the German offensive in 1940, but escaped and steered for Marseille with his Russian partner, Galy. Once there, he became a part of a group of refugee intellectuals fleeing Nazism (André Breton, Benjamin Péret, Victor Serge) and worked in a cooperative directed by Trotskyists. Criticizing the exploitation rampant in this enterprise, together with his friend Marc Chirik he was laid off. He ended up, thanks to the Committee for aid to intellectuals, and above all to the support of Gide, by obtaining a visa for South America. He escaped the Nazi round-ups by leaving for Venezuela, and then to Mexico. There, the exile revolutionaries wrangled and attacked one another: in the face of the opportunist positions of Victor Serge, who wanted to create a "democratic front" instead of denouncing both camps in the imperialist

war, Jean made a clean break with him.<sup>5</sup> In 1946, Malaquais was finally granted a visa for the United States, where he then met the young writer Norman Mailer, whose war novel, The Naked and the Dead, he translated into French, and with whom, despite ups and downs, he would remain a loyal friend to the end.

In 1947-48, on returning to Paris for a time, Malaquais participated in the left communist group which put out "Internationalisme," which had detached itself from the Bordigist heritage under the leadership of Marc Chirik, and in which comrades like Robert Salama (called "Mouso"), Serge Bricianer, and Louis Evrard, were militants. But, while always remaining solidly committed to the revolutionary positions of the ultra-left current (the German, Dutch, and Italian left), and while maintaining a long correspondence with "Internationalisme," and Marc Chirik in particular, Jean was too much the rebel to accept certain tendencies towards dogmatism and the apology for the party. Moreover, he was drawn towards the Dutch council communists like Pannekoek and Canne-Meyer. When he came back to Paris again in the 1960's, it was to the group animated by Maximilien Rubel and his "Cahiers pour le socialisme des conseils" to which he made his contribution.

The events of May 1968 saw him continuing that political evolution, and therefore he did not participate in the International Communist Current founded in 1975, though he remained on good terms with Marc Chirik, with whom he engaged in passionate -- and even angry -- discussion. I met him thanks to the debates provoked by the aftermath of May '68, and remained bound to him by friendship for almost thirty years. During the 1980's he moved to Geneva, where his wife, Elisabeth worked, but made frequent trips to Paris, which made it possible to deepen our personal and political relationship.

For as long as his health permitted (1996-97), Jean remained on top of events, social and political, engaged in theoretical activity, and participated in the meetings of the ultra-left milieu. The comrades of "Internationalist Perspective" especially appreciated his presence and interventions both in meetings of the "discussion circle," as well as those organized by them. He was committed to the need to criticize outdated positions, and to advance revolutionary theory on the basis of the Marxist method.

Farewell Jean. You are with us thanks to all your writings, literary and political!

Guy Sabatier  
Paris,  
end of December, 1998

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<sup>3</sup> See "Malacki Vladimir dit Jean Malaquais," a biography written by Philippe Bourrinet for the Dictionnaire du mouvement ouvrier undertaken by Jean Maitron.

<sup>4</sup> Ibid.

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<sup>5</sup> Jean gave his dossier on his quarrel with Victor Serge to the International Institute of Social History in Amsterdam. Subsequent to his death, this documentation is now open.

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## *The Chenier affair*

# Debate or Intimidation inside the Revolutionary Milieu ?

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At several points we have faced questions concerning the political evolution of Internationalist Perspective. Certain comrades regret the length of time it has taken us to detach ourselves from the logic of the International Communist Current (ICC). Others think that certain positions have not yet been sufficiently thrashed out. The ongoing debate on the concept of decadence, to which we return in this number of IP, is an illustration of these preoccupations. However, it is another question which we want to address in the present article, a question about which we have yet to write in these pages, but one which at the time jolted the revolutionary milieu; what the ICC termed "the Chénier affair:" the expulsion, in 1981, of a number of comrades who had constituted a tendency within the ICC.

Why review now a problem which seems so minor in comparison with more fundamental questions such as the development of the crisis of capitalism, the historic perspectives facing humankind, or the obstacles in the way of a renewal of proletarian combativity? First, because certain elements in the revolutionary milieu continue to be affected by that unhappy episode. Second, because it poses a two-fold, but fundamental, question: that of the functioning of the revolutionary organization, and the manner in which political debates are carried out within the working class. While it is not a new question that is at issue here, nor even a fundamental advance in our understanding of the rapport de force between the bourgeoisie and the proletariat, the present mistakes of certain political groups compels us to sharpen our understanding of these questions. The multiplication of personal attacks, vilification, and lies directed at militants that we have recently seen on the part of the ICC in particular, is inscribed in a political logic that we reject: that of monolithic, totalitarian thinking, which does not hesitate to use violent actions to get its own way. It is a matter here of a successor to the old Stalinist practice, which utilized any means possible to destroy a political opponent and to impose the momentary "truth" of the party.

In 1981, following ever greater difficulties in carrying on a debate within the ICC, the "Chénier tendency" (named for its principal figure) left the organization, taking with it material belonging to the ICC. This was characterized by many as theft, an action which jeopardized the

organization, and necessitated a firm and resolute reaction on its part. An operation to recuperate the materials in question was decided upon by the ICC, in the name of the material defense of the revolutionary organization against the manipulation of elements designated as trouble-makers. At the time, certain of us, holding positions within the International Bureau of the ICC, supported that operation. Those comrades succumbed to the organizational logic developed by the ICC, which virtually no one fundamentally contested at the time.

