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'You are Here'

an interview with Dorothy E. Smith

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Special Section

Rosa Luxemburg's Political Economy

Klaus Dörre, Peter Hudis,

Ingo Schmidt, Helen Scott,

Estrella Trincado, Paul LeBlanc

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Book Reviews

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Mailing Address

c/o David Huxtable
Department of Sociology
P.O. Box 3050, STN CSC
University of Victoria
Victoria, BC V8W 3P5 Canada
societyforsocialiststudies@gmail.com

Editors

Elaine Coburn, *Centre d'intervention and d'analyse sociologique (CADIS)-EHESS/American University-Paris, France*
coburn@stanfordalumni.org

Chad D Thompson, *University College of the North, Canada*
cthompson@ucn.ca

Book Review Editor

Murray Cooke, *York University, Canada*
mcooke@yorku.ca

Media, Arts, and Culture Editor

June Madeley, *University of New Brunswick, Saint John, Canada*
madelej@hotmai.com

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EDITORIAL

'I Class Struggle'

French Exceptionalism and Challenges for Socialist Studies

ELAINE COBURN

CADIS-Ecole des Hautes Etudes en Sciences Sociales and American University of Paris.
Paris, France

Keywords:

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Mots-clés:

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'Je lutte des classes' - 'I class struggle'

– sticker worn by protestors in Paris, Lyon, Marseille, Lille, and other major French cities on Tuesday, October 12, 2010, during the 5th day of strike action. The protests aimed to challenge proposed legislation to raise the legal age of retirement in France from sixty to sixty two years of age. As in the English translation, the original French is grammatically awkward, an ambiguous if not ambivalent union between 'I' and 'class struggle'.

One of the major issues for socialist studies is working class dynamics in contemporary neoliberal times. In an interview with Dorothy Smith, in this volume of *Socialist Studies/Études Socialistes*, she recalls the strong working class movements in England in her youth and sees nothing comparable in the present. This is a problem for socialist studies, since class is unarguably a central concept in socialist theories. If there is no active and vigorous working class movement, what does this mean – for capitalism, for working class people, for transformations beyond capitalism? In this editorial, I would like to use what looks like a classic, contemporary working class protest in France, where I live, to lay out some of questions and challenges for socialist analyses and activism.

As I write, on Tuesday, 18 October 2010, French workers are on the eve of the fifth day of action in six weeks against proposed legislation to raise the legal age of retirement from sixty to sixty two years. Truck drivers are blocking the main roads into Paris, but also the highways into major cities like Lille. Teachers are on strike, hospital workers have followed, and high school and university students are blocking access to their

institutions, with over three hundred high schools closed according to the National Education Ministry. In some instances, students are blocking streets and rail lines. Workers at oil refineries have barricaded the premises, keeping out colleagues ordered back to work by the state, so that over one thousand of the twelve thousand five hundred local gas stations in France are out of service. Despite the protests, which have mobilized millions, and the fact that President Nicholas Sarkozy promised during his presidential campaign in 2007 that he would not raise the legal retirement age, most observers agree that there is little chance that Sarkozy and the conservative majority will back down. The final vote is set for Thursday, 19 October or Friday, 20 October, although the Socialist Party is seeking to delay the vote with a variety of parliamentary tactics. (The legislation was passed on 10 November 2010, with some concessions, for example, for those who began working before eighteen years of age, mothers of three children and those whose work conditions are particularly difficult and dangerous.)

With my husband and three small children, I marched with thousands of others in Lille, on one of the days of action. The protest is broadly similar to many others I have participated in, both in France and in Canada. The streets are filled, as far as the eye can see, with marchers. There are union banners, balloons, loudspeakers, people with drums and ear-splitting vuvuzelas, inspired by last summer's World Cup of Soccer in South Africa. Small firecrackers are lit, going off with a loud bang that frightens my children. There is a brass band, affiliated with the Communist Party, playing from the back of a small, flat-bed truck and later on the sidewalk. People hand out stickers announcing union affiliations or sell t-shirts. Around me, marchers wear colourful stickers that read 'Je lutte des classe' or 'I class struggle'. Others carry cardboard placards that affirm their right to pensions at the current age of sixty years 'Because I'm worth it', the slogan of the L'Oréal cosmetics company, owned by French billionaire Liliane Bettencourt. Still others distribute free copies of left-wing newspapers, many satirical. Pamphlets pass from one hand to another, most directly concerned with the injustices of raising the legal retirement age. The police are numerous and visible, cordoning off some streets, but there is no meaningful confrontation. This is not the case in other cities, however, where vandalism and violence fuel rumours of police provocateurs, some apparently wearing union stickers. The police have used teargas and flash balls, resulting in serious injury to at least one high school student, who risks the loss of his eye. Hundreds more have been questioned by the police, particularly in conjunction with the high school

protests, where there have been instances of hooliganism. A racialized population concentrated in the public housing projects in the suburbs of large cities, France's lumpenproletariat, smash public bus windows, set fire to garbage cans and steal motorcycles left unattended by careless protestors.

After about two hours of marching, we reach Lille's central square, but it is very crowded and we no longer feel comfortable with the children, so we turn back. With the bus drivers on strike, there is no public transport. We stop for tea in my husband's downtown municipal office and later walk the five kilometres home with the children. Another day of protest is over, at least for us, although there are demonstrations in all major cities in France and more will follow this one.

Working Class Protest: French Exceptionalism?

The protests in Lille and elsewhere in France are an almost stereotypical example of the kind of self-conscious working class movement that socialist theories anticipate: ordinary *working* people, those who make a living selling their labour power for a wage or a salary, are out in the streets to protect always-provisional working class gains, in this case pension rights. Students participate, rejecting government efforts to convince 'the young' that they have generational, not class interests. 'Sans papiers', or undocumented workers, circulate a petition demanding regularization, marching alongside legal workers. France's six major union federations participate, overcoming sectoral differences and varying political orientations. There are representatives of various working class political parties, including the mainstream Socialist Party, the New Anti-Capitalist Party, organized by a youthful-looking postal worker and the Communist Party. Even the aesthetics are resolutely working class: protestors hold homemade cardboard signs in deliberate contrast to slick, shiny advertisements and many men wear their work clothes, fluorescent vests and big steel toed boots, in defiance of the conventions of bourgeois fashion.

In contrast to the narrow media coverage in Canada and the United States, utterly dominated by right-wing ideologues, the protests in France will be discussed at length in a range of relatively sympathetic press, particularly the printed media. My husband and I, for example, are subscribers to *Liberation*, which has historic and ongoing ties to the Socialist Party of France. The subscriber-owned newspaper *L'Humanité* is officially Communist and while much smaller, is easily available in most cities. In the evening, we watch an hour and a half long political show on

public television, where there is every chance we will hear self-professed Communists and even the occasional anti-capitalist revolutionary, both activists and scholars, presenting views that in North America would disqualify them as serious interlocutors in a public debate. On the whole, the French media is far from progressive and voices of capital still radically outweigh those of workers. Nonetheless, the range of public opinion is significantly broader than in the Anglo-Saxon world.

Moreover, the protestors in France march with the memory of successful protests in the recent past. The strikes of 1995 are on everyone's mind, when millions of workers in the street resulted in the government's decision to abandon pension reform, although other worker-unfriendly legislation was enacted. Contrast this with Ontario, Canada, for example, where from 1995 to 1998, a series of the largest mobilizations of working people in Canadian history against the neoliberal reforms of the provincial government, had no effect on the course of then-Premier Harris' policies. Despite low rates of unionization, the French working class is militant and has a centuries' long history of at least partial success in blocking capital oriented state policies.

4 Of course, this does not mean that capital is not organized in France. Against the current demonstration of working class opposition and solidarity, there are the usual suspects. This includes the national federation of French businesses, the Mouvement des entreprises de France (MEDEF), calling for provisions to minimize disruptions to the French economy, both in the name of the survival of small businesses and to preserve the competitiveness of French businesses, small and large, within Europe. Despite 'globalization', the French state is very much present, still an important political force in disciplining labour on behalf of capital, in this case helping to further class interests above and beyond the level of the individual firm by requiring two more years of labour from each worker. The police are mobilized, to contain and sometimes violently repress protest. Predictably, the business media, like the Financial Times, remarks upon the 'absurdity' of schoolchildren mobilizing around retirement rights, under the headline 'Defiant France Ignores the Abyss' and concludes with Margaret Thatcher's infamous words as a warning to French protestors: 'There is no alternative'. Mainstream right-wing newspapers like *The Figaro* emphasize the 'impartial' support of the International Monetary Fund for the pension reforms; the IMF had suggested an increase in the retirement age in 2009 as a way of reducing the French deficit. The French state raises the possibility that, without pension reform, the nation's credit rating at Moody's will slip, provoking

capital flight, halting economic growth and harming the 'general' national interest.

Questions for Socialist Studies

The mobilizations in France raise a number of questions, not least because the French protests –although characteristic of a certain kind of working class protest -- seem so atypical. In particular, the movement in France seems exceptional when contrasted with the anaemic to non-existent working class mobilizations of Anglo-Saxon countries, including Canada, the United States, Britain, Australia and Ireland. In the current phase of capitalism, when the working class seems everywhere historically weak, what are the major challenges to socialist analyses and activism? What transformations are there within the world capitalist system and in specific national or local sites that might help explain the current weakness of the working class and the relative strength of capital? Socialist studies have distinct contributions to make in analysing the current dynamics and tensions within the world capitalist system, to try and make sense of events like the protests in France – but also to understand why, with historic levels of inequality, there are not more working class protests of this kind. Below, I suggest some characteristics of, and sites within contemporary world capitalism, where socialist insights might be particularly fruitful and consequential for working class activism:

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1. Increasingly coordinated international infrastructure to 'regulate' and 'coordinate' capitalism at the global level. The post-war World Bank and the International Monetary Fund are increasingly active, at least in the sense of expanded mandates. They are joined by new global or international organizations, like the World Trade Organization and, performing a somewhat different function, the World Economic Forum. Credit rating agencies like Moody's and Standard and Poor's similarly act globally, sanctioning states considered insufficiently capital-friendly. In what looks like an increasingly thick international field of 'financial institutions', is there movement towards world governance on behalf of, if not always at the behest of capital?

2. The ongoing dominance of finance capitalism. Mitigating efforts to coordinate capitalism and so save capitalism from its own worse excesses and unpredictability, as in the above scenario, is the possibility of the ongoing dominance of finance capital. 'All which is solid melts into air' in a world in which financial assets are made 'real' by nearly unintelligible

complex mathematical formulas and a social consensus that money begets money. Financial speculation embraces the fanciful and far-fetched: bets are laid on the possibility of state's defaulting, there are futures on the weather... Huge inflows and outflows of capital are informed by premonitions and panic, beyond the control of national and international capital, with sometimes disastrous consequences for ordinary working people. This is the scenario for the last decade or more, but what is the likelihood and implications of persistent 'casino capitalism'?

3. Thick ideological apparatus and the dominance of organic intellectuals for capital. The ideological apparatus that support capital and naturalize and rationalize capitalism are, like international financial institutions, thick. These include the for-profit media and think tanks like the Mont Pélérin Society and the Fraser Institute, which are increasingly mainstream, presented as providing 'objective' analyses and policy advice. Economics and business departments and orthodox economists, who often hold the most important policy positions in international financial institutions and within powerful ministries in national governments, are the institutional and professional homes and vectors of ideologies favourable to capitalist social relationships. As Gramsci argued, even street names and buildings celebrate entrepreneurs, while forgetting working class achievements. These ideologies are not static, but elastic and changeable, often incorporating and denaturing rebellious counter-hegemonic challenges, as with 'green consumerism'. Moreover, capital-friendly ideologies may be increasingly imperialistic, so that narrow economic explanations are now invoked to 'explain' inequality and poverty, preoccupations previously outside orthodox economics concerns. A major task for socialist studies is mapping the thick institutional complex of ideological apparatus and organic intellectuals for capital, not least professional economists, as well as their transformations.

4. The state as manager. In her interview in this volume of *Socialist Studies/Études Socialistes*, Dorothy Smith argues that states no longer manage capital. Rather they manage their populations vis-à-vis capital. States compete as sites to attract domestic and foreign investment, promising flexible labour and environmental laws, as well as low tax rates for corporations and the wealthy. Management of working class populations includes a wide variety of legislation that disciplines labour, for example, making it more difficult to unionize, facilitating processes for firing workers and so on. Likewise, 'management' of domestic working

populations includes the use of the strong arm of the state. This may be episodic, as when police are mobilized to contain working class protests like those in France, or 'everyday' so that the United States, for example, significant proportions of the population, especially 'black' men are in prison. Anti-terrorist legislation strips citizens and non-citizens of even formal rights before the courts and the flexible interpretation of 'terrorist' means that dissenters risk harsh penalties. Such management or containment of potentially disruptive working class elements domestically is complemented by imperialistic policies abroad, protecting capital investments or prying open markets through war. In a world of mobile, transnational capital, states relative autonomy from capital is diminished. If states continue to matter, with non-negligible differences in their relative responsiveness to capital and the working class, are states nonetheless generally increasingly limited to roles 'managing' for capital?

5. The natural limits of capitalism. Arguably, the single issue that Marx did not and perhaps could not have anticipated is the literal exhaustion of natural resources and the inability of capitalism to reign in production and consumption activities that contribute to global warming and threaten the ongoing existence of humanity. Philosopher Slavoj Žižek has argued that it is now easier to imagine the end of the world, due to environmental catastrophe or total war, than it is to imagine the end of capitalism. Socialist studies have particular insights into the inability of capitalism to take environmental destruction into account and the disproportionate burden of the brunt of manmade environmental disasters on the working classes worldwide.

6. Whither working class resistance? There seems to be little evidence of a worldwide working class 'for itself', to counter an increasingly confident and self-conscious transnational capitalist class. At the world level, the alter-globalization or 'global justice' movement has been unable to seize the initiative back from capital -- despite the 2008 economic crises that at least temporarily highlighted some of the perverse priorities of capitalism: a world in which billions can be mobilized to save banks, but in which a billion human beings go without enough to eat. Resistance to austerity plans that resolve the latest economic crisis on the backs of working people is remarkably scattered, particularly in Europe and North America. There is little sign of international solidarity. Symptomatically, French workers took to the streets to protect French pensions, but did not march in

solidarity with Greek, Irish or now British workers facing similar or worse attacks on their social welfare.

Of course, workers are divided, for instance, by citizenship, legality, gender, experiences of racialization, whether or not they work in the public or private sector and in blue collar or white collar employment, location within the world system and so on. It is clear that working class movements that appeal to workers narrowly, abstracting from their experiences as women, as people of colour, as workers in services or industry, will not succeed. But, what forms of organization and language can accommodate such simultaneous recognition of the multiplicity of working class experiences, and their essential unity? What specific local, national, regional and international initiatives hold promise for a shift from fragmented working class people to a confident, vigorous class conscious world movement of workers?

7. The Fascist temptation. In a world of increasingly inequality, working class solidarity is not a given. Indeed, working class anger, frustration and suffering may be turned against both those better-off, in an expression of right-wing anti-elite populism, and those worse off, a racialized lumpenproletariat stigmatized as the ultimate other. The temptation towards fascism is an ever-present shadow: towards a better future, or towards one in which unbridled capitalism is linked with the worst forms of anti-elitist, but also, anti-poor populism?

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Of course, this sketch of some of the class dynamics that socialist studies must come to grips with if it is to be useful is incomplete. Yet they are entry points for understanding and acting upon a radically unequal world. Socialist studies has its part to play in the struggle to undo the commonsense of capitalism and strengthen progressive movements everywhere. When we brought our children to witness and participate in the Lille demonstration we sought to show them what it looks like, to struggle, together, for a better, safer, more just world. So that, in the noise, the marching, the banners waving, they would see that no one is condemned simply to submit to dominant structures of power.

INTERVIEW

'You Are Here'

Interview with Dorothy E. Smith¹

WILLIAM K. CARROLL

University of Victoria. Victoria, Canada

Keywords

Dorothy E. Smith • feminism • institutional ethnography • Marxism • texts • sociology for people

Mots-clés

Dorothy E. Smith • féminisme • ethnographie institutionnelle • marxisme • textes • sociologie pour tous

Dorothy Smith is a world-renowned Marxist feminist scholar and activist and a formidable intellect. Her decades of scholarly and activist contributions combine a lively sociological imagination with unflinching rigour, inspiring and challenging academics, professionals and 'ordinary' women and men to consider how social relationships and power are organized in everyday life. She is the author of many ground-breaking articles and books, including *The Everyday World as Problematic: A Feminist Sociology* (1987), *Texts, Facts, and Femininity: Exploring the Relations of Ruling* (1990), *Writing the Social: Critique, Theory and Investigations* (1999) and *Institutional Ethnography: A Sociology for People* (2005). She is best-known for her creation of institutional ethnography (IE), a method of inquiry she originally characterized as a 'sociology for women' but has since recrafted as a 'sociology for people'.

Dorothy Smith was educated at the London School of Economics (B Sc.1955) and did her doctoral studies at Berkeley, California (PhD 1963). Following several years as lecturer at Berkeley and then the University of Essex, she became associate professor and later professor at the University of British Columbia, where she was a faculty member from 1968-1977. She was then professor at the Ontario Institute for Studies in Education (OISE), now the department of Sociology and Equity Studies in Education, in Toronto, Canada, until her retirement in 2000. She is currently professor

¹ Transcription and introduction by Elaine Coburn, CADIS-Ecole des Hautes Etudes en Sciences Sociales, Paris, France.

emerita at OISE at the University of Toronto and adjunct professor in the Department of Sociology at the University of Victoria. Over the course of her career, she has mentored many students who have gone on to become well-known scholars and activists in their own right, including Alison Griffith, Gary Kinsman, Roxana Ng and Ellen Pence, among others.

Dorothy Smith has been instrumental in piloting several major research and activist initiatives, including the Women's Research Centre in Vancouver, British Columbia, founded in 1973 and disbanded in 2000, and the Centre for Women's Studies in Education at the University of Toronto, which she directed from 1992 to 2001. Throughout her career, she has collaborated with unions, women's groups and professional associations to understand how oppression works and think about how to create progressive change. This work includes publications for the Canadian Teacher's Federation, the Committee on the Status of Women and the Canadian Research Institute for the Advancement of Women.

Dorothy Smith is in constant demand as a speaker, and has given lectures at universities and women's centres worldwide, including Australia, Canada, Finland, Germany, Hong Kong, Iceland, Japan, Norway, the Netherlands, Sweden, the United Kingdom and the United States. Her contributions have been recognized with many awards, including honorary degrees at several Canadian universities and in special lectures for universities and scholarly societies in Canada and abroad. Her lifetime intellectual achievements and contributions have been rewarded with various formal honours granted by a number of learned societies, including the Canadian Sociology and Anthropology Association, the American Sociological Association, which has established an award in her name, and the Society for Socialist Studies, for which she delivered the 2007 keynote address.

This interview was conducted by William K. Carroll at lunchtime in a French restaurant in Vancouver BC, on July 8, 2010. On the digital recording, there is the occasional interruption from an inquiring waiter and snatches of conversations by other diners. Near the end of the interview, you can hear some of the mundane sounds of the restaurant's activities, including the sorting of cutlery. Strains of classical music wax and wane throughout the interview: from time to time, Smith's reflections are accompanied, literally, by a symphonic crescendo.

The transcript faithfully reflects the interview, but excludes minor hesitations, repetitions and commentary from the restaurant staff.

William K. Carroll: Encoded in the quaint expression 'red diaper baby' is the fact that no one is born a radical. Can you talk about how you became radicalized in the 1960s and 1970s?

Dorothy E. Smith: Yes, I certainly can.

My father was a businessman and we were middle class. *Rural* middle class. We were not top of the social scale by any means -- there was a very clear-cut class structure. But, because of the war, when I was eighteen I went to work in a factory. Not for a very long time, for about three or four months, like that. And that was a very... I won't say it was a radicalizing experience, although in some ways I think it was. It made me aware of what it meant to live and work as an industrial worker. It was the end of the war and it was a pretty crude old factory: I don't think there were any machines newer than 1918. And it was so excruciatingly boring and you earned so little.

I'm not exactly sure how it came about, but it was a very political time in the plant. And one of the things that I think was rather characteristic of plants in those days, which might not be so today, is there was a cafeteria and we would all get off for lunch at the same time. And...people would talk. The working class in Britain at that time, at the end of the war, were very, very politicized. So that, I suppose, was the first real shift.

And then, I actually went into a social work training course. We did some practicums and I was horrified. I did a summer practicum in Sheffield, a very active industrial town at that time -- I don't know what it is now. I just saw how people lived and I was totally horrified. And at the end of my course I thought: I'm not going to do social work, it's no good. Something else is needed.

I went to stay with a cousin in London, not technically in downtown London and she lived in an apartment. There were three or four apartments in the same house and in the basement was someone who was running for election as a Labour member of parliament in Essex. I hooked up with that and I worked for them -- for him, I suppose, and for his election.

And I went to live in a working class household. I was one of the few people who could drive, so I used to do the driving up to the Transport General Workers Union and get all the stuff and drive it back. But I also remember, very well, sitting around a table with the women from the local area. We would be addressing envelopes in those days and they would be repeating -- I suppose perhaps it was a saying -- 'Never again, never again. The Depression. We're never going to go through that again. Never again.'

And it *was*... at first, it was very successful, the Attlee government. And, then, gradually I could see it being undermined. I remember going to lunch with the guy whose election I worked for, who got elected, and meeting a guy, originally from Wales, a real lefty, at a time when he was getting concerned that (working class gains) were going to begin to be taken away. Now it didn't get radically taken away. But they did, for example, cut dental care out of health care. That might not seem so significant, but I think he thought it was. And basically, that is what I saw over a period of time.

I remember at one point when this friend of mine was coming up for re-election, I was invited to a party. This was at a house in Mayfair, which of course was kind of upmarket. This guy, who was giving the party, was a very, very wealthy man. He had this fireplace and it was green stone and so on. It was said – and I don't really know what the truth was – you could pick diamonds out. I can't remember ever actually picking a diamond out. But, I thought, there is something going wrong here...

I had a lot of contacts with people on the left, which I continued to have, but I wasn't really active anymore. Partly, of course, I was earning a living, doing secretarial work, until I decided I couldn't stand doing secretarial work any longer and I applied to the London School of Economics (LSE). I didn't really go to university sort of properly, other than my social work training, until I was 26.

I wanted to ask you about that experience at LSE and the whole cross-cultural mobility of doing your bachelor's degree at LSE, moving to Berkeley and then on to Vancouver...

Gosh, yeah! (laughs).

Is there some sense in which these experiences of cultural mobility provided a basis for your re-thinking of sociology? Your chapter in 1992, 'Remaking A Life, Remaking Sociology' reflects on that migration from Berkeley to Vancouver and your rejection of a more colonized form of sociology.

Yeah, that was a different shift, although I think to some extent it had been in the making. One of the things I experienced at Berkeley, which was a surprise in a way, was the degree to which women were of no account. I don't idealize the British system of that academic time. But at the same time, there *was* a tradition of women scholars in Britain, which was just non-existent in the

United States. And I wasn't used to being treated as a nobody, I suppose!
(laughs) I'd done fairly well at the London School of Economics.

But I had very mixed feelings. I remember one course given by a guy called Tomatsu Shibutani, who didn't get to keep his job --- maybe I'll talk about that separately. But, he gave a course on George Herbert Mead and it was just absolutely brilliant, a brilliant introduction to a way of thinking. Much better than the symbolic interaction that was taught by (Herbert) Blumer. So, there was that. But apart from that, I don't remember finding anything very exciting.

I suppose, looking back, there were two aspects to it really. One was an attempt to develop an alternative to left-wing progressive Marxist influences: introducing the notion of mass society, shifting from talking about class to talking about social stratification. I suspect a lot of that was very closely tied with the importance of detaching this new kind of sociology from the past that McCarthy had gone after. It was '55 I think, at the tail end of the McCarthy period.

I remember when I got my research assistantship I had to sign a loyalty oath saying that I wouldn't attempt to overthrow the United States government by violence. It was bizarre for me. And very bizarre for me, too, was the non-presence of any left on the campus. There were very, very few people who were left wing and there was no politics on the campus *at all*, none at all. It was so different.

When I left England, it was just after there had been this election in the Dominican Republic of a lefty-democratically elected president. And the US Marines waltzed in and overtook.² And there was no mention of it in the newspapers in Berkeley or on the radio -- they didn't have television at that time. It was an extraordinary thing to me that all this could be going on, these actions of the United States and people *there* would not know about them. So it was a big contrast, there was a big cultural shift, not just in sociology, but in the politics: big, big.

The FBI used to come waltzing around to talk to me, and I think they thought...the way I played it, I was just an innocent British who didn't know

² The left-wing government of Juan Bosch took power in February 1963 and was overthrown in September 1963. In April 1965, a pro-Bosch revolt was crushed by United States President Lyndon Johnson, who sent in the US Marines as part of the Cold War fight against Communism. Dorothy Smith graduated from Berkeley with a PhD in 1963, but stayed in Berkeley as lecturer until 1966.

what she was getting into. And so they would give me information about who to be wary of on campus and that kind of thing.

Really? (laughs) Wow.

Yeah. They were these great big guys wearing dull vests and with very rosy faces, which I figured was because they had been there, in the weather...

So this was really the height or the depth of the Cold War McCarthy era and you were at Berkeley. But, one of the things that always intrigued me is your relation with Erving Goffman. I'm not sure when you started working with him, but as I understand it he was your doctoral supervisor. And it would have been in the late '50s, when he was doing *The Presentation of Self in Everyday Life* (1959) and *Asylums* (1961).

He was a very...He had a big impact, because he was someone who... You know he was originally Canadian.

From Alberta.

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He was... I don't know quite how to describe him. He was a sort of...I'm sure there is a term for this, but he just didn't have any respect for academic institutions, as such. He didn't really have any respect for the work of sociologists. He wanted to do this work that he was doing. It is hard, I think, now, to see how radical it was. You come into a department where quantitative methods are just coming into place – I took a year-long course in that area-- and there is this attempt to make a shift. Selznik was there with his organizational approach, Bendix, etc. etc. various others, Kornhauser, you wouldn't even know his name but....

And then here along comes Erving Goffman, a little, bouncy man -- he was quite small and bouncy. And what he put in place was, in some sense, radical: you can actually look at what people *do*. And it was almost an extraordinary thing to say, because there was no sociology at that time that had that character. There would have been, I suppose, if you went back to the Chicago School. But in a sense what was being dumped at Berkeley was the Chicago school, partly because of its connections with social movements. So he had a big impact. And he and my husband and I were actually quite good friends for some period of time. Maybe my thesis turned him on, because it is a study of a state mental hospital.

I've read that ethnography, yeah.

I don't think he was very happy about that. Although at the very end, when he signed off on it, he said: 'I didn't think there was anything new to say about mental hospitals, but you have'. But I think that was a kind of a concession. I don't think he was ever very enthused.

There are traces of Goffman's radical approach, this breath of fresh air that he was giving to sociology at Berkeley at the time, in the sociology that you went on to develop.

He freed you up to look around and look at what's going on.

Still, I wouldn't say that my thesis really particularly draws on that. It draws more on organizational theory. But, no, I certainly learned from it. I remember wandering around the campus with my first born, small kid, maybe a little older than my granddaughter is now. There is this one area where we used to walk: there was this lovely stream and there were trees and it was a bit hidden away from the rest of campus. Now it's all ringed over of course. But, I remember thinking that all this sociology I've been learning doesn't really seem to have anything to do with *living*. And when I got my doctorate, I had this impulse to go rip it up in front of them and say, 'No thanks to you!'.

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Interesting.

And Erving was not a big help. But mind you, he went through a very, very bad time because his wife committed suicide. So it is not really surprising that he was not going to be available. A very difficult time.

When I think of the breakthrough that you made in the 1970s and 1980s, after you came to Canada, what strikes me is how you pulled together three radical approaches: second wave feminism, including consciousness-raising as a method of problematizing experience; ethnomethodology; and the Marx of *The German Ideology*, to produce something new and well-grounded in theory and practice. Can you talk about how your distinctive approach to doing sociology, culminating with IE in the 1980s, took shape and developed as a method and research programme?

Well, I think there were a lot of things that came together. One was just an experience, a student in class, in the days when you had to actually line up to get into courses and so on. He was describing all the difficulties and he's saying, 'What does sociology have to say about this? How does sociology inform this?' And for some reason this kind of stuck with me, like I said, because I could see that the sociology that I had learned didn't actually ever come to grips with what was going on with people and with how an organization is actually put together.

Also at that time, there was a politicization, an interest in Marx. And there was a Marx reading group, which I dropped in on. And I wasn't satisfied with that, because we had courses in Marx at the London School of Economics -- even though, looking back, I see they were really perverted. But I had remembered reading a section of *The German Ideology* in which Marx and Engels said, 'We're going to have done with speculation and all this crap. We're going to start with actual people, their actual work.' And I thought that must be where I should go.

What was distinctive, I suppose, was that because I had had this experience at the London School of Economics, I was *not* going to read this work, *The German Ideology*, as it might have been interpreted by a Marxist theorist. I was going to read it as it *was*. And I was going to pay attention. Of course, I wasn't going to read it in German, I don't have the ability. But, I was going to read it all the way through.

Which is what I did.

And if I read someone like Raymond Williams, I just think: 'He's wrong.' Or Mike Lebowitz' recent book and interpretation of it: 'He's wrong, he's just absolutely wrong.' And at the same time, discovering that in the latter part of the book, which is probably about 500 to 600 pages, Marx was-- and this I think was definitely Marx and not Engels -- in dialogue with these people he's disagreeing with. And in the course of doing it, he is, in a sense, finding out how to do it differently.

And that's what I found fascinating.

Now at the same time, the Canadianization thing was on. I don't know if you remember all that. That's when I was becoming aware that essentially, when I swanned into UBC teaching two semesters of theories of deviance, and you've got this theory, that theory, this theory, that theory...I realize that all I'm doing is this job of reproducing a sociology that really originates and is really about the United States and not about Canada. And, you actually had to start somewhere differently. So: the idea of starting with actual people and

what they are actually doing. Which, of course, as I transliterate from actual individuals to actual people, I'm making what you might call a Goffman move, because he's always talking about actual people.

People who are embodied and situated.

Yeah. Real people. Yeah.

And the notion of the knowledgeable practitioner as a starting point, that ethnomethodological aspect.

I suppose. I think to some extent, one of the things that Garfinkel (1967) does in one of his first essays in the book that I studied in ethnomethodology, is he has a critique of the way that sociology is written that I found really, really powerful. And I did find ethnomethodology very interesting, at first, perhaps particularly in its more ...I find Aaron Cicourel's work interesting. I used to go to conferences, in Boston, and I also spent quite a bit of time in Santa Barbara, on a visiting basis.

At the time, I think that ethnomethodology was quite a challenge to the hegemony of positivism and of the notion of a total, generalizing sociology: abstract formulations, good-for-all-time approaches to social science.

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It did have a big impact. I was less impressed with where it could go, partly because it seemed to be very much bounded by what's going on immediately around you, in a sense. But yes – no -- I suppose you might describe it as sort of liberating, in some ways.

It remained basically a micro sociology. And one of your really important moves in developing a sociology for people, institutional ethnography and so on, is to pull those ethnomethodological insights together with Marxist insights and feminist insights to create something quite distinctive.

Well, the feminist aspect didn't really happen until I came to Canada, to UBC, because that was when the women's movement hit, in the late 60s and '70s. And that was a revelation to me because you could see -- when you took up our experience as women --how, as a subject, you'd always been operating in the intellectual and political and cultural sphere as a male. A certain, incredible

realization. And then going through this transformation and trying to learn to think from somewhere else, it was very...

I had a friend, for example, who was really...well I don't know whether this could have been really, really, really. But, she said that she would look in the mirror and she couldn't see herself. Well, I'm sure she saw something physical, but she couldn't see...she had lost her sense of who she was. And I remember going through two years...in another paper, I've described this as like a process of being in labour. It wasn't as painful. But, when you're in labour, you have this experience of this huge muscular process that takes over your body. And this was rather like this as a socio-psycho mental, I don't know, process of transformation. Because everything I'd learned how to think, all the things I'd been *good* at, et cetera et cetera, you don't just ditch it, but you had begin to find out how to relate to it differently. So a pretty massive, massive shift.

Related to that shift and the Canadianization movement that was part of the context for the shift, was the development of the so-called new Canadian political economy in the 1970s and 1980s.

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I had a lot of friends, some of them were active in the new Marxism that developed....But, I had difficulties, I had difficulties...I'd actually learned from Marx how to think about ideology rather differently. And I could see that there were all these little groups that were formed around ideological differences. And they were so fixated on their ideological differences that they couldn't work together. I found it very, very upsetting. Very upsetting. But, not so much the political economy aspect. That was a separate issue, because I did have contacts with the people who were running *Studies in Political Economy (SPE)* and so on.

You published an essay in 1989 in SPE that was a kind of feminist critique of some of the political economy that was being done at the time.

I got into deep, deep trouble.

Is that right?

I was invited, I gave it as a presentation at a conference, I suppose it was political economists. And I remember, there was a dinner afterwards and I was sitting somewhere. And people came in. And they avoided me. And I was

sitting there almost alone, because they didn't want to have anything to do with me. And I'd been on the board of *Studies in Political Economy*. I can't really remember the sequence of this...And I was asked, I was told... I was dropped.

You were dropped from the board.

Yeah.

On the whole political economy question, what I wonder about is that period in the 1980s, when you were putting a fair amount of your energy into political economy analysis. For example, on the ferry over here today I was just re-reading your essay in Roxana Ng's book with Varda Burstyn, a little Garamond book that you put out in 1985 on the *Women, Class, Family and State*. And then, after that '89 article --and it sounds like there was some ostracism involved -- you no longer write as a political economist and it's not specifically for a political economy readership. Although, of course, there is still political economy in your work. For instance, the essay in *Writing the Social* (1999) on ruling relations is full of insight on political economy. But, it was basically that...

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I'm not sure. But I think that it was certainly partly, partly that process of detaching from political economy. I think also, there is work I had done on women, class and family, which I'm not ashamed of. And to some extent it's taken up again in the work that Alison Griffith and I did on mothering for schooling (e.g., Smith and Griffith 2005).

But, I think that I felt that the topic went beyond the scope of...I mean I would have to go in there full-time if I was going to do it. Because, particularly when issues of race are raised, and those kind of things, you just... It's not that I don't think... I could have moved in that direction. But what I had done that far was based so much within the connections with UK history. I remember Catherine Hall and Leonore Davidoff's remarkable work and making those connections and so on. But was this Canada? So I decided that I wasn't going to.

I had done a lot, a lot, a lot more reading in Marx. And I felt that when I wrote what I've sometimes called an ontology for institutional ethnology, that I wrote it consciously in a way where I could say that ontologically it's the same as Marx views. But I realized that I didn't really know how to make the

connections. I didn't know how to do it and I was not satisfied. Yes, the political economists would go on, but I had been...

It gets so complicated, Bill. Because when I went to Toronto in '77, one of the things that happened was, that for various reasons I don't understand, *here*, I'd been an academic. But I had also been an activist in various ways. It's true that I didn't join any of these groups, for what I thought were very good reasons. But I worked for some of them. I must say, looking back, they were really screwed up! (laughs) *But* I believe that if you want to see socialism happen, you work for it. I have some questions, now, about the feasibility, but that's a different question.

But when I went to Toronto, one of the things that I found, because I was an academic or for whatever reason, I absolutely was cut out of connections to activism. And it was a very, very painful, painful, painful thing. It was like a big piece of my life was cut off, shut down. And I never quite understood it.

Did you... I mean you've worked here for a long time, but where did you grow up?

Well, originally in the states, until I was sixteen. I moved to Canada when I was still in high school.

Oh, yeah. Where were you living?

Basically in Pennsylvania, before moving to London, Ontario. I finished high school just outside of London, Ontario. But, for me, it's interesting because when I moved to Toronto, which was 1975, I had finished my BA at Brock in St-Catharines. And that was when I became much more political engaged, when I was a graduate student. Whereas you were moving to OISE as professor and although OISE had a lot of radical scholars and had that reputation and everything, perhaps it was somewhat cut off from the world.

I felt actively cut out in these various ways, I suppose. I remember going to meetings when, again, nobody would talk to me. But they wouldn't not talk to me like this one occasion I was describing to you. It was just like they weren't interested. Or, I don't know... who knows? Maybe being a prof had a different character. When I had worked here I had done quite a lot with union organization among women and so on. It took time to overcome being a prof. That meant you really had to not talk (laughs) et cetera. But, I had, in fact,

developed what has become institutional ethnography in the context of doing what we called pre-organizational work. I remember Roxana (Ng) and I were very active in doing this work of bringing immigrant women together to begin to examine institutional, governmental processes. And we weren't doing organization, but we were very actively connected with it.