Today, we reject and condemn that kind of operation. It is important to grasp the errors of the past, and to understand why -- though the platform of the ICC was seen by us at the time as a synthesis of the traditions of the Dutch and Italian Left -- we defended the Leninist concept of "the defense of the organization," and exemplary action to intimidate possible future deviationists. Three points seem crucial here.

1) Right off the bat, there is a need to raise questions about the gravity of the facts at issue. Did the material taken by the comrades of the "Chénier tendency," and their unpaid dues, really put the ICC in danger? Certainly not! By contrast, the debate provoked by this tendency, over the validity of the theses on the left in opposition defended by the majority of the ICC, was diverted to the benefit of a campaign of vilification against the tendency. The questions that had been raised by the tendency were quashed. The critique made by the Chénier tendency focused on the issue of a decisive confrontation between the classes in the 1980's, which the majority insisted necessitated that the bourgeoisie put the left in opposition in order to head off the proletariat. It is true that the electoral victory of the French left seriously undermined the analysis of the majority, such that that analysis was transformed into a kind of ideology, forcing comrades to interpret events in terms of the political line already adopted, whereas Marxism is conceived as a theorization of the real movement, wielding the conceptual tools forged by the historic experience of the working class. We then shared the thesis of the left in opposition, which, following a discussion on the renewal of working class combativity, we have since rejected.

2) The actual political debate in 1981 was obscured by the campaign of vilification, as well as by the interpretation of the statutes of the organization. These latter foresaw giving ample scope for internal debates, and for providing the means for them to flourish within the organization. But, they also were predicated on the need to bring such debates to a conclusion, so as to permit the organization to act, and to speak with a single voice. It is this last point which was interpreted as necessitating the closure of debate so as to further the organization's intervention within the working class. With that in mind, one can better grasp how the ICC treated its minorities and their divergences, when they sought the protection of the organization's own statutes and established organized tendencies within it. The ICC demonstrated its incapacity to tolerate a real debate, to live with divergences, instead, imposing a single line of "correct" thinking. This was a crucial factor in the degeneration of the organization: the incapacity to tolerate and carry on a debate sooner or later must lead to authoritarian reactions, even to the use of violence, to impose correct thinking -- first in the name of efficacy, then in the name of "truth."

3) Was it necessary to mount a paramilitary operation to forcibly recuperate the material that the organization had lost? That raises the question of the use of force within the working class. Historically, violence appears on the one hand as an essential instrument for the perpetuation of class society, and on the other hand as the midwife of the new society which emerges from the old. The practice of the working class throughout its history points up the specific features of proletarian violence, a collective violence directly exercised by the class itself, not through specialized organs. Proletarian violence is opposed to an action based on the separation between the working class and a stratum of "specialists," who are charged with the power to use violence in its name.

The above features demonstrate both the absurdity of a systematic condemnation of all violence as well as its unilateral exaltation. Moreover, the mystique of exemplary action is merely an idealist conception according to which the action of the class is not determined by objective conditions, by its own internal maturation, but by sheer acts of will, the exaltation of which leads straight to megalomania. At the time of its operation to recuperate its material, the ICC manifested itself in the form of an armed band, the embryo of a police state, against a part of the class, with which it refused any debate. We condemn physical violence directed at revolutionary militants. For us, the life of the proletarian milieu requires polemic and discussion, confrontation and questioning, excluding any kind of intimidation. Debate can only be resolved by the analysis of the political reality itself, and not by any recourse to authority or to the physical force of one of the protagonists. It is crucial here to reaffirm the lessons of Kronstadt 1921, condemning the use of force against elements of the working class.

The "Chénier affair" was not the sign of the bureaucratic dysfunctionality of the ICC, as the comrades of

the ex-CBG claim, but rather the manifestation of a Leninist conception of the organization -- a conception that we reject. That raises an important question which we have not yet had the opportunity to address in a thoroughgoing fashion in IP: what kind of organization do we want?

As a product of the struggle of the proletariat against capitalist exploitation and private property, a communist group expresses the imperious necessity for resistance to the established order, by participating in the process through which class consciousness arises within the working class, and by denouncing the reigning ideological mystifications. Such a group does not incarnate class consciousness. It constitutes a moment in a global dynamic which proceeds through the confrontation of ideas, experiences, and theorizations. It does not represent any kind of physical force, but rather is an intellectual force. It is crucial to recognize the primacy of this discursive function in the elaboration of proletarian theorization, which entails the multiplication of possibilities for discussion, confrontation, and a particular openness to opposing positions within the organization. The organization constitutes a pole of theoretical reference that must be defended, not as an end in itself, but as a framework for the necessary analyses. Within the organization one principle is primordial: it is necessary to accentuate the possibility of discussion, confrontation, theoretical elaboration. It is crucial to permit the expression of minority views, questioning, and groping for answers. The internal life of the organization must be based on solidarity, respect for the other, openness to discussion and confrontation. Outside the organization, the very movement of theoretical elaboration depends on the possibility of contradictory analyses within the working class, and the necessary participation of revolutionaries in those debates. Discussions, meetings, conferences, are the moments through which this process of theoretical development manifests itself, in which the contradictory life of the class is expressed, and in which communist groups represent only one element among others - - though one geared towards a formulation and globalization of the positions arrived at by this complex process. Such debates will have their echo in the publications created by such communist groups.

As a globalizing analysis can only arise from a confrontation of divergent positions, it is vital to facilitate the expression of divergences through the very organization of debate within the class. This entails the appearance and discussion of different positions which seek to grasp social and political reality. It is clear that denunciation as a weapon in debate is unacceptable, and a manifestation of intellectual confusion and weakness to boot. The quest for a real understanding of the world, for a clear interpretation of events, can only arise from a process of confrontation, from open, and --yes-- contradictory readings of reality.

F.D.

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