We also did a whole organizational thing. I helped to set up this Women's Research Centre, which specifically functioned like this. We did this whole organization around women in single industry towns, in which we helped them come together to talk about what their issues were. They weren't supposed to take feminist issues out of the book, as it were. But, they needed to talk about what *were* the concrete issues for women. And then we put that together for them and helped them to organize. We had this way of looking at things from the point of women, in the sense of how to make change: what do you need to know in order to begin to think about making change? And that was very much part of what we were doing with the Women's Research Centre. It subsequently became taken over and became something.... Not that they didn't do good work but I've always felt bad that this kind of method of work and organization...

So that's the prehistory of IE, in a sense: doing that work, trying to get to the life situation of the immigrant women, in this case, and thinking about possible change processes from that standpoint. I wanted to ask a question about standpoints, about the whole evolution of your thinking on standpoints. This is, of course, a highly debated issue. But on your shift from the standpoint of women to the standpoint of people, I guess I would preface this by saying: in the 1990s, feminist standpoint theories came under attack particularly from the post-modern left, if I can use that awkward phrase. But standpoint formulations are, of course, diverse and thinking about your own shift to the standpoint of people, implying a sociology for people, I wonder about a couple of things. Although this move deals effectively with charges of essentialism and insensitivity to difference, some of the key charges that people have laid at the feet of standpoint approaches, does it also proliferate the range of possible popular standpoints, risking a relativism not unlike that which plagues the postmodernists? And secondly, does the shift in your sociology from 'for women' to 'for people' have resonances with intersectionality as a salient theoretical and strategic concept for considering how different movements might be woven together?

Let me take up that second part first. Firstly, it's much more straightforward going from sociology for women to sociology for people. One was that you really couldn't just have a sociology for women. And the second one was, at OISE, some of the people who were working with me were men. Looking back on it, one of the leading one of them was gay, George Smith. And another was very committed working class from Vancouver, Gerald De Montigny. And they took up institutional ethnography. How could it be said that it was just a sociology for women? In some sense, you can't. It's not on, really, when you come down to it. So that was very straightforward.

Now the issue of standpoints and relativism. In some ways, I wouldn't have minded ditching the notion of standpoint, although I think that it can be useful methodologically. But, it was imposed on us by Sandra Harding (e.g., Harding 2004). I think what she did was something very interesting: she drew together the work of a number of feminist writers and showed that there was this common critical thread. And she describes this as an epistemology, and she called it the standpoint epistemology. And that was both useful and tended to a bloody nuisance, really. (laughs).

But, just to get to the relativity aspect. You can, in theory, start anywhere in an institutional ethnography with what's actually going on with people. But then you are discovering how things are actually being put together. And that is not just specific to a particular individual. You are looking at these relations, which have a generalizing, standardizing kind of character. And so you are actually discovering things. And this is one of the things that I think is very exciting about institutional ethnography as it goes forward. We have learned more and more how --- whatever you want to call this 'ruling relations' thing -- they're put together. And you can learn in fields that are very different, with particular institutional focus. And I find that fascinating and I'm really interested in taking it further.

And that's where I think I can begin, *now*, to see reconnecting it with Marx. Although you can't just import Marx from mid-19th century to the 21st. But because I have my interpretation of his epistemology and the kind of basic ontology that I think he relies on throughout, I think, in fact, you can't really understand what he is doing in *Capital* unless you recognize that he's still working with actual individuals and their actual work. In the *Grundrisse*, he takes up the concept of the economy and he asks: how can you have a concept like that? And it's partly what I see him doing in relation to political economy. After all, *Capital* is a critique. And he's saying you can't just take these concepts and treat them as if they were the things themselves. You have to

understand that, behind them they express actual social relations among people. And in the economy, there is this interchange between money and commodity or exchange.

So, I'm beginning to be able, *just* beginning to be able to think institutional ethnography through to where I know how to think about that and make a connection. (pauses). Now.

At one time, I had this ontological consistency with Marx. I *knew* I had that, but I didn't know how to begin to see the connection between what you do in institutional ethnography and -- not what you do in Marx -- but there are things that you could do in relation to how things get organized in this economic process. I haven't written about this yet, I'm only just starting there. But anyway, that's the direction. And in a sense, it held me up because I just didn't see how to do it. And I'm not sure that I do now.

In the highly financialized form of capitalism that neoliberalism has bestowed on us and that is now very much in crisis, isn't this, in a sense, a further move into highly textually mediated ruling relations? In understanding this, it seems to me that IE offers some really important resources.

Yeah. You'd have to have skills that I don't have.

Somebody should be taking this up. (laughs)

I'm hoping, I'm really hoping! One of my main hopes was this woman at the University of Calgary, Liza McCoy, when she was doing her thesis (1999), which was looking at the reorganization of higher education and accounting practices. You might have read some of her work. In order to do her thesis, she took two courses, one in financial and one in management accounting. And she also had a degree in economics. So, now, of course, she has moved away from that and she is interested in visual sociology. So, she isn't going to do it. (laughs) But somebody will.

Let me ask about IE and the question of its democratic underpinnings, which Marie Campbell and Frances Gregor (2002) have alluded to. I recall attending a colloquium of yours several years ago. And there were some comparisons between your work and Habermas' work in terms of convergences between your concerns and Habermas' analysis of lifeworld colonization by the system, his valorization of the lifeworld based

communicative rationality as the ever present ground for a democratic way of life. And so I wonder if Habermas is a thinker worth considering here, in thinking about IE: whether your commitment to a people's sociology in some way entails a principle such as communicative democracy, or what Fraser (1997) has called the parity of participation, the notion of favouring social arrangements that enable all to participate as peers in a social life. How do you think about these issues that bear upon the normative foundation of IE?

First of all, I've read quite a lot of Habermas, although not recently. And I think the latter question of yours raises issues about Michel Foucault. And in both these cases, what is recognized is that we are living in the same world. And to some extent we are looking at the same chain of mountains, if you like, is the metaphor that Alison Griffith has used. But we see them very differently and go about the processes of research and thinking about them differently.

I don't like to use concepts like rationality. Because I want very much to rely on discovering how things are actually working, how they are actually being put together by actual people. So I'm pretty sticklish about going with that piece of Marx and Engels. And I don't see that in Habermas nor in Michel Foucault. I very much appreciated Habermas' dissertation work (published in English in 1989, editor's note) on the emergence of the public sphere. But the theorizing of the moral dimension: that doesn't do anything for me. (Repeats) It doesn't do anything for me.

It's been my experience, that as you get to do research that discovers how things work, you can then tell people how they work. In other places, I've said it's a little bit like making a map. You can say, 'This is how it's put together. This is how things are going on'. And people can use this. Now what you take up, of course, depends on where you are, what you can get funding to do, that kind of thing. So there are many areas, like the financial, as we were just saying, that would be very, very fascinating to do.

But, IE *does* have this capacity to return knowledge to people, which extends their ordinary knowledge of how things are put together. Now most of the time, this happens in professional or quasi-professional settings: it goes to nurses, it goes to paramedics, teachers. My daughter in law is an elementary teacher in Ontario and is very impressive in being active in the teacher's union. She finds talking to me very useful: sometimes just the questions that I ask about her work and that kind of thing. Because I think like an institutional ethnographer. So, my sense is that it has this capacity to open things up.

Whether we actually are able to make use of that capacity adequately is another matter.

This kind of experience I was telling you about when we were working with the Women's Research Centre in Vancouver, that was really the ideal situation. I did a lot of work in Toronto, first of all, with women teachers. But once they got going they really didn't need...(laughs). And that's fine. And people have done useful work in terms of working on making change. I think perhaps the most striking is the work that Ellen Pence (eg., Pence and Paymer 1993) has done around issues of domestic abuse in Duluth, Minnesota. Gary (Kinsman) has, I think, made interesting uses of IE. And certainly that book of his is pretty influential.

Yes. Quite inspirational. That actually was going to be my next question: whether you could comment on recent developments in IE, such as activist ethnography, which begins earlier with George Smith, but more recently is taken up by Gary Kinsman in *Sociology for Changing the World* (Frampton et al, 2006) with his co-editors. And there also is recent research on internet based communication and CCTV (closed circuit television) as textually mediated organization (Walby 2005), expanding the scope of the textual.

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I'd really like to see more of that. Yeah.

I guess the question is: in what new directions do you see IE going or would you like to see IE going? And is there some point at which some of the new approaches might push the envelope so far that it begins to tear?

Absolutely.

So, how do you see IE developing as a vibrant research programme linked to emancipatory politics?

I think that the problem isn't entirely in IE. I think it's partly in the current, political...One of the things to me, if I reflect back on my early engagement with the labour movement is, it has begun to seem to me that the other side is winning. And I don't see...I actually belong to the Green Party and so on, but I'm not active politically. It's partly my age, because you don't have the level of energy. But I'm not clear where I could be active and I would feel that I was

doing something. And where I could use these skills that I have. Because I do have them.

I don't know. How do you feel about that? In a sense, I would say, I can see institutional ethnography being useful on the left, et cetera et cetera, but where is it? Where is the left that you could work with in that way?

A lot of IE has been done within different specific sites of what could be broadly called the Keynesian welfare state, social work and programming and so on. But there are interesting studies that really go into quite different contexts, whether internet communications or questions of surveillance and CCTV. Really, taking the notion of text -- you have a very generous concept of the textual -- and really going with that in some interesting ways.

That has a lot of potential in terms of exploration, of how things are put together in the contemporary world. But, I do think that beginning to explore the internet is very important in beginning to extend the notions of the forms of social organization that are coming into being. So, and the CCTV one, by Kevin Walby, I thought that was very interesting. Except -- this is one of the things that irritates me particularly about Foucauldian theory -- you arrive at a concept like surveillance and you stop. Because when I was discussing his work with him, it seems to me where you needed to go was to begin to see how this enters into an organizational process that goes beyond surveillance. And in a sense, that's a direction that I want to go in.

But, you must have this experience yourself with your books: once they are out there, people make of them what they want to make of it. You don't have any control! (Laughs)

That's right. (laughs). As you intimated, I wanted to ask you a question about Foucault. There is both resonance and dissonance between your approach to sociology and the work of Foucault. There is a concern with the discursive, but while Foucault problematized the discursive practices that make us what we are and de-centered the subject, you problematized the experienced world at ground zero and portrayed the subject as a knowledgeable practitioner situated in that world. A Foucauldian might say that since discourse is always-already working through us there can be no ground zero. Better to de-center the subject than to reify it, better to embrace a Nietzschean nominalism than to appeal to some direct

experience outside discursive formations. In your response to Susan Heckman’s (1997) *Truth and Method*...

(laughs)

...You noted that what you propose is not a reduction of concepts to reality, but a rejection of the concepts/reality dualism in favour of a view that, to quote you, ‘Concepts are also ‘in’ actuality’ (Smith 1997). And then in ‘Telling the Truth After Postmodernism’ (chapter six in Smith 1999), which you wrote about the same time, you developed an account of language and meaning that synthesises Mead with Bakhtin and Volosinov. With the fullness of time, a few years after those publications, how do you see the relationship between your work and Foucault’s? And what is at stake in getting one’s analysis of language and discourse right?

(laughs.) On the issue of the subject, this is a very straightforward thing. I go back to Marx: actual individuals. We’re talking about actual people. Not just subjects but people, people in bodies, et cetera, et cetera. You can’t dissolve bodies back into discourse, no matter what you do. Because there are always people who are practicing the discourse. So the discourse is something people are doing, it’s in the actual. I know there is a problem with the term ‘actual’.

Now there is a French translation in process of my book *Institutional Ethnography: A Sociology for People*. And one of the problems they are going to have is with the term ‘actual’. Although at the moment, they’ve been consulting me about what to do with the concept of the ruling relations, since it doesn’t translate readily. And since they want to position my book as an antithesis to Bourdieu, they don’t want to use a language that hooks it back into Bourdieu. There is a problem with ‘actual’ translated into French. I’m not sure how they are going to do it.

But my little, I suppose, metaphor, is being in malls in Toronto. And you find this map that says ‘You are here.’ And it is that kind of finger pointing off the text, into the world in which you stand, looking at the map or reading it, that is very different. Foucault *never* introduces that.

At all. Ever....in his notion of the subject or the constitution of the subject in discourse. He doesn’t resolve discourse back into the actualities of people who are, talking, et cetera, as we are now.

And in Bakhtin, the sensitivity to the dialogical...

I suppose in the post-modernist, poststructural number -- I am not even sure now which it is -- there's this kind of view that you're referring to: that discourse is always overpowering, in the sense that what you can recognize as reality and what you speak of et cetera et cetera is already predetermined. And that comes partly out of Saussure, as well as out of Foucault. But in Bakhtin's work, it is very different. Because although he has a very closely analogous view of the speech genre at different stages of his work, as pre-existing any moment of utterance, he suggests that any moment of utterance always enters into a dialogue with whatever is pregiven in a discourse or language or speech genre. So you are never fully determined by the genre or the discourse. And it always has this creative character in which you're not just reproducing, but speaking always beyond and moving forward, I suppose you might say. And that's why Bakhtin is...better (laughs), in my view.

You've mentioned some of your former students like Alison (Griffith) and Roxana (Ng), Liza (McCoy), George Smith, Gary Kinsman. And I've long been impressed with your record of mentorship. Your intellectual influence has been conveyed partly through your own voluminous writings, but in great part through mentoring an impressive number of students. A recent cv lists an astonishing 34 PhDs that you have supervised, who have also gone on to mentor others. What this points to is IE as, not only a critical research programme, but an embodied network whose central node is Dorothy Smith. Or if you prefer, a community of scholar-activists that has considerable cohesiveness and reach, evident within learned societies such as the CSA (Canadian Sociology Association) and the SSSP (Society for the Study of Social Problems). This style of intellectual work and dissemination is quite different from say, the pattern of scholars like Anthony Giddens. I'm sure he has mentored a good many students, but the traces of his influence run mostly in the grooves his own prodigious intellectual production: his influence has largely been textually mediated. And rather few researchers have done much with structuration theory: it remains an abstract, metatheoretical perspective.

What would you do with? (laughs). Sorry!

Are there distinct advantages of approaching intellectual production as a collaborative project of community development and might there be a gendered subtext to Giddens's approach and yours?

There could be a gendered subtext. But I don't know, it's hard for me to say. In some ways, I was very moved, way back when I was still at Berkeley, by Noam Chomsky's (1967) call on intellectuals to tell the truth. One of the components of my gradual shift is that sociology didn't have the capacity to do that: to tell the truth. In the work that I've done to develop the capacity to tell the truth, to find out, to discover, you can't do it all. There has got to be other people.

I was very impressed when a couple of people -- I think it was probably Marie Campbell and Liza McCoy, I forget now -- who had completed their degrees, their doctorates. But they were not yet employed and they wanted to have a seminar in which they could discuss their work. And there were some graduate students who were fairly far along. And we came together in this little seminar to talk about their work. And what was very, very striking was how, and I mentioned this earlier I think, even though people were taking up very different areas of work, we could learn from one another. And I suppose that that experience told me: this is something you really need in institutional ethnography. You don't just want a bunch of case studies. You are really beginning to want to learn more and more about how these text mediated forms of ruling, if you like, are put together.

At UVic (the University of Victoria), you have this amazing situation, that by the time people have done their first year in the MA programme, they are so bloody bored, that bringing them into contact so you can actually go out and look at things...And those are things that I learn from. It isn't just that there is teaching. I'm learning from what people find out. Sometimes even if they don't write very good papers, they actually find some interesting things.

I like that.

It's a very open-ended approach and very socially oriented in the sense of co-learning, learning from each other.

Yes. You see, you're not interested in coming back to talk about structuration or anything. If you go out and look out and find instances of structuration, what do you gain? I learned a lot, for example, from one student, I won't mention her name at the moment. But she didn't actually write a very good paper. But what she learned, she was looking at local food production. And she had links with the group at UVic, I guess it was a couple of years ago, that was trying to get the university to purchase from local producers. And she just discovered the various kinds of barriers to this on the side of the university. And then, she also knew some local small farmers and talked to them. And

what she learned from them was essentially that they have got enough to do. And taking on the work of marketing was too much. And I think since there's developed a distinct organization that actually is doing the marketing. And there is now some purchasing by UVic. But that's a separate thing.

I'd learned some economics at the London School of Economics: demand, supply, price, determination of prices and that kind of thing. But what I found fascinating and what her work drew my attention to, was that a market was an actual work organization. And I had never thought of it like that before. I've taken that a little further because that is where I began to see the connectedness with political economy.

So, I do. I do learn from the work they do.

In *The Everyday World as Problematic*, you argued that sociology is part of the ruling apparatus. Is this claim as persuasive today as it was a quarter of a century ago? How do you gauge the transformative impact within sociology of developments like IE or participatory action research and public sociology, these emerging alternatives for sociology?

I think there is some problem with the concept of the ruling relations. Because it was invented at a moment when, in the women's movement, you could see the dominant experience was our exclusion. And so: there they were. But, all the gains the women's movement has made, there has been a renaissance: the whole cultural shift, political, intellectual, it has been quite extraordinary.

But you have to say it's all in the same mould. And if you are doing institutional ethnography, where are you operating? You are operating in a discourse, you're operating in text-mediated stuff. So, you are not going to retreat and go back to the intellectual farm. So you recognize somehow that maybe you have to think about the ruling relations differently.

And that is one of the things that I have said in that paper that I did two or three years ago, that was published in *Socialist Studies* on 'Making Change From Below' (2007). I think that recognizing that the change process has to actually engage in and be part of and active in and know how to operate in...

What I'm suggesting to the French translators is that they don't use the term 'ruling relations'. But they use the term 'organizing relations' or something like that, because you can't avoid that, since you've got to use it, you've got to work within it, and make it work for you.

I guess another emergent trend within the academy has been what Janice Newson has referred to as neoliberalizing practices of managerialism and corporatization. Her book with Horward Bookbinder was published years ago now, in 1988, and these processes have been in motion for some time. And they tend to colonize the classroom and shrink the space for intellectual engagement. And they also add to the long-standing bias that puts abstract theory before practice, an emphasis on cost-effective teaching and learning practices.

And yet, as you point out in a recent interview (Smith 2010), conducted by Janice Newson, the university has also been changed for the better, in great part as a result of the feminist and anti-racist struggles of recent decades. You note, in that interview, your own current CURA (Community University Research Alliance) project: Rural Women Making Change (www.rwmc.uoguelph.ca), as a prominent instance in publicly-accountable research. So, what lessons are coming out of that project, with regard to, on the one hand to rural women's struggles and on the other hand, initiatives to democratize the academy?

I'm not sure that I would, today, respond in the same way. Because I think that, yes, real gains have been made of the kind that I referred to. But, I think what's happening to universities today is much more serious than I was perhaps aware of. Or, I'm not sure it happened to the extent that it is happening now. And again, when I was saying earlier, seeing the other side is winning, I find it very depressing. And I find it very depressing on a number of fronts. Like I find the whole issue of climate change extremely scary, very depressing.

And one of the things is, I don't know why the NDP (New Democratic Party) is, at the federal level... just in order to get something out of the parliamentary process, they...a game has to be played but I just find...I find...

You see, I think realistically, this is the difficulty: it's the one that I put forward in the paper I wrote, the plenary thing I did for Socialist Studies. Which is that the nation-state doesn't manage the economy anymore. It manages the population vis-à-vis the economy, its resources vis-à-vis the economy. I'm not clear where you can go. In your work (eg, Carroll 2010), you're showing us the extensive degree to which power is not here. And even though I probably wouldn't be able to be super active, I would like to have the possibility of relating my work to...

And now, the Rural Women Making Change was very interesting to work with. They were very effective. It was very well designed and set up. It

had a brilliant coordinator, Susan Turner, who knew how to deliver, so that you're conforming to what the new SSHRC (Social Sciences and Humanities Research Council) wants, you produce outcomes for them. But at the same time they were outcomes that really worked, in many ways, for those involved. I don't know if that programme is still accessible. Of course, the Rural Women Making Change thing was finished a little more than a year ago.

A couple more questions that get on to some of the more, in a sense, depressing aspects of our contemporary world. And the first one is a sort of wrap-up question. You have long been known as a leading proponent of both feminism and socialism. And I remember your 1977 talk at UBC feminism and Marxism, I re-read that on the ferry as well, where you anticipated your concept of ruling rulings in speaking of the standpoint of male domination, which is the standpoint of the ruling class. 'Isms', of course, abound. And as you know, some years ago, Bob Connell, in an appreciative commentary on your work (1992), characterized it as a 'sober anarchism'...

I don't know why. (Laughs)

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How do you negotiate your own political identity in a world that, in some ways, seems far removed from the old and new left, first and second wave feminism, and even late 20th century Parisian anarchism?

My god. I'm not sure that I do.

I think I'm impressed with people like my daughter-in-law. Not that I'm not impressed with my son, too. But, she is an activist in a way in which he is not. I don't think there is a clear-cut way to go. I think that it has to be discovered and it's going to be discovered by people like her.

We went out to dinner on my birthday and had a big argument about what went on in Toronto around the G20. I can't remember what I disagreed about now, but it probably doesn't really matter. But what they did in response to my disagreement, they went online and brought up all this stuff out of youtube, that various people had filmed with their phones. Or, some were reporters. And they reviewed it.

And then I could see, Anna went out for a walk. And she went out to *think*. And that's what she's like. And she wants to be active in the teachers union. And she and my son, who is not directly an activist but he helps her in preparing her positions, papers, reports and so on, I think people like her are

going to be having to create new forms of organization and they will be online. My son is very active in babble or whatever it's called...rabble or babble.

It is babble, I think. It's rabble babble. (See 'babble' on www.rabble.ca).

He's very active in these kinds of discussions on the left, on the internet, which I don't myself, follow. I think that they will be emerging. Maybe out of this G20, someone will produce a documentary.

It's very very disturbing, what they showed. I hadn't realized just how bad it had been.

The extent of the police state situation.

Yes, really. It's a problem. I think that someone in my situation has to depend on the next generation, at least as long as I'm around. If I think of the kind of working class action and organizations that existed in my youth when I was becoming in a sense, enlightened, that doesn't exist. The potentiality doesn't exist, in that way. So.

Right. Let me ask you this: Lenin's question, 'What is to be done?' is never easily answered. And certainly, as we're discussing now, not easily answered today. One challenge has been to discover organizational forms in which democratic and transformative practice can thrive. From the start, your work focussed on social organization. Might a sociology for people rooted in a feminist form of grassroots organizing provide part of an answer to Lenin's question?

I think it could do a lot. If I'm thinking back to the way of working that I described earlier, before I went to Toronto, it was very, very effective what we could do. And I think that could still be done. And I think to some extent this is how Ellen Pence has worked. And actually Susan Turner has also worked in that way. In addition to her role in Rural women Making Change, she has also worked elsewhere, with rural women in various situations. So I think that potentiality does exist.

I don't know. Who knows?

I suppose one of the things that maybe I'm too tempted by... Last year, I've been doing these workshops. And one of the people that I worked with last year is a student in the School of Business at Boston University. And she was very, very impressed. So she set up something in Montreal at the

beginning of August, where I'm going to meet with people, these are women, from that school, who are interested.

And I'm interested in whether institutional ethnography couldn't move into exploring these kinds of larger things...I think that's possible. But on the other hand, I don't want to lose sight of the grassroots work which was really so effective in the early days.

Yes, definitely. One last question, and you anticipated it earlier in registering your concerns about climate change, which indeed is a very worrisome issue: The ecological crisis is one of the great challenges facing humanity today. In closing, I wonder how your critical materialist sociology can provide resources both within the academy and without for problematizing a raft of lived actualities that might be termed ecocidal. And for explicating how in various contexts peoples lives are caught up in ruling relations that are ecologically unsustainable. So, are their prospects for alignment between IE and political ecology or for some kind of politically ecological IE as a kind of initiative within the framework of IE?

I think that it is possible. I was a bit overextended in May, I guess. But I hooked up to some extent with what Martha (McMahon) has been doing. And in the course of doing that, I came to be able to begin to see political economy, or economy, as an actual social organization. And I learned quite a bit about industrial farming. And I could see the way in which the practices of production in industrial farming are shaped to produce the standardization of the product that can correspond, if you like, to financial and managerial organization: translates into some monetary form, cost or da te da te da...

So you can begin to see how decision processes have this kind of standardizing effect, which is potentially disastrous. I think. Which is then hooked into a whole organization of corporate stuff. And I think that I certainly wouldn't be ready to write about it yet. But I'm interested in going on and thinking about and trying to get some more data.

I bought a book that I left in Toronto because I just have too much. But it's on Monsanto. And I'm interested in the GM (genetically modified) stuff in terms of how it does this standardizing of the whole organization of production. And I read some material that described the ways in which...it says a lot of things that I still don't know, well, just in general, of course.

But looking at the production of chicken, the processes of production, the relationship between producers and the purchasers are contract relations. On the other hand, the purchasers can impose requirements in terms of

changes in technology et cetera et cetera, on the producers. And I am interested in that kind of relation in the industrial farming context.

But I'm not quite sure where I'm going to find more information about it. It's a bit laborious. I'm going to read a whole book on Monsanto and a lot of it's a critique on the earlier careless stuff with bisphenols. But that's in the past.

Yeah, I can see that as a good example of how IE could follow the production process. And as you say, the standardization, the ways that things get translocally coordinated in these large industrial agricultural complexes. It's an important piece of the ecological process.

I just have to find out where the information is! (laughs).

As ever.

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SPECIAL SECTION ON ROSA LUXEMBURG'S POLITICAL ECONOMY

Introduction: Rosa Luxemburg's Political Economy Contributions to Contemporary Political Theory and Practice

ELAINE COBURN

Co-editor, *Socialist Studies / Études socialistes*

It is fitting that our special issue on Rosa Luxemburg is our most international volume to date, with many contributors sharing migrant histories and working at universities based in Canada, Germany, Spain and the United States. We are fortunate to have several of the foremost Luxemburg scholars today contributing analyses, with each author tackling different aspects of Luxemburg's rich legacy, including theories of capitalist crisis, colonization, feminism, imperialism and war, and doing so from disciplinary roots in economics, English, history, labour studies, philosophy and more.

Klaus Dörre draws upon the concept of *Landnahme* to explore the dialectical relationship between the 'inside' and 'outside' spaces created by capital within the capitalist world system. He argues that the 'inside' is characterized by capitalistic market relationships and 'normal' exploitation within a crisis-ridden system. The 'outside' is simultaneously a realm of superexploitation and non-commodified spaces, including, for example, public health and education services but also traditional, non-market relationships, in agriculture or other domains, that are continually ripe for recommodification. Importantly, the 'inside' and the 'outside' of capitalism are less defined by national boundaries than by the simultaneous coexistence of capitalist and non-capitalist relationships across national borders and the world system. Dörre mobilizes this insight to explain the historic rise of financial capitalism, with an emphasis on the specific case of German 'coordinated capitalism'. In particular, he explores the mechanisms that lead relatively secure workers to eschew strategies based on a unified, class-conscious political force for defensive, corporatist positions that export employment insecurity and precarity to marginalized populations. Dörre concludes by setting out six analytical trajectories that may be particularly useful for contemporary working class struggle, including for a class conscious ecological politics.

Peter Hudis analyses as yet unpublished and lesser-known works by Rosa Luxemburg and Karl Marx to explore processes of labour commodification, specifically, the transformation of peasants into 'free'

workers in the global periphery. Hudis contrasts Engels' approach to non-Western societies with Luxemburg's and Marx's independent but parallel analyses, both pointing to contradictory tendencies within non-Western communities. They both argue, for example, that Indigenous communities in North America simultaneously contain revolutionary socialist potential rooted in communal forms of living but also incipient hierarchies, including gender inequalities that, within a world capitalist system, portend inegalitarian social relations, including of the capitalist variety. Despite this common ground, however, Hudis argues that Marx had a much more cautious approach than Luxemburg to understanding the likely transformations of such societies. Luxemburg assumes that communal societies will inevitably be absorbed in a unidirectional historical process leading to world capitalism. In contrast, Marx argues that the outcome is uncertain, depending upon socially-conscious action that in the case of Russian communes, for instance, might lead to socialism without capitalism but might equally deteriorate into capitalist private property relations, especially given intervention by the Tsarist state. Hudis concludes that both Marx and Luxemburg have valuable insights into historical transformations across the world system, including underappreciated contributions to the analysis of non-Western societies. But, he concludes, Marx is more subtle than Luxemburg and better recognizes that people in the periphery have a vital role to play in their own liberation.

In his research note, Paul Le Blanc contrasts Luxemburg's contributions to socialist theories with those of Marx, Bukharin, Lenin and others. He draws particular attention to her analyses of imperialism as a necessary, but contradictory dynamic inherent to the capitalist mode of production. Like no other of her contemporaries, he argues, Luxemburg denounced the full horror of imperialism, the destruction of peoples and cultures, a dynamic inherent to the capitalist system with its tendencies towards 'limitless' capital accumulation. Further, Le Blanc calls attention to the ways that Luxemburg anticipated the current role of international financial organizations like the International Monetary Fund and World Bank, seeing financial loans and large infrastructure projects as simply another face of imperialism, a way of tying new states into a hegemonic system favouring older states, at the expense of displaced, brutalized populations. Le Blanc concludes with Luxemburg's condemnation of capitalism as a system of war and violence, culminating in the devastation of the first World War: mass murder that Luxemburg saw as the final proof of capitalism's incompatibility with humanity.

Ingo Schmidt emphasizes that for Luxemburg, capitalism was always an international system, since the sustained accumulation of capital is only possible by continually incorporating new, non-capitalist economies into the capitalist system. By extending credit to 'natural economies', for example, demand is stimulated, excess production is absorbed and formerly non-capitalist territories and peoples are thereby incorporated into the capitalist system. States play an important role in this process, waging war to protect the interests of domestic against foreign capital and also to open up non-capitalist societies to capitalist markets. In considering the relevance of this argument for understanding today's crisis, Schmidt puts Luxemburg's work and Marxist criticism of it in historical context, noting how events like the 1930s crisis or internal Communist politics had an impact on how receptive other Marxists were to her ideas. Schmidt then goes on to sketch some ways that Luxemburg's political economy can be used to explain current transformations, notably the rise of neoliberal politics in the 1970s, but also the military aggressiveness of the declining hegemon, the United States. Following Luxemburg, Schmidt wonders if the incorporation of former developing states and the former Soviet Union and China into world capitalism heralds a decisive new moment of crisis in the world capitalist system. He asks: will this moment of crisis see the rise of a new hegemon, intensified imperialist conflict, or renewed working class militancy against the power of capital?

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Scott briefly sketches the historical context of Luxemburg's life, contrasting the turbulent times in which she lived and to which she contributed with the current moment, when the labour movement, particularly in the United States, is especially weak. Against those who understand Luxemburg as deterministic in her analyses of capitalism, Scott argues that Luxemburg always emphasized the vital role of working class struggle: the choice is between socialism and barbarism, but there is no automatic movement towards the former. Contrasting Luxemburg's views with those of reformist socialist Eduard Bernstein, but also with contemporary critics of Marxism, Scott argues for the ongoing pertinence of Luxemburg's views: on the state, including her understanding of the state's militarism as instrumental to buttressing the power of capital against labour domestically and internationally; on the fundamental incompatibility of capitalism and genuine democracy; and on the possibilities for 'socialism from below' and the potential but also the limits of trade unionism, with its risks of bureaucratization. Scott concludes that Luxemburg's insights are useful in understanding the current economic crisis. Crucially, if the barbarism of contemporary capitalism is to be

overcome it can only be through revolutionary activity by the masses themselves, not by a vanguard of professional politicians or trade union bureaucrats supposedly acting on their behalf.

Trincado argues that Luxemburg's thought is particularly relevant today, helping to explain the current economic crisis and the rise of financial capitalism. In her article, she considers the interweaving of Luxemburg's biography, as a revolutionary woman actively engaged in socialist politics, with her theoretical contributions. Trincado insists that although Luxemburg struggled against sexism and as a result of her disability and was ultimately assassinated, she cannot be considered a victim. Rather, Luxemburg must be appreciated for her active struggle for an open intellectual approach linked to revolutionary politics. This openness led her to question nationalism that did not serve the cause of international socialism, party and trade union politics disconnected from the spontaneous struggle of the masses, and Marxist theories that are not constantly compared against and related to the social experiences of class struggle. In particular, Trincado argues that Luxemburg developed a new concept of alienation, one steeped in her appreciation of art and literature, but also in the simple appreciation of every moment of life. For Luxemburg, Trincado argues, liberation is understood as perpetual movement, a collective participation by the masses in history, based upon a fundamental openness to the possibilities for revolutionary change.

As these brief summaries suggest, Luxemburg's work is broad and multifaceted and there is disagreement among progressive scholars about the specific strengths and weaknesses of her theories. For example, there is no consensus about how 'deterministic' or how 'open' her view of history really was, with some authors in this issue lamenting a certain determinism, and others arguing that, on the contrary, she was never deterministic and always committed to the idea of the contingency of working class revolution and socialism. In this debate, Trincado's approach may represent a 'third way', since she argues that Luxemburg was both strikingly *open* and critical in her theory and praxis, while nonetheless maintaining that the material – that is, social -- context of world capitalism means that working class consciousness is forged in particular and not infinitely malleable ways. Other contributions emphasize Luxemburg's committed internationalism, not least her analytical curiosity about non-Western societies and the ways they are articulated with Western capitalist ones within a world capitalist system, an analytical bent that seems particularly fruitful in the current era of capitalist 'globalization'. Others consider Luxemburg's arguments about the potential for forms of

worldwide class solidarity today, when capital and capitalism appears particularly strong and working class opposition, fragmented and weak. These kinds of concerns only scratch the surface, contributors' maintain, with Luxemburg's concepts potentially illuminating questions around the ecological limits of world capitalism, the articulation of feminism and working class struggles, and many more vital issues.

When Ingo Schmidt initially proposed the special volume on Luxemburg's contemporary relevance, another member of the editorial board privately suggested to me that it was doubtful we would have enough interest. The current analyses prove such doubts wrong: not only is Luxemburg's work exciting to progressive scholars in many different disciplines, a hundred years later, but her contributions are critically useful in helping us analyse the evolution of the world capitalist system up to and including the latest crisis today. These articles are just the beginning, a stimulus to further conversation around Luxemburg's life and work.

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SPECIAL SECTION ON ROSA LUXEMBURG'S POLITICAL ECONOMY

Social Classes in the Process of Capitalist *Landnahme* On the Relevance of Secondary Exploitation

KLAUS DÖRRE

Labour Studies and Economic Sociology, Friedrich-Schiller-University of Jena, Germany

Abstract

So far, growing social insecurity and inequality have not led to a revival of class-conscious labour movements in the centres of capitalism. This article builds upon Rosa Luxemburg's concept of *Landnahme* to attempt to explain this phenomenon. In contemporary Germany, as in other developed countries, a transition from a society pacified by Fordist methods to a more strongly polarized class society is taking place—though characterized by a peculiar 'stabilization of the unstable'. An 'interior' *Landnahme* set in motion by financial capitalism has also severely aggravated secondary exploitation and the precarization of labour. Trade unions and the segment of the working class represented by unions often react by closing their ranks in exclusive solidarity. Faced with the prospect of downward social mobility, they develop defensive strategies to preserve their remaining social property – even at the expense of precarized groups. Such a disciplinary régime can only be broken if precarized groups and their forms of working and living are integrated into new structures of inclusive solidarity.

Résumé

Jusqu'ici, l'insécurité et l'inégalité croissante n'ont pas abouti à une renaissance des mouvements ouvriers dotés d'une conscience de classe au cœur du capitalisme. Cet article cherche à expliquer ce phénomène à partir du concept de *Landnahme* de Rosa Luxemburg. Dans l'Allemagne d'aujourd'hui, comme dans d'autres pays développés, une transition d'une société apaisée par des méthodes Fordistes à une société fortement polarisée est en train de se réaliser – bien que caractérisée par une étrange 'stabilisation de l'instable'. Un *Landnahme* 'intérieur' mu par le capitalisme financier a

Dr Klaus Dörre is full professor of Labour Studies and Economic Sociology at the Friedrich-Schiller-University of Jena. Also, since 2010 he is director of the local institute of sociology. Furthermore, he is a member of the Council of the German Sociological Association (Deutsche Gesellschaft für Soziologie). His research interests include theories of capitalism/finance capitalism, flexible and precarious employment, employee participation, industrial relations and Green New Deal. Currently, he is working on a monograph about the concept of capitalist 'Landnahme'.

Dr Klaus Dörre est professeur d'Études Ouvrières et de Sociologie Économique à l'Université Friedrich Schiller de Jena. Depuis 2010, il est également directeur de l'institut de sociologie local. En outre, il est membre du Conseil de l'Association sociologique d'Allemagne (Deutsche Gesellschaft für Soziologie). Parmi ses intérêts dans le domaine de la recherche sont les théories du capitalisme/le capitalisme financier, le travail précaire, la concertation salariale, les relations industrielles et le 'New Deal' Vert. Il est actuellement en train d'élaborer une monographie sur le concept du 'Landnahme' capitaliste.

également gravement renforcé l'exploitation secondaire et la précarisation de la classe ouvrière. Les syndicats et les fragments de la classe ouvrière que les syndicats représentent réagissent souvent en fermant leurs rangs dans une solidarité exclusive. Craignant la mobilité sociale descendante, ils développent des stratégies défensives afin de préserver la propriété sociale qui leur reste – même au dépens des groupes précarisés. Un tel régime disciplinaire peut seulement être brisé si les groupes précarisés et leurs formes de travail et modes de vie sont intégrés dans des nouvelles structures de solidarité inclusive.

Keywords

financial capitalism • *Landnahme* • precarization • reserve army mechanism • secondary exploitation • social classes

Mots-clés

capitalisme financier • *Landnahme* • précarisation • mécanisme de l'armée de réserve • exploitation secondaire • classes sociales

At the beginning of the 21st century, the Social Question is once again at the centre of politics in the developed capitalisms. The return of social insecurity to wealthy Western countries, including Germany¹, has sparked a renaissance of class theories (Thien 2009, 7-22). Yet this analysis is faced with a dilemma. With neoliberalism began 'the momentous shift towards greater social inequality and the restoration of economic power (of) the upper classes.' (Harvey 2005, 26) And yet, the successful bottom—top redistribution this project brought about has not, so far, generated political class awareness among those ruled by that system. As a result of the global economic crisis in 2008/09, the political Left and unions are struggling to get back on their legs in most European countries (Hyman/Gumbrell-McCormick 2010; Milkman 2010). How can this be explained?

To attempt to answer this question, this article begins with Rosa Luxemburg's concept of '*Landnahme*'. Germany, like other developed states, is currently experiencing a transition from a society pacified by Fordist methods to a more strongly polarized class society. This transition is characterised by a kind of stabilization of the unstable. An 'inner' *Landnahme* from the ranks of financial capitalism has made the principle of competitiveness *the* major principle for social organization, becoming a catalyst for class conditions based significantly on secondary exploitation, accompanied by precarization, forcing subordinate groups with

¹ Since the mid-1980s, in (West) Germany, a discourse on individualization and pluralization of social inequality had displaced approaches of class theory to a great extent (cf. Beck 1983).

unfashionable forms of organization and political intervention to give up hard-won social welfare protection measures. Building upon Rosa Luxemburg's concept of *Landnahme*², this article extends the concept of exploitation and illustrates its relevance through analysis of contemporary developments in Germany's coordinated capitalism.

***Landnahme*, Classes and (Secondary) Exploitation**

Karl Marx was the first to provide an analysis of capitalist expansion as *Landnahme*. In his treatment of 'so-called primitive accumulation' (Marx 1867, Part VIII), he outlines the formation of capitalism in a non-capitalist environment. In Marx's view, the development of capitalist conditions of class and property historically precede capitalist methods of production. The expropriation of the peasantry is the central prerequisite for the genesis of doubly free labourers who are neither bound to the land nor to any guilds. Marx described this process, which ultimately leads to a monopolization of privately owned means of production among a small group of owners, as an extremely brutal procedure of peasant expropriation, compulsory dispossession of common land and expropriation of Church estates amidst colonial oppression and slave trading. Since he was mainly observing British developments, Marx polemically overpaints the brutality of this transition process (Thompson 1987, 203pp.). Nonetheless, his insights are still relevant as a heuristic device guiding research on class theory.

Following Marx, it may be argued that *Landnahme* means (1) expansion of capitalist production methods internally and externally. Large-scale industry provided a permanent basis for capitalist agriculture; it completed the separation of farming and rural domestic trades and 'conquers for industrial capital the entire home market.' (Marx 1867, 738.). This process took several centuries and conditions of capitalist production began to prevail generally only in the course of the industrial revolution; the parallel existence of capitalist alongside non-capitalist class conditions is characteristic of capitalism, not exceptional. The traditional and new conditions are not strictly separate. Rather, the everyday lives of individuals and social groups are characterized by a great variety of syntheses of new and old forms (Braudel 1985, 1986). Thus the doubly free labourer as stylized by Marx is an abstraction. Even after the onset of the industrial revolution, over a long period of time, the greater part of the

² Rosa Luxemburg herself writes of 'colonization'; she did not actually use the term *Landnahme*.

industrial proletariat remained embedded in traditional, rural conditions of life and production (Lutz 1984).

The changes to ownership conditions and the expropriation of the peasantry and the conditioning and disciplining of 'free' labour for the new production methods required state support. Thus *Landnahmen* are (2) always politically controlled processes, as well. Notably, during capitalism's early phase, laws dating back to feudal times were used to generally establish compulsory labour and to politically regulate wages (Marx 1867, 723pp.). Even later, during the industrial revolution, conditions were based on workers' political exclusion. By playing midwife to capitalist production methods, a repressive bourgeois state contributed to the formation of markets in a context of structural power asymmetries: these were partly politically initiated and therefore never an exclusively economic matter. The 'free' population was mobilized and disciplined for the capitalist way of production, to a significant degree, by political coercive mechanisms mobilized by the state. For Marx, the intensive use of political coercion includes physical force; in its extensive form, political coercion is part of capitalism's early history. Marx predicted the emergence of a proletariat which 'by upbringing, tradition, custom recognizes the standards of that form of production as undeniable natural laws'. Extra-economic force is thus only used in exceptional situations. In general, workers can be kept under control by means of the 'natural laws of production' (Marx 1867, 727).

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Yet if we think of capitalist development as a sequence of different formations, production methods and class conditions, then the universal validity of Marx's premises is questionable. Following Rosa Luxemburg, we maintain that capitalist development (3) is always based on two mutually dependent processes. The first dominates the places of production of surplus value, i.e. factories, fully capitalized agriculture and commodity markets. Here, to a great extent, capitalism reproduces itself on its own foundations; the principle of equivalent exchange applies. As a result of social struggles, wage-dependent labourers are paid approximately according to the value of their labour. However, Luxemburg argues that in such 'interior dealings' only a limited part society's overall product value can be realized. The second process thus finds its way into exchange relationships, between capital accumulation on the one hand and non-capitalistic production methods, social actors and territories on the other (Luxemburg 1975, 315). With an absolute as well as relative increase of labour value in relation to the surplus value created, in internal capitalist markets, the problem of achieving profit constantly becomes more acute

(ibid., 316). This forces expanding enterprises to commercialize parts of the surplus value 'externally', outside of capitalist production methods, capitalist social relationships and given political territories.

In this context, 'external' does not necessarily mean outside national boundaries. There is a merging of interior capitalist markets beyond the borders of nation-states, as Luxemburg observes. At the same time, within national societies, there are regions, milieus, groups and activities that are not commodified or only partly commodified, where different forms of exchange are dominant in contrast to capitalist markets. In the 'outer markets', the principle of equivalent exchange, of exchanging values of similar magnitude, applies to a limited degree at best; arbitrariness and even open violence are predominant here (2005, 137). Such violence aims to at least temporarily maintain social groups, territories or even entire countries at a pre-capitalist or less developed stage. In this 'external' sphere, as David Harvey (2005, 147) points out, capitalism sometimes shows characteristics of 'fraudulence' and 'predatoriness'. Such dialectical 'interior-exterior' mechanisms provide the dominant capitalist players (companies, owners, managers) with the possibility of factoring non-capitalist territories, ways of production and social strata into their accumulation strategies. As a consequence, they are no transient phenomenon, but a constant concomitant of capitalist development.

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Following this, *Landnahmen* are based (4) on contingent processes which in the long run aim to reposition and at least temporarily overcome the limits of capitalist accumulation established by 'outer' markets and, ultimately, by human and extra-human nature. Yet, generating value in 'exterior' markets is not a linear process. Instead, the dialectics of interior and exterior constantly provide the opportunity for regressive modernization. Particularly in times of stagnating accumulation, capitalist players as 'first movers' tend to ignore rules and practice over-exploitation to achieve extra profits. Luxemburg's analysis thus interprets the problem of capitalist development as a structural imperative to grow.³ The individual capitalist can only prevent his or her own decline by permanently improving the means of production and expanding output. Therefore, overall production constantly tends to surpass solvent demand, and due to productivity increases, the volume of material products tends to

³ 'Capitalist methods of production do more than awaken in the capitalist this thirst for surplus value whereby he is impelled to ceaseless expansion of reproduction. Expansion becomes in truth a coercive law, an economic condition of existence for the individual capitalist.' (Luxemburg 1913, 12).

exceed the increase in (surplus) value already realized. Meanwhile, an expansive finance sector provides funding for entrepreneurial risks in expectation of future profits, creating pressures to innovate. In this system, crisis-related setbacks in growth bring about unemployment and precarization.

According to Luxemburg, the pressure for extended reproduction inherent in capitalism is accompanied by a multi-faceted problem of profit realization that is by no means limited to a simple underconsumption theory. Periodically, every single capitalist needs to find exactly those material means of production, manpower and sales markets appropriate to his or her stage in the accumulation process (Luxemburg 1975, 24). In an anarchic economic framework where this correspondence can only be brought about by millions of individual microeconomic operations, the reproduction of capital must remain fragile. The metamorphosis of surplus value into money, of money into productive capital, i.e. into specific goods, and the transformation of goods fed into the production process into (surplus) value and money remains crisis-prone in each of its stages. Under-consumption is only one specific instance of crisis within a chain in which every link is potentially crisis-ridden. From the perspective of the present day, over-accumulation or the extensive exploitation of exhaustible natural resources, without taking into account actual needs, is the most potentially devastating link in the capitalist production process.

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In sum, in the process of extended reproduction, individual capitalists are unable to create an extended sales market by themselves; for better or for worse, they are dependent on society to create the extended markets needed to resolve the many-faceted, complex problem of realizing profit. As individuals, they are 'powerless' against this realization problem. This creates structural pressure for growth, a dynamic that explains the 'contradictory phenomenon' that 'the old capitalist countries provide ever larger markets for, and become increasingly dependent upon, one another, yet, on the other hand compete ever more ruthlessly for trade relations with non-capitalist countries' (Luxemburg 1913, 347).

The implications of the breakdown theory in Luxemburg's *Landnahme* concept have been criticized frequently. Harvey (2003, 138pp.) correctly points out that Rosa Luxemburg underestimates the potential for a politics of reinvestment to create demand for capital goods and revolutionize the means of production. Additionally, in the long run, geographic expansion can stimulate capitalism. Rather than maintaining peripheral countries in a permanent state of non-development, they may be used as stable spheres of investment. In this respect, the interior-

exterior dialectics of capitalist development do not include automatic collapse. Yet Lutz (1984) and Harvey (2004) offer an alternative interpretation of *Landnahme* theory: capitalist players (5) may counter structural problems of development through passive revolutions. Accumulation regimes and ownership conditions, ways of regulation and production models are circulated and transformed, although always with the aim of preserving the capitalist system (Gramsci 1991, 101p.; 1999, 2063pp.). Such transformations are possible because within concrete space-time relations, capitalism can always refer to an 'outside' which it creates itself to some extent: 'capitalism can either make use of some pre-existing outside (non-capitalist formations or some sector within capitalism – such as education – that has not yet been proletarianized) or it can actively manufacture it.' (Harvey 2003, 141). Active generation of a non-capitalist other is a reaction to difficulties realizing profits and is part of broader strategies to counter the tendency towards over-accumulation (lack of investment opportunities) by 'shifting' capital in space and/or time. Capitalist development can therefore be seen as a permanent search for new ways of fixing capital in space-time. Such fixing of capital in space-time not only ties invested capital to 'locations' which promise monopoly profits due to unique qualities; insofar as these ties are long-term, they temporarily defuse the over-accumulation problem and thus temporarily 'repair' capitalism (Harvey 2003, 115).

The active generation of an 'outside' therefore means (6) that in principle, the chain of acts of *Landnahme* is endless. 'Falling from grace' by 'going beyond the scope of purely economic regulations by means of political actions' (Arendt 2006, 335, translated from the German edition) is a continuously necessary process, like a constantly-extended stepladder. Capitalist dynamics depend, fundamentally, on the ability to produce and to destroy space in time. By investing in machinery, factories, labour and infrastructure, capital establishes spatial ties it cannot sever without cost and attrition. In this, investments intended to economically develop spaces – e.g. funding for traffic infrastructure, access to raw materials or investments in education and training, occupational health and safety – have a particular function. Such investments can only be redeemed over long periods of time, i.e. they are temporarily removed from the primary capital cycle (immediate consumption) and redirected to the secondary cycle (capital for revolutionizing the means of production, the creation of funds for consumption, e.g. housing) or the tertiary cycle (investment in research, development, social matters). Yet there is no guarantee that such investments will be profitable. Hence the state takes on the function of the

'collective ideal capitalist' when long-term investments are required, so creating an 'outside' for individual molecular capitalist operations, a sphere which is partly inaccessible to private accumulation, but which can be used to improve economic performance and privatized at a later point in time. Insofar as temporary forms of market socialization become obstacles to capital realization, mobile capital seeks to ease or eliminate capital previously fixed in space-time. Where the elimination of such fixed capital leads to de-industrialization, economic decline, mass unemployment and poverty, yet another 'outside' is created – devastated, abandoned regions and an unused workforce that in a later phase of development may become suitable as the objects and potential assets of new investment strategies. This dialectical process of *Landnahme* suggests that the parallel existence of qualitatively different class conditions and class relations in space-time, both within and outside national societies, is an element of normally-functioning capitalism.

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Dominant capitalist players (owners, managers, companies, etc.) may use such simultaneity of the unsimultaneous to (7) preserve and institutionalize secondary exploitation. 'Secondary' does not mean less painful, less brutal or less significant. Rather, the rationality of equivalent exchange which structures primary capitalist exploitation does not apply, or only to a limited extent. Classic examples of secondary exploitation are the functionalization of reproductive work by women or the establishment of a transitory status for migrants. In the first case, symbolic-habitual and political mechanisms hierarchize occupations by means of gender-specific constructs. The devaluation of reproductive work and relative exclusion of socially sheltered full-time employment have an historic origin (Aulenbacher 2009, 65-80). In the second case, the transitory status of migrants based on relative disfranchisement and dislocation perpetuates a specific difference between inside and outside whose intended effect is to ensure a supply of cheap labour that can be mobilized for unattractive segments of the labour market where work requires little qualification, is burdensome and badly paid. Secondary exploitation exists whenever symbolic forms of pressure and pressure applied politically by the state are utilized to preserve differences between 'inside' and 'outside' with the aim of pushing the price of labour for certain social groups below its actual value or of excluding these groups from the capitalist relationship of exploitation. Secondary exploitation therefore manifests a tension-filled synthesis of universalism and particularism characteristic of any capitalist *Landnahme*. The universalistic claim of capital realization is functionally dependent on particularistic regulations such as the national state; yet the

global economic system can only exist within a network of power relations within as well as between states, which constantly reproduces differences between 'inside' and 'outside'.

This analysis makes it (8) possible to more precisely define the significance of class conditions, marginalization and precarization for capitalism's economic rationalism. Marx's 'reserve army' of labour mechanism, analysed in the first volume of 'Capital', is one way of actively generating an 'outside' to counteract the state's de-commodification measures. In its various guises, the industrial reserve army of labour can be used during economic booms to mobilize additional labour under conditions advantageous to capital. At the same time, those excluded from capitalist production represent latent pressure that may be used to reduce labour costs and provide incentives for investment. Above all, though, 'workers are simply ejected from the system at a certain point' to ensure 'that they are available at a later point for purposes of accumulation'. Thus, capitalism creates 'something outside of itself' (Harvey 2003, 140). The social question always includes an 'inside' and an 'outside': the 'inside' represents the core activity of exploitation, the private appropriation of collectively generated surplus value, while the 'outside' refers to reduced income, living conditions below accepted class standards, over-exploitation and in extreme cases, complete exclusion from employment.

Fordist *Landnahme* and Class Relations

Marx hoped such divisions would be overcome during political class formation. Although he described the Reserve Army of Industry as a large, socially highly differentiated group, he did consider it a potential element of the working class. But, to overcome divisions and competition would require 'regular co-operation between employed and unemployed' (Marx 1867, 634) through a unified, class-conscious political body or trade union.

The Reserve Army mechanism ...

Since Marx observed an industrial proletariat whose living conditions were structurally precarious (ibid., 670; Mooser 1984; Paugam 2008, 48-50), such an interpretation appears reasonable. Yet his logic is inconsistent. An extremely heterogeneous Reserve Army which is 'fluid', 'latent', 'stagnant' and highly pauperized (Marx 1867, 634pp), functions both as the potential subject of class solidarity whilst also acting as a disciplining force, 'put(ting) pressure on the active army of workers during periods of stagnation and medium prosperity and during the period of overproduction and paroxysm keep(ing) its demands in check' (ibid.). It is

unclear why these precarized groups partly integrated in non-capitalist milieus would ally with the active part of the proletariat. Rosa Luxemburg (1913, 343) saw this problem clearly. In her view, 'the emancipation of labour power from primitive social conditions and its absorption by the capitalist wage system is one of the indispensable historical bases of capitalism.' She continues: 'Yet, as we have seen, capitalism in its full maturity also depends in all respects on non-capitalist strata.' (ibid., 345). Even if we reject Luxemburg's model of static reproduction, we can accept her central observation that non-capitalist forms of production and different social strata co-exist with capitalism. The following analysis draws on this insight to explain the Reserve Army mechanism, its temporary disappearance and its re-emergence in the course of the latest *Landnahme* of financial capitalism.

... its temporary disappearance...

According to Burkardt Lutz (1984), the weak growth of capitalism after World War I resulted mainly from capitalists' inability to break up the dualism of modern industry and the traditional sector, which limited solvent demand. For a long time, exchange relations between modern industry and a sector with agrarian and small-scale business structures, pre-modern life styles and value orientations ensured that labour costs did not rise above certain limits. The traditional sector provided a workforce potential industry could access to satisfy its needs and then, in times of crisis, return as 'surplus' labour to this 'outside' sector. In addition, wages circulated at a margin defined to a significant extent by the consumption of goods in the traditional sector. It was possible to limit the reproduction costs of labour as a commodity because workers procured most of their essential goods from the traditional sector, characterized by small trade and agrarian production and thus providing more or less inexpensive products.

What made it possible for capitalist players in the central countries of Western Europe to crack the so-called '*Lohngesetz*'⁴ were the basic political conditions: state interventionism, the 'New Deal' model with mass production, mass consumption and individualistic life styles, along with an elite consensus to allow wage earners' to participate in economic growth.

⁴ By '*Lohngesetz*' (Germ.: 'wage law'), Lutz (1984, 210) means 'that wages in the modern sector of the national economy can rise neither significantly nor permanently above the supply level present among the poorer parts of the traditional sector, which is primarily defined by barter economy.'

During a period in which the traditional sector was irreversibly absorbed, the 'wage law' was neutralized. Wherever the traditional sector's functions could not be delegated to industry and the capitalist market, they were taken on by the state and an expanding public sector. As a result, real wages rose significantly within twenty years (1950-1970), a development brought about in Germany as a result of only a few large, exemplary social conflicts. Both quantitatively and qualitatively, this meant a unique rise in the living standards of wage earners and their families⁵. Wage labour was linked with strong social rights of protection and participation. The generalization of wage labour in society, i.e. the displacement of labour for the capitalist labour market (commodification) was possible because an expanding welfare state ensured that wage labour was uncoupled from market risks to a great extent (de-commodification).

What developed was a '*Gesellschaft der Ähnlichen*' ('Society of the Similar'; Castel 2005, 46), enabling large portions of the working class to attain the lifestyles and security that middle levels of society enjoyed, despite persistent inequality and hierarchies. A major element of this ascent was access to social property intended to ensure that basic needs were met. Typically, this included pensions and health insurance benefits, as well as the acceptance of collective bargaining standards and some co-determination rights at work and in society. In this Society of the Similar, major differences between classes and class factions had not disappeared, but the claim to social property changed the lives of wage labourers and their families, making it possible to plan to a certain extent (Sennett 2007, 24). Large and smaller businesses with stable internal labour markets as well as a well-developed public sector ensured that in a mixed economy, the collective safety net for wage labour enabled individuals to have 'careers'.

For the first time in history, even if only for a short period, within the coordinated capitalism of the German type, a capitalism without a *visible* national industrial Reserve Army had emerged (Lutz 1984, 186pp.). It was, however, present, with a latent effectiveness. Women remained relatively excluded from full-time employment and reproductive work remained a free resource (Aulenbacher 2009), alongside the mobilization of migrants as 'guest workers'. From the perspective of integrated wage labourers, poverty and precarity appeared only at society's edges,

⁵ Between the 1880s and 1970, the average real wages of industrial labour had more than tripled. Despite methodical problems in determining comparable real wages, we can record that the major changes took place in the decades after World War II' (Mooser 1984, 74).

phenomena from 'a different world'. A specific form of *Landnahme* released labour for the labour market, while limiting the extent to which such labour was considered a commodity by means of extended claims to social property,. This brought about an integrated class society with its centre of social gravity located among the middle classes (Wright 1985; 2000). In its conception of itself, this society was more of a house with permeable social levels (Geißler, 2006) than a polarized class structure. Social cohesion in this 'Society of the Similar' was reinforced by the existence of a competing 'twin model' based on state socialism that created social security but at the cost of individual and collective liberties (Wagner, 1995)⁶.

The integrated Fordist class societies were based on an 'inner *Landnahme*' of resources that have been used and cannot be restored. The Fordist *Landnahme*, a product of state intervention, displaced the traditional sector's characteristic products and services from the range of everyday needs of wage labourers and mobilized labour from the non-capitalist segments for industry and modern service provision. Both processes, amplifying each other, meant the 'progressive destruction of structures, forms of production, ways of living and behaviour orientations'. According to Lutz, this 'inner *Landnahme*' can be seen as analogous to the imperialist 'outer *Landnahme*' observed by Rosa Luxemburg (Lutz 1984, 213). The 'accumulation of political power' -- according to Hannah Arendt (2006, 312) a twin of capital accumulation but with the potential of developing an independent existence -- was domesticated and directed inwards, in contrast to early 20th century imperialism. And this was only possible because it was based on recognition of 'workers' power' (Silver 2005).⁷

Fordist class societies' strong social integration was fundamentally based on the incorporation of proletarian power, especially in highly juridified welfare state systems. Wage labourers' structural and

⁶ Translator's note: as the article is mainly based on observations from German society, the 'twin model' socialist state implied here is the German Democratic Republic.

⁷ Following Fligstein's (2001, 67) typology, the 'architecture of markets' in Scandinavian countries is determined by coalitions between workers and the state, in the United States, the alliances are dominated by capital's interests, while in Germany, the coalitions are founded on compromises between organized interests of wage labourers and capital. Accordingly, the respective institutionalizations of 'proletarian power' have developed differently. In the voluntaristic labour relations systems of the liberal Anglo-saxon capitalisms, such institutionalization has remained at a low level. In contrast, the corporative capitalisms of the 'Rhine' type, in particular the German system of dual interest representation are characterized by a high level of institutionalized workers' power (Frege/Kelly, 2004).

organizational power were partly replaced by institutional ones, i.e. power resources relatively independent of situational influences and sudden changes in the balance of power. The ruling class factions paid a political price to pacify industrial class conflict: namely, the recognition, incorporation and institutional continuity of proletarian power. The ambivalence of this type of integration became obvious in the late 1960s, when several countries in continental Europe saw reawakening worker militancy (Streeck 2003), a phenomenon totally unanticipated by mainstream sociology. The *Landnahme* by financial capitalism, which began in the mid-1970s, is also a reaction to this short-lived revival of organized proletarian power. Financial capital sought to re-occupy the 'outside' that Fordist capitalism had established through market-limiting institutions and the incorporation of working class power: a type of flexible accumulation combines with regulation prioritizing market personalities, individual responsibility and competitiveness in contrast to principles of solidarity and cooperation (Dörre 2009). One major result of the latest *Landnahme* by financial capitalism is the re-establishment of a visible Reserve Army mechanism within the developed capitalisms.

... and its revival.

Landnahmen are not linear processes: they are always based on contingent decisions, create friction and contradictions, provoke counter-movements and mobilize protest and resistance. Nevertheless, each mode of capitalist *Landnahme* has dominant characteristics whose effects become clear in long cycles of opening and closing markets. The finance-driven mode is based on the relative dominance of –often fictitious – investment capital. The so-called Dollar Wall Street Regime (Henwood 1994) and the United States currency policy, used to maintain its leading role in the global economy, was central to integrating constitutive elements of financial market capitalism into the continental European economies – with active support from European governments. American hegemony in the international system of states made it possible to introduce standards of financial capitalism into different types of capitalism. The consequence was that the principles of liquidity governing global financial markets were successively transferred to real economies and then virtually all domains of society (Boyer 2000; Castells 1996; Fligstein 2001).

A first major factor driving forward the restructuring of class conditions and class relations is located here. To adapt to volatile markets with rapid fluctuations and to guarantee expected profit margins in the longer term, wages, working hours and working conditions have been

declared residual factors which can be flexibly adapted to the prevailing business climate. Market-dominating enterprises pass on the pressure of having to meet expected profit margins to management and personnel, to their suppliers and to dependent segments of small and medium-sized enterprises, which are also affected by specific transfer mechanisms. To make it possible for companies to 'breathe' in the flow of economic trends, flexible forms of employment and especially external flexibilization tools such as fixed-term employment, work contracts and temporary agency work are given greater significance in the value-creating systems. The regime of financial capitalism invents methods to increase promised profits by reviving secondary exploitation mechanisms. To make equity return rates on the order of twenty-five percent and even more, capitalist players seek extra profits via the precarization of employment (Chesnais 2004, 236). The resulting competitive advantages are easily copied and therefore are not permanent; the 'engine' of this type of *Landnahme* must be kept running, requiring constant competitive undercutting, spin-offs, outsourcing, deregulation campaigns, with wage dumping and even repressive measures and the brutalization of the labour market. Growing insecurity in work conditions is the consequence of inflated promises and expectations of shareholder earnings and profits.

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While the Fordist *Landnahme* was mainly based on an expansive welfare state and a high degree of de-commodification of wage labour, the finance-driven *Landnahme* seeks to improve the dynamics of accumulation without any further development of the welfare state. Nevertheless, the modus operandi of this *Landnahme* cycle cannot be reduced to simple privatization and deregulation. Rather, the new *Landnahme* is rooted in microsocial structures such as the single-income family. In West Germany, this *Landnahme* was always also politically staged. Many discriminating structures have eroded, thus ensuring improvements in women's integration in education and employment, with significant support from the women's movement. Of course, the potential of free female labour could and still can be used to reactivate the very Reserve Army mechanism that, for a short period, seemed to have been neutralized in capitalism's core countries with their organized labour markets. Such a reactivation became possible because dominant capitalist players (companies, managers, owners) offensively used the option of establishing competitiveness by means of overexploitation and a brutalization of the labour market. Moreover, comparatively speaking, women were more prepared to accept precarious working conditions, particularly in a situation where re-commodifying labour market and social policies made

such an asymmetrical employment structures for women possible (Streeck 2005; Aulenbacher 2009).

The *Landnahme* of Financial Capitalism and Precarization

Overall, financialization and precarization have initiated the transition from a socially integrative class society to a more strongly polarized one. Yet, the socially cohesive class society of social-bureaucratic capitalism has not entirely vanished. In the form of normal employment relationships, regulating institutions and habitualized dispositions, it still influences the demands and action strategies of individual and collective players to some degree. It is a tension-filled co-existence of old and new structures that currently determines the process of restructuring class relations. In spite of all the continuities, a new kind of social reality is developing. This becomes clear if we pay attention to how, in the course of the *Landnahme* of financial capitalism, the relations between classes (class factions) and the dynamics of conflict embedded in them have developed.

The re-structuring and re-positioning of the ruling classes

The latest *Landnahme* is an international and trans-national process. One of its consequences is an internationalization of class relations among the ruling class factions, albeit with many contradictions. In fact, some analyses (Sklair 2008, 213-240) postulate the emergence of trans-national ruling classes, identifying a meta-network of industrial complexes, think tanks, elite schools and consulting businesses that integrate capitalist interests at the global level across all sectors and fields of activity (Castells 2001, 533). Others remain more sceptical. Yet so far, a homogeneous, truly international ruling class does not exist. What applies to all ruling class factions and élites is that their mode of reproduction is – still – limited nationally or regionally.

The continuing dependence on national power resources and the need to find national compromises also explains why, in the leading nations of the capitalist world, the bourgeoisie still recruits among its own ranks to a great extent (Hartmann 2008, 241-258). So although there is some social and cultural homogeneity in current class formations, the forms of business management corresponding to the *Landnahme* project of financial capitalism imply fractions, conflict and discontinuity *within* the ruling classes. Shareholder-oriented business management created a new kind of managerial élite that feels no obligation towards collective company expectations and is not prepared to be pinned down to any growth targets. Instead, these new types of managers expect a high degree

of correspondence between their own interests and company interests and place the pursuit of short-term profit maximization at the centre of their actions (Fligstein 2001). Contrary to its actual intentions, shareholder-value-driven management has not limited the scope of top managers' actions; in many ways the opposite has happened. The model of efficient shareholder-value-driven management is not realizable in its pure form, not least because the level of control promised is impossible to exercise in practice (for a classic analysis see Berle 1963, 28).

The interests of financial capitalism have broadened. Political measures to deregulate financial relations contribute to the formation of particular 'service-providing classes' of financial market capitalism (Windolf 2008 516-535) who have an interest in making the structures of financial capitalism permanent. The specific rationality of the finance sector has brought about a multitude of services and functions which, for better or for worse, are inextricably tied to the mechanisms of this regime. Indeed, the logic of financial market capitalism promises 'to make many people wealthy': managers whose income grows disproportionately along with the share prices due to options, or investment bankers, business consultants or lawyers who make a killing with possible capital market transactions (*Frankfurter Rundschau*, 23 June 2006). National contexts still matter, however: top managers of companies based in Germany, who earn more than a hundred times what a skilled worker earns, still fall far behind the highest salaries of American CEOs, who even back in 2003 earned up to four hundred times the income of qualified workers (Dörre/Brinkmann 2005, 105; Reich, 2010, 49-56).

Thus, the transition to financial market capitalism represents a range of trans-national class projects aiming in a similar direction, although they vary depending on the respective national regulation systems. The objective of these projects is primarily to re-establish the power of ruling class factions (Harvey 2005). Their leverage –estimated returns and profits which cannot be realized in the real economy– results in structural pressure for the re-distribution of income and wealth. Government policies, only taking into account the economic dimension of this *Landnahme* of financial capitalism, reinforce the pressure for re-commodification. Thus, the red-green coalition government in Germany under Chancellor Schröder in its second term of office was a pioneer in deregulating financial markets (e.g. abandonment of the tax on capital gains from transfers) and moreover, supported this policy with measures broadly expropriating the social capital of large groups of wage-dependent employees. In this way, the *Landnahme* of financial capitalism furthers

integration into a flexible and market-centred way of production whose functionality is based on reviving of the Reserve Army mechanism. Extending the risk zone of financial capitalism has the negative consequence of the far-reaching precarization of work and employment. In this, the active labour market regime takes on a function similar to that of post-feudal punitive laws (Marx) and workhouses (Foucault) during the transition to early capitalism. By sanitizing the image of precarious work and increasing the pressure to work, this regime creates a disciplining strain which is supposed to stimulate (potential) employees to find employment in a highly polarized working world.

Decline of the status of workers and secondary exploitation:

In these developments, one glimpses a *break* in continuity which in terms of class structure is as significant as the change of property conditions and class relations at the hierarchic peak of financial capitalism. This applies in particular to the mass of workers. If social-bureaucratic capitalism was accompanied by the collective ascent of workers, the expansion of the world market for production locations, the changes in social structures and the erosion of social citizenship status are now bringing about a collective decline for this mass. 'Rationalization' and labour market risks are increasingly affecting groups of qualified workers and also employees, who for a long time considered themselves and their contribution to society's productivity more or less indispensable.

At the same time, an ideology which places success above performance is shaking up previously common conceptions of upward mobility. The belief that one's own situation and that of the following generation will improve slowly but continuously, that prosperity and security will continue to grow perpetually, has been damaged substantially. The notion that organization of supra-individual interests and joint action, i.e. conscious class action, can be prerequisites of a collective ascent is fast disappearing in Germany and other countries in continental Europe. Social ascent appears possible only as an individual, by means of self-assertion in a competitive environment. The resulting social orientations stimulate classification struggles *within* the working classes and forms of dissociation from supposedly 'parasitic' parts of society. The large group of industrial workers is at the centre of this development. Formally, workers in Germany are still a large – although shrinking - social group at over 28% of the overall workforce in 2008. But, ethnic stratification shows that the internal structure of this large group and therefore presumably also the respective social self-definitions and

interest orientations have changed substantially.⁸ As a consequence of structural changes and the *Landnahme* of financial capitalism, the status of worker has dramatically lost its social attractiveness; for this reason, more and more labour with a migrant background is mobilized, a class fraction for whom employment in even the least attractive segments may still mean an improvement.

What is crucial, however, are the habitual and social-psychological dimensions of this collective decline. Workers and employees in a permanent employment position tend to defend the social property they still have at their disposal. The reproduction strategies of these permanent employees thus have a conservative quality. It is quite understandable that these groups tend to defend their own secure employment situation. Such a conservative basic attitude, which often dominates the actions of employee representation, facilitates the solidification of a mechanism of secondary exploitation designed as economic and political precarization strategies. To avoid any misinterpretations: permanent employees and their works councils are no exploiters. Under competitive pressures, they accept company strategies that shunt the employment risk in the direction of the heterogeneous group of people in flexible or precarious employment. Along with changes to the function of precarious employment (Holst et al. 2010), the social effects of occupational corporatism whose origins reach back to the era of Fordist capitalism are also undergoing a change. The – relatively – safe employment situation of one group of employees is maintained at the cost of growing insecurity for other groups. Mere defense of the advantages of internal labour markets, a response to the threat of the Reserve Army of Labour, thus chops away at the social property of precarized groups whose power resources are weak anyway.

Return of the subproletariat and the spreading of secondary exploitation

The stronger such defensive class faction self-protection policies, the more likely the return of a modified subproletariat dynamic. The current structural forms of precarity permeate all 'zones of social cohesion' (Castel 2000) and can be found within different classes (class factions) and levels (Castel 2009, 30-31). There is neither a homogeneous underclass nor a clearly discernible precariat (Pelizzari 2009, 119-158). Instead, different kinds of precarity with different characteristics can be identified (Castel/Dörre 2009). Precarious employment may mean that the actual

⁸ Among those with an immigrant background, workers comprise 46.6% of the population (Statistisches Bundesamt 2008).

work is creative. On the other hand, the work content in a secure full-time job can be very unsatisfying, monotonous and burdensome (Paugam 2009, 175-196). Precarity of work and precarity of employment can also coincide structurally without being perceived as such subjectively. In some cases, precarity is a temporary situation, a status passage on the way to a better social position, while in other cases, the precarious situation becomes permanent. The latter primarily applies to groups at the bottom end of the social hierarchy, the ones Marx (Marx 1867: 623pp.) called the 'surplus population' of the capitalist labour society.⁹

A distinction can be made between this 'surplus population' and the actual precariat. What is meant by the latter term is growing groups which, over longer periods, are dependent on working in unsecured, badly paid and socially despised jobs. The increase in atypical employment relationships (temp work, short-term employment, part-time work, minor employment) by 46.2% (1998-2008) is an indicator of this trend towards precarization, although an unreliable one. Not every atypical employment situation is necessarily precarious. Still, non-standardized employment relationships are generally associated with noticeably lower income as well as higher risks of unemployment and poverty (*Statistisches Bundesamt*, 19 August 2009). In Germany in 2008, 7.7 million employed persons were in an atypical employment relationship (as compared to 22.9 million in normal employment). In 2008, there were 2.1 million self-employed (*ibid.*) as well as a steep rise in low-wage full-time employment (11.1 percent of those in normal employment in 2006, i.e. 1.6 million people). Meanwhile, about 6.5 million people in Germany earn less than two thirds of the median wage (Bosch/Weinkopf 2007). A total of 42.6% of low-wage earners worked in a normal employment relationship. Among these, the largest groups are women (30.5 %) in service jobs and individuals with few qualifications. Yet about three quarters of all people in low-wage employment had completed professional training or possessed an academic degree (Kalina/Vanselow/Weinkopf 2008, 20-24). It is symptomatic that precarious situations are becoming more permanent that upward mobility in the German low-wage sector is declining despite such qualifications (Bosch/Kalina 2007, 42 pp.).

⁹ In Germany, among these one finds the majority of the over 2.2 million long-term unemployed (as of July 2009) along with their families, as well as nearly 1.1 million in employment whose income is insufficient to live on without social transfers (*Bundesagentur für Arbeit* 2009). Together with their respective families, this amounts to over seven million people.

Of particular significance is the fact that within ten years (1997-2007), the bottom quarter of wage-earners shouldered a fourteen percent loss in real income (*Statistisches Bundesamt*, 19 August 2009). While wage-dependent employees in relatively secure employment were able to maintain their living standard or at least limit the losses, the gap between the precarious strata and social 'normality' is getting wider. This development illustrates the effectiveness of secondary exploitation mechanisms. Collective protection mechanisms traditionally have the greatest effect where organised labour interests were and still are comparatively easy to assert – in the public sector and in large companies with a high percentage of mostly male full-time employees. What is new, though, is that traditional forms of precarity e.g. among women and migrants, increasingly blend with the precarization experiences of previously secure groups. The fear of losing status is also becoming common among some elements of those in normal employment. Such concerns do not necessarily correspond to objective threats, but they are not simply evidence of exaggerated notions of security, either. Competition between business locations, loss in real wages and the slow but steady undermining of collective agreements, and therefore of institutional power, generate concerns, even among the wage-dependent employees who are core union members, that the days of being able to catch up to the middle classes may be over. Given a shrinking income gap between the lower and middle classes and growing labour market risks, there are fears of losing one's livelihood even at the very 'core of the middle class' (Werding/Müller 2007, 157; DIW, 05. March 2008).

Revival of the Reserve Army mechanism

At this point, whether we are already in a situation of class division between, on the one hand, a working class in still relatively secure employment fighting for its remaining social property and, on the other hand, a heterogeneous subproletariat which is currently unable to form its own political class, is an open question. What is certain, is that the revival of a visible Reserve Army mechanism is forcing adaptation to a new mode of social integration and dominance. Replacing a kind of integration that was substantially based on material and democratic participation and on the incorporation of proletarian power are new forms of integration in which the subtle effects of market-type disciplining methods state pressure are much more prominent. By disciplining one part of society and depriving another of their elementary means of resistance, this strategy stabilizes instability. The excluded and precarized are manifestations of a

fate that wage-dependent groups who are still integrated seek to avoid. Not only abstract market conditions function as a disciplining force, the victims of market-driven management, i.e. the precarized groups, have the same kind of impact. They serve as examples to those still in a secure position of what can happen if one gets caught in the maelstrom of collective downward mobility. Thus, subjective insecurity reaches well into the ranks of those who are formally secure, supporting a system of control and disciplining that even integrated wage-dependent employees find it difficult to ignore.

Companies readily exploit fears of precarization and implement flexibilization strategies that create two types of wage-earners. The strategic use of temporary agency work (Holst et al. 2009), as practised by so-called 'excellent companies', is only one example of this. Strategic use means that even when a business is performing well, temp workers are constantly present. They perform the same jobs as permanent employees, yet for wages which on average are thirty to fifty percent lower. Protection against layoffs no longer exists for these groups, in principle, as the latest global crisis shows. The companies using temp workers save on layoff costs, and large temp companies achieve exorbitant profits at the expense of precariously employed, 'second-class' wage-earners. The less than three percent temp workers among the workforce are merely the tip of the iceberg. In the precarious employment sector, different forms of regulation of social and labour relations have become dominant, even concerning relatively protected areas like wage agreements. Increasingly, in the precarious sector, the commodities exchanged are 'repression against fear' (Artus et al. 2009). Along the lines suggested by Rosa Luxemburg, this system is indeed a socially generated 'Other' where authoritarian rule by superiors, disciplining pressure, perversion of justice and today, electronic monitoring are superimposed or completely replace the regulated exchange of labour for fair wages. No less significant is the fact that precarization is also becoming an increasingly serious factor in the reproduction sector. Flexible working conditions and individualized forms of living generate the need for care work, which in Germany is performed mainly by women and, in addition, mostly unpaid. The woman with an academic degree in a double-income household who informally employs a Polish maid who is also academically educated stands as a symbol of this development. What temporary agency workers are to industrial production is represented by the '24/24 live-in Polish maid' (Lutz 2007, 210-235) in private households.

A Few Conclusions

Overall, the outlines of the new class relations of financial capitalism are clear. What constitutes this restructuring are, first of all, changes at the top of the class hierarchy. In societies where wealth is increasing and the number of wealthy persons is growing, there is surplus capital available waiting for investment opportunities. Under the conditions of structural over-accumulation in the leading sectors of the global economy, this is a fundamental cause of the expansion and relative autonomization of the financial sector. Both provide a fertile ground for a rearrangement of ownership structures and of corporate governance in business. The *Landnahme* of financial capitalism strengthens the autonomy of those parts of management capable of strategic thinking, while broadening the social basis of the ruling class faction. The aggregate functional and service divisions of the financial sector are operated by high-income groups whose interests are organically linked to this project of financial capitalism. The project can only function, if impossible-to-realize promises of returns and profits are realized in a different way, outside of the real economy. This is what the core idea of the *Landnahme* of financial capitalism is about. To keep the engine of flexible accumulation running, unused assets are fed into the capital cycle. To this end, institutions limiting the market are 'razed', social property cut down or simply disowned, and secondary exploitation perpetuated. Parts of the potentially employed population are systematically pushed below the working and living conditions of their class; precarization is thus merely the negative face of a functioning system of accumulation in financial capitalism.

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In addition to economic disciplining mechanisms, there are also political ones implemented by the state to ensure that the flexible production methods based on divided labour markets have adequate 'human resources' at their disposal. Although the institutionalization of mechanisms of secondary exploitation represents a class project 'from the top', workers and employees threatened by structural changes and competition between business locations tend to defend the 'privilege' of permanent employment with teeth and claws. For this reason, in a crisis situation, they are ultimately prepared to accept that employment and income risks are mainly passed on to others as flexible and precarious employment, a position often taken in agreement with those representing their interests. This tendency may appear self-evident and understandable given limited options, but the consequence is that lines of division and segmentation solidify and may well in the future turn out to become a specific form of class division. Precarized groups represent 'the outside' of

labour protected by the welfare state, a particular class of conditions of existence enduring beside the system of primary capitalist exploitation while at the same time influencing it substantially.

Faced with the reality of a precarious sector structured by fear and repression, workers and employees in permanent employment frequently make use of corporatist action strategies from the days of 'social capitalism', yet these have a completely different effect under the conditions of financial capitalism. What is actually intended as disciplining measures and over-exploitation in the interest of ruling class factions appears on the surface as a division of interests between those in permanent employment on the one hand and of precarized or unemployed groups on the other.

The relative stability of financial capitalism's power structure, its characteristic class relations, can be qualified as showing post-democratic tendencies. The social power of the 'financial aristocracy' (Marx 1894, 435) does not stimulate heterodox class power among the ruled classes. On the contrary, for 'people who are not part of the increasingly more confident class of shareholders and top managers' it has become more difficult in the last decades 'to perceive themselves as a clearly defined social group' (Crouch 2008, 71, translated from the German edition). To put it bluntly: by means of disorganization, precarization and the sheer wearing out of actors, the *Landnahme* of financial capitalism reduces the possibilities of forming an effective opposition. There is no concrete antagonist in a position to actually politically challenge the ruling elites.

Whether and in what way these post-democratic mechanisms of self-stabilization of financial market capitalism can be eliminated is a matter a class analysis, an analysis that may be usefully informed by Rosa Luxemburg's theory of emancipation. Without a concrete answer, it is nonetheless clear that the relations between integrated and disintegrated social groups have become a key problem of any alternative grass-roots class project. This project is only possible if the inside-outside dialectics of capitalist development are reflected in an intellectual analysis that recognizes the particular characteristics of precarized groups and does not attempt to integrate them prematurely into structures corresponding to Marx's unified political class. To achieve this, the simultaneity of the non-simultaneous inherent in any *Landnahme* cycle must be analysed. As a contribution towards such a goal, six considerations are presented here.

First, the *Landnahme* of financial capitalism has substantially altered the grammar of social conflict. The pacified and institutionalized class conflict of 'social capitalism' (Sennett 2007, 27) is fragmenting. In the

struggle for social property, lines of conflict emerge which are clearly different from the standardized struggles and negotiations of the Fordist era. Along with the decline of organized labour relations in some sectors and developed countries, new labour movements appear in countries and regions of the global south (Brinkmann et al. 2008, 56-63). What is crucial is that even in developed countries, collective (labour) interests are often articulated outside the scope of normalized conflict. In abandoned neighbourhoods and regions, 'bargaining by riots' is quite common, a practise which despite the undeniable relevance of ethnic or gender-specific constructions, originates to a great extent in spontaneous or unconventionally organized class action (Wacquant 2009). A good part of the uprisings in French or British suburbs are class-specific 'bread' conflicts in which feelings of powerlessness and pent-up anger are discharged in militant action. The reawakened militancy of young, well-educated Greeks or the protest of French workers against layoffs taking the form of 'bossnapping' illustrate that the traditional forms of conflict regulation through intermediaries do not work anymore for many social groups, even in the core countries of capitalism. The stronger the pressure applied to institutionalized forms of proletarian power becomes, the greater the preparedness of sparsely organized groups to articulate their anger, disappointment and frustration in spontaneous, non-normative conflicts – a phenomenon which under a completely different historic perspective was already observed by Rosa Luxemburg (1906/1974, 91-170).

Therefore, *second*, a new kind of class analysis must consider the phenomenon of non-normative conflicts and deal with all forms of labour unrest (Silver 2003), with spontaneous outrage, uprisings, i.e. with the nasty side of class struggles which take place in every *Landnahme* cycle and which – not always, but frequently – happen outside the world of organized labour. To acknowledge this does not mean encouraging a discourse on pauperization and idealizing non-normative conflict. Yet an illusion-free glance beyond the boundaries of developed capitalist countries clearly shows that in many societies of the south, the nasty side of social conflict is a reality for the majority. Even in capitalism's core countries, the attitude of comparatively secure groups, and especially that of permanently employed workers threatened by decline has become a key political matter. The bloc formation of financial capitalism focussing on the social mainstream seeks to protect prosperity and social property by withdrawing the solidarity of the welfare state from the underclasses that are supposedly unwilling to perform and be upwardly mobile (Nolte 2006,

100pp.). Alternative class projects thus need to begin with a cautious analysis, looking for and identifying similarities shared in the long term by integrated and precarized groups.

In this context it is, *third*, important to critically review the re- and devaluation of social groups along with their collective action strategies based on modernization theory. There can be no doubt that precarization weakens the ability to resist and protest. Bourdieu's (2000, 100, translated from the German edition) notion that precarized groups, 'due to a lack of security and stability' cannot 'envision a complete change of social order (which) would be required to eliminate the root causes of misery in the first place' applies to the modern 'precariat' as well as the Kabylean subproletariat. Still, the precarized classes of financial market capitalism have little in common with the *lumpenproletariat* Marx observed in the early days of industrial capitalism. Without wallowing in social romanticism, it is clear that precarized groups such as the youngsters of the French *banlieues* do in fact have their own interest organization and forms of protest (Candeias 2009, 369-380). Electronic means of communication provide them with forums and networking possibilities. In many countries, (class) action of such precarized groups through self-organization, e.g. within trade unions, is already a genuine option (Tait 2005; Brinkmann et al. 2008, 135-140). The analytical question of whether the new 'precariat' is dead political capital or a potential agent of new-style class movements is a matter for intensive future investigation.

A critical revision of simple attributions of modernization theory, *fourth*, implies that the parallel existence of different production methods and class conditions must have systematic repercussions, including ideologically. The power to define flexible forms of employment lies to a great extent with professional groups to whom such employment conditions have been a part of everyday life for quite some time (journalists, media people, scientists). These groups are much more likely to find satisfaction in models of unconventional integration than in the ideal image of protected wage labour. Moreover, the message of the liberating effect of flexible employment is interesting to other groups well beyond the domain of the middle classes. A freelancer in the sector of professional development, a self-employed media specialist or a scientist with unclear career prospects will do their utmost to find positive aspects in their structurally precarious status and to develop forms of living to compensate for possible disadvantages. It is unlikely that such groups will develop much understanding for policies exclusively aimed at protecting conventional full-time employment.

When a supposedly traditional orientation towards normal employment relationships is criticized in public discourse and there is a demand for an unprejudiced look at the 'liberating' potential of unsecure employment as an alternative, *fifth*, such definitions are established from specific class positions. They reflect the borderline case of 'creative precarity'. Such a view becomes problematic, however, as soon as it is treated as an exclusive perspective. A simple bipolar construction (normal employment = male and white; precarious employment = female and ethnic minority) may lead to a situation where the employees' need for conventional security is, at least subliminally, classified as an atavistic relic from the 'golden years' of Fordist capitalism. But even if it were the case that the dream of – let us say a male, white - temp worker of becoming a permanent employee merely extends to a habitualization of Fordist concepts of security, it would be extremely problematic to deny this demand's legitimacy. Yet this delegitimation of an actual source of suffering is exactly what takes place if so-called traditional needs for protection are put in opposition to an allegedly modern concept of 'contingency coping' (Lessenich/van Dyk 2008). The discursive construction of a temp worker caught up in the past (and of the scientists referring to that worker) is similar to the situation of Bourdieu's Algerian subproletarians who are measured according to the modern ideal of production methods in which they are unable to function rationally due to a lack of opportunities and resources.

Instead of analytically duplicating such mechanisms of symbolic rule, it is necessary to *sixth* take a more precise look at the current forms of secondary exploitation. Their reciprocal effect with exploitation in 'interior markets' should not be seen as static. Along these lines, the new feminist movement's political achievements were made in the context of a pacified industrial class conflict, making it possible to delegitimize a specific form of secondary exploitation. Insofar as feminist demands are limited to individual integration in flexible employment situations, however, they risk becoming an ideological justification of precarization and the *Landnahme* of financial capitalism (Fraser 2009). This is possible because the collective success of occupational integration has increased the social differentiation of women. There is a class-specific hierarchical relationship between, e.g., a female company manager and a (female) housekeeper which cannot be categorized in terms of gender relations. On the other hand, e.g. the twenty per cent difference in income between men and women which still is a reality in Germany cannot be explained by class analysis. To detect subtle reciprocal relations between different forms of

exploitation, it makes sense to follow up, among other sources, various contributions to the debate on intersectionality (Anderson et al. 1998). In the long term, this may contribute to an intellectual analysis establishing an innovative link between class policies and anti-discrimination policies.

The *Landnahme* cycle has now passed a critical point of self-dynamization. With the end of the era of fossil energy drawing near and climate change becoming more obvious, the ecological and social limits of this 'perpetual motion' (Luxemburg 1913, 11) are clear. Basically, there are only two solutions: 'One is to make growth sustainable; the other is to make de-growth stable' (Jackson 2009, 128). A theory-guided class perspective will not become irrelevant once the capitalist pressure for growth are surpassed. On the contrary, class-specific concerns about security and notions of justice can be combined with concepts of prosperity without conventional growth. This is necessary because precarization and social exclusion make acquiring a more long-term awareness of the future and thus also of developing a sustainable life-style more difficult if not completely impossible. At the same time, an ecologically motivated social transformation is easier to achieve in societies with comparatively egalitarian structures. Thus, it makes sense to set out, analytically, the prospects of a 'grass-roots class project' which seeks to achieve a '*Landpreisgabe*', an 'abandonment of territories'. In particular, Luxemburg's work is a useful starting point for such a project.

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SPECIAL SECTION ON ROSA LUXEMBURG'S POLITICAL ECONOMY

Accumulation, Imperialism, and Pre-Capitalist Formations Luxemburg and Marx on the non-Western World

PETER HUDIS

Oakton Community College and Loyola University. Chicago, Illinois, United States

Abstract

The dramatic changes that have unfolded in the global economy in recent years make this a worthwhile moment to explore the similarities and differences between Karl Marx and Rosa Luxemburg's understanding of what is now termed the "globalization of capital." Both Marx and Luxemburg were intensely interested in the impact of the expansive logic of capital accumulation upon non-capitalist or developing societies, as seen in Marx's late writings on agrarian societies, communal formations in India and North Africa, and among Native Americans and in Luxemburg's studies of some of the same formations in her *Introduction to Political Economy and Accumulation of Capital*. Although Luxemburg was unaware of Marx's writings on these issues, since many of Marx's manuscripts on non-Western societies are only now coming to light, there are striking similarities, on a number of issues, between her approach and Marx's analyses. At the same time, there are also serious differences in their approach, in that Marx adopted a far less unilinear and deterministic approach to the fate of non-Western social formations as compared to Luxemburg. This paper explores these similarities and differences by exploring a number of manuscripts by Marx and Luxemburg that have only recently come to light or which have received insufficient attention, such as Marx's *Notebooks on Kovalevsky* and Luxemburg's studies of pre-capitalist societies of 1907, originally composed as part of her research for the *Introduction to Political Economy*. One of the article's aims is to generate a re-examination of both Marx and Luxemburg's contributions in light of these less-known writings.

Résumé

Les transformations dramatiques qui ont eu lieu dans l'économie globale ces dernières années rendent opportun d'explorer les similarités et les différences entre les analyses

Peter Hudis is General Editor of the forthcoming *The Complete Works of Rosa Luxemburg* (Verso Books, 14 volumes). The first volume, *The Letters of Rosa Luxemburg*, will appear in February 2011. He has written extensively on Hegelian philosophy and Marxism, and is co-editor of *The Rosa Luxemburg Reader* (Monthly Review Books, 2004) and *The Power of Negativity: Selected Writings on the Dialectic in Hegel and Marx, by Raya Dunayevskaya* (Lexington Books, 2002). He teaches philosophy at Oakton Community College and Loyola University in Chicago, Illinois.

Peter Hudis est rédacteur en chef de *The Complete Works of Rosa Luxemburg* (Verso Books, 14 volumes), à paraître. Le premier volume, *The Letters of Rosa Luxemburg*, doit paraître en février 2011. Il a beaucoup écrit sur la philosophie hégélienne et le marxisme et il est co-directeur de *The Rosa Luxemburg Reader* (Monthly Review Books, 2004) et *The Power of Negativity: Selected Writings on the Dialectic in Hegel and Marx, by Raya Dunayevskaya* (Lexington Books, 2002). Il enseigne la philosophie à Oakton Community College et Loyola University à Chicago, Illinois.

de ce qui est maintenant appelé la mondialisation du capital par Karl Marx et Rosa Luxemburg. Marx et Luxemburg étaient tous les deux très intéressés par l'impact de la logique expansionniste de l'accumulation du capital sur les sociétés non capitalistes et celles en voie de développement, comme en témoignent les écrits tardifs de Marx sur les sociétés agraires, les structures communales en Inde, en Afrique du Nord et parmi les Autochtones de l'Amérique du Nord, ainsi que les études de Luxemburg de certaines de ces mêmes formations dans son *Introduction à l'économie politique* et *L'accumulation du capital*. Bien que Luxemburg n'était pas au courant des écrits de Marx sur ces sujets, parce que beaucoup de ses manuscrits sur les sociétés non-Occidentales sont seulement maintenant en train de paraître, il y a des similarités frappantes, sur de nombreux sujets, entre leurs approches. En même temps, il demeure des différences importantes, dans la mesure où Marx a adopté une approche beaucoup moins linéaire et déterministe que Luxemburg à propos du destin des structures sociales non-Occidentales. Cet article explore ces similarités et différences en explorant plusieurs manuscrits de Marx et Luxemburg qui ont seulement récemment vu le jour ou qui ont reçu une attention insuffisante, comme *Les Carnets de Kovalevsky* de Marx et les études de Luxemburg sur les sociétés pré-capitalistes de 1907, écrites à l'origine dans le cadre de ses recherches pour l'*Introduction à l'économie politique*. Un des objectifs de l'article est de générer un nouvel examen des contributions de Marx et de Luxemburg, à la lumière de ces écrits moins bien connus.

Keywords

Communal forms • dialectics • imperialism • Islamic civilization • Karl Marx • Rosa Luxemburg

Mots-clés

civilisation islamiques • dialectique • impérialisme • Karl Marx • Rosa Luxemburg • structures communales

The dramatic changes that have unfolded in the global economy in recent years have brought two figures to the forefront of re-examination—Rosa Luxemburg and Karl Marx. Among the most important of the changes that have swept the globe in recent years is the transformation of hundreds of millions of peasants in China, India, Indonesia, Mexico, Brazil, and other nations into 'free' wage labourers, often working in sweatshop conditions for multinational capital. Few periods of history have witnessed such a massive displacement of human labour from rural to urban areas. The impact of this latest chapter of the 'great transformation' has clearly not yet run its course, and it is sure to be felt in both the developing and developed nations for many years to come.

Luxemburg and Marx take on particular importance in light of these realities, largely because they emphasized the interconnections between

capitalist development in 'advanced' industrial lands and the destruction of pre-capitalist or communal social formation in technologically underdeveloped ones. For Marx, the emergence of capitalism was inseparable from the discovery of the New World and the displacement of massive numbers of peasants from the land. For Luxemburg, the ability to sustain capital accumulation and social reproduction on an expanded scale hinges upon taking over and destroying non-capitalist sectors outside of the European and North American sphere. While both thinkers were firmly rooted in the historic milieu and environment in which they lived, the ideas developed by each of them speak in provocative ways to the realities confronting humanity at the dawn of the twenty-first century. As part of the effort to contribute to renewed discussion of the contemporary relevance of both thinkers, this paper aims to draw out the similarities as well as differences between Marx and Luxemburg's understanding of pre-capitalist societies—especially in terms of whether or not it such societies are inevitably fated to suffer the vicissitudes of capitalist industrialization and alienation that has so marred the modern history of the Western world.

Rosa Luxemburg on Pre-Capitalist Economic Formations

Rosa Luxemburg's study of pre-capitalist societies was a central part of her effort to show that imperialism is inseparable from the nature of capitalism. Her *Accumulation of Capital* famously argued that since the accumulation of capital requires the realization of surplus value, and since neither workers nor capitalists possess the purchasing power to 'buy back' the surplus product, capitalism is compelled to seize hold of social strata in the non-capitalist world. Imperialism is therefore not a mere political policy on the part of capitalist governments, but rather a social and economic *necessity* for capitalist reproduction. She wrote, "The decisive fact is that the surplus value cannot be realized by sale either to workers or to capitalists, but only if it is sold to such social organisations or strata whose own mode of production is not capitalistic". (Luxemburg 2004a, 50-51) Capitalism's 'law of motion' compels it to continuously take hold of and undermine communal social formations in the technologically underdeveloped world through imperialist expansion.

Although Luxemburg's position in *The Accumulation of Capital* is well known, much less so are the arguments contained in her 1907 *Introduction to Political Economy*, a work that has yet to appear in full in English. Not known at all is a series of manuscripts penned by her in 1907 on pre-capitalist social relations in ancient Greece and Rome, the European

Middle Ages, and Volumes Two and Three of Marx's *Capital*. These were composed in connection with her work on *Introduction to Political Economy* and her courses at the German Social-Democratic Party's school in Berlin, where she was an instructor.¹ When studied as a unit, these writings provide a far more comprehensive view of Luxemburg's understanding of the relation between capitalist and non-capitalist lands than has heretofore been available.

A major object of investigation of the *Introduction to Political Economy* is the 'primitive' agrarian commune. The book examines not only the mark community of the early Germans and Greeks but also a number of non-Western societies, some of them still functioning, in her own lifetime, such as the Russian *mir*, the traditional villages of India, the Lunda Empire of South Central Africa, the Kabyles of North Africa, the Bororo of the Amazon, and the Inca Empire. In discussing pre-capitalist communal forms in these societies, Luxemburg emphasized their 'extraordinary tenacity and stability...elasticity and adaptability'. (Luxemburg 2004b, 102) At a time when European commentators, Marxists included, emphasized the 'backwardness' and 'inferiority' of such cultures, she paid careful attention to their *positive* features. She wrote: 'Communist ownership of the means of production afforded, as the basis of a rigorously organised economy, the most productive social labour process and the best assurance of its continuity and development for many epochs' (Luxemburg 2004b, 103).

At the same time, she was not uncritical of such communal forms. She focused on the internal factors that promote their *dissolution*, such the emergence of differentiations of rank *within* the community. In her analysis of the German mark she especially singled out the tendency of the village mayor or *centener* to become a hereditary position. From that point, she argued, 'it was only a small step before this office could be sold, or for the land to be given over as a fiefdom' (Luxemburg 2004b, 74). A similar process, she showed, occurred in Incan society. Whereas at first the communal lands could not be sold or given away, over time the village leader became a hereditary position, thereby accelerating the

¹ Prof. Narihiko Ito discovered these manuscripts and has published one of them, on slavery in ancient Greece and Rome. (Ito, 2002) For an English translation of a portion of this manuscript, see Luxemburg 2004c. The five other manuscripts, which have yet to be published anywhere, are: 'Mittelalter. Feudalismus, Entwicklung der Städte'; 'Praktische Nationalökonomie. Über 2. Band des "Kapital" von Marx'; 'Praktische Nationalökonomie. Über 3. Band des "Kapital" von Marx'. 'Geschichte der Nationalökonomie'; 'Über die Lohnfondstheorie'. These will all appear in English translation in the projected 14-volume *The Complete Works of Rosa Luxemburg* (forthcoming, Verso Books).

differentiations of rank within the commune. Military domination of one community by another further enabled 'inequality to make rapid progress...for the communist cohesion to weaken, and for private property to enter with its division of rich and poor' (Luxemburg 2004b, 81). She paid special attention to this dynamic in discussing conditions in sub-Saharan Africa: 'Primitive communist society, through its own internal development, leads to the formation of inequality and despotism...Such societies...sooner or later succumb to foreign occupation and then undergo a more or less wide-ranging social reorganization' (Luxemburg 2004b, 109).

Luxemburg is renowned for her independent intellect and spirit, which led her to take issue not only with the opportunist elements within the Second International but also with Marx's analysis of expanded reproduction in Volume Two of *Capital*. Less known or appreciated is her sharp criticism of Marx's closest colleague and follower, Frederick Engels, over his analysis of pre-capitalist societies. Luxemburg's emphasis on the *internal* factors fostering the dissolution of the agrarian commune led her to take issue with Engels, whose *Origin of the Family, Private Property, and the State* tended to view social hierarchy and class differentiation as arising from *outside* the communal forms. In Engels' portrayal, communal formations tend to collapse under *external* pressures, which in turn become the basis for private property relations and class society. Luxemburg saw matters differently. In a 1907 manuscript on Greek and Roman slavery that has only recently come to light, she wrote: 'Engels says in *Anti-Duhring* that after the emergence of private property, the opportunity to employ foreign labour arose...This explanation cannot, strictly speaking, satisfy us...It is necessary that one trace out the manner in which slavery emerged out of the mark and the gentile constitution'. The thrust of her argument was that 'unlike Engels, we do not need to place exploitation after the emergence of private property. The mark itself allows for exploitation and servitude...there was already a certain aristocracy within the mark' (Luxemburg 2004c, 111-112).

Luxemburg's critique of Engels' view of slavery is of considerable importance, because it touches on the role played by periods of *transition*. Engels' analysis of 'primitive' society in his *Origin of the Family* 'always seems to have antagonisms only at the end, as if class society came in nearly full blown *after* the communal form was destroyed and private property was established' (Dunayevskaya 2001, 180). In contrast, Luxemburg's studies indicated that the emergence of internal differentiations of rank and property occur *during* the transition period

from one social order to another. She wrote, 'The gates have indeed already been opened to future inequality by the inheritability of property...the division of labor in the heart of the primitive society unavoidably leads, sooner or later, to the breakup of political and economic equality from inside' (Luxemburg 2004b, 104, 105). Whereas Engels tied the rise of social hierarchies (including between men and women) to the emergence of private property that *follows* the dissolution and breakup of the commune, Luxemburg (2004c, 114) argued, 'Slavery accelerates the dissolution of the communist association and goes hand in hand with the rise of private property. This stands in contrast to Engels, who saw slavery as arising only *after* the introduction of private property'.

Luxemburg, Engels, and Marx on Dualities within the Communal Form

Luxemburg's critique of Engels is remarkable for many reasons—not the least because it resonates with aspects of Marx's writings on the primitive commune, even though she did not have access to most of his writings on this subject from the last decade of his life (1872-83). Luxemburg was aware that Marx studied the work of the Russian sociologist Maxim Kovalevsky, and she made use of Kovalevsky's studies of communal forms in *The Accumulation of Capital* and *Introduction to Political Economy*. However, although she was invited to participate in the process of sorting out Marx's unpublished manuscripts, there is no evidence that she read Marx's lengthy 'Notebooks on Kovalevsky'.² Nor is there evidence that she knew about the vast bulk of Marx's other writings on pre-capitalist formations, such as his *Ethnological Notebooks* on Native American societies.

Marx's late writings on the non-Western world not only remained unknown for decades after Marx's death; they still remain largely unknown today. To the extent that Marx's writings on the non-Western world are mentioned, what is usually cited is his 1853 writings on India, which endorsed aspects of British colonial rule on the subcontinent as 'progressive.' Even Marx's most sympathetic readers tend to overlook the fact that Marx radically revised this initial view by the 1860s. For example, Negri and Hardt argue in *Empire* (Hardt and Negri 2000, 120) that Marx's

² Franz Mehring asked Luxemburg to help in sorting out Marx's manuscripts, but she declined to do so. J.P. Nettl noted in his biography of Luxemburg that in the period when she prepared her lectures for the party school that became *Introduction to Political Economy*, she was 're-reading Marx and Engels' literary remains' (Nettl 1969, 176). However, there is no evidence that she knew of much of Marx's work on the non-Western world from his last decade.

writings on India and the ‘Asiatic mode of production’ efface the ‘conception of difference in Indian society’ in favor of a unilinear concept of historical ‘progress’ that emanates from Europe. They write, ‘The central issue is that Marx can conceive of history outside of Europe only as moving strictly along the path already traveled by Europe itself...India can progress only by being transformed into a Western society...Marx’s Eurocentrism is in the end not so different’ from that of the supporters of capitalism.

What is remarkable about this statement is that it ignores the bulk of Marx’s writings on non-Western societies—not only those composed from 1872-83, but also the *Grundrisse*, which was composed much earlier (1858).³ By the late 1870’s Marx made a comprehensive study of the Muslim rule of northern India, communal land formations in Algeria, and the Hanafi School of Islamic jurisprudence in his notebooks on the work of Maxim Kovalevsky, who focused on communal land formations in northern India and North Africa. Marx’s ‘Notebooks on Kovalevsky’ demonstrates that he engaged in a number of careful studies of Indian history as well as Islamic culture and civilization—an issue that especially attracted his interest in the last months of his life, when he lived in Algiers.⁴ Marx’s ‘Notebooks on Kovalevsky’ also analyzed indigenous communal property forms in pre-Colombian Incan civilization. The German historian Hans-Peter Harstick, who first published Marx’s ‘Notebooks on Kovalevsky,’ argued that in them Marx’s gaze turned from the European scene...toward Asia, Latin America, and North Africa’. (Harstick 1977, 2)

Between 1879 and 1883 Marx composed many other notebooks on non-Western and pre-capitalist societies. These include an analysis of Indian history and culture, such as his October 1880 notes on Indian history from 664 CE to 1858; notes on Dutch colonialism in Indonesia, such as his critical commentary on the work of J.W.B. Money; an analysis of British colonial rule in Egypt; and a 1,700 page manuscript on world history, written in late 1881, which has yet be published. This is in addition to his 400-page *Ethnological Notebooks* on Native American and Australian aboriginal societies (originally composed in 1880-81) and his draft letters to Vera Zasulich from the same period on the Russian village commune, both of which have been widely available for several decades.⁵

³ The irony is that Negri himself considers the *Grundrisse* Marx’s most important work and the “secret” to his distinctive analysis of capitalism. However, he downplays the importance of its section on ‘Pre-Capitalist Economic Formations’ (See Negri 1991).

⁴ For Marx’s studies on Islam, see Hudis 2004 and Vesper 1995.

⁵ See Anderson 2010 for a discussion of many of these writings.

Much of Marx's late writings on pre-capitalist and non-Western societies are now in the process being published in the Marx-Engels *Gesamtausgabe* by the International Institute of Social History in Amsterdam. The appearance of several thousand pages of heretofore unpublished writings by Marx on the non-Western world will help provide a more well-rounded and comprehensive understanding of his thought. It is only now, with these late writings about to appear in print, that it may be possible to evaluate his legacy as a totality.⁶

What becomes clear from a study of Marx's late writings that have so far appeared is that Luxemburg's analysis in the *Introduction to Political Economy* and the related manuscripts of 1907 are remarkably close to Marx's perspective on several points. Marx also emphasized the *internal* process of dissolution of communal in his studies of pre-capitalist society. This is especially evident in his *Ethnological Notebooks* on Native American societies. In these *Notebooks* Marx focused on the *dualism* that characterized indigenous communal formations. On the one hand, he held, these formations provide a basis for collective interaction and reciprocity that are not only valid in their own right, but which could become a foundation for a future socialist society. On the other hand, he held that these formations are also afflicted with an array of social inequities and incipient hierarchies—especially between men and women. Unlike Engels, who tended to uncritically glorify the communal forms in "primitive" society in his *Origin of the Family*, Marx pointed to the formation of class, caste, and hierarchical social relations that existed *within* them. Though Marx emphasized the superiority of Iroquois society as compared with contemporary European cultures when it came to gender relations, he did not assume that the communal ownership of land automatically provided women with sexual equality. In his *Ethnological Notebooks* he noted that even though women had access to political decisions their votes were often only *consultative*.

This is indicated by Marx's manner of underlining and emphasizing phrases and expressions from his *Notebooks* on the work of Henry Lewis Morgan, which constitutes a large section of his *Ethnological Notebooks*: "The women allowed to express their wishes and opinions through an orator of their own election. Decision *given by the council*. Unanimity was a

⁶ These late writings on Marx do not only consist of writings on the non-Western world. One of Marx's very last writings, composed only weeks before his death, was notes on the impact of racism on the US labour movement, as seen in the efforts to restrict Chinese immigration. These notes have not yet been published anywhere, to my knowledge.

fundamental law of its action among the Iroquois. Military questions *usually left to the action of the voluntary principle*' (Marx 1972, 162). Marx's approach of singling out the importance of communal forms while not uncritically glorifying them is most evident in his studies of the Russian peasant commune. In direct opposition to the 'Marxists' of the time and afterwards, Marx did not assume that communal formations in rural Russia were doomed to be destroyed by capitalism. Nor did he view them as some archaic formation that held back the development of capitalism in Russia. Marx befriended and corresponded with leading members of the Russian Populist movement, who translated *Capital* into Russian—largely because he was interested (as they were) in the emancipatory potential of the Russian agrarian commune.

Marx did not, however, romanticize the Russian village commune—much as he sought to find revolutionary potential within it. As he wrote in his draft letters to Vera Zasulich, while the commune had many positive features 'it also bore within its own breast the elements that were poisoning its life' (Marx 1983a, 120). If the communal element won out over the incipient relations of hierarchy and patriarchy, then it was possible, Marx held, for it to serve as the basis for socialism—provided that there was also a proletarian revolution in the West. However, if the communal element fell victim to its incipient relations of hierarchy and patriarchy, either due to external factors (like imperialism) or internal ones (like the repression of women's freedom by the 'indigenous' community) then it would not and could not serve as a basis for a future socialist society. 'Everything depends on the historical context in which it finds itself', he wrote (Marx 1983a, 110). And by 'historical context' Marx did not mean only 'material conditions' or abstract 'laws of history' but *social revolution*—the conscious intervention of the human subject that tries to resolve social contradictions.

Even today, when Marx's late writings on non-Western societies have finally begun to be published, few have singled out the difference between Engels and Marx's views on the primitive commune. That Luxemburg detected problems in Engels' approach, even without having access to most of Marx's work on the subject, testifies to the power and independence of her intellect.

Differences Between Luxemburg's and Marx's Views Toward the Non-Western World

Although there are striking similarities between Marx and Luxemburg's analyses of pre-capitalist societies, there are also some major differences. This comes into focus when comparing Marx and Luxemburg's reading of Kovalevsky. In both *The Accumulation of Capital* and the *Introduction to Political Economy*, Luxemburg made considerable use of Kovalevsky's work—even though she was apparently unaware of how extensively Marx had studied him a generation earlier. Both greatly appreciated Kovalevsky because of his firm opposition to imperialism and the sensitivity with which he analyzed conditions in the non-Western world.

However, a critical issue on which Luxemburg diverged from Marx concerned the issue of 'Asiatic feudalism.' Relying directly on Kovalevsky, Luxemburg argued in her discussion of Sub-Saharan Africa in *Introduction to Political Economy* that the conquest of North Africa and the Middle East by 'nomadic Mohammedan peoples' brought about 'the feudalization of the land'. As she saw it, 'the spread of Islam implemented a profound change in the general conditions of existence of primitive societies' by introducing feudalism. This was not Marx's view. His 'Notebooks on Kovalevsky' took issue with Kovalevsky's claim that feudalism arose from the Muslim conquest of North African and northern India: 'Because "benefices," "farming out of offices" (but this is not at all feudal, as Rome attests) and commendation are founded in India, Kovalevsky here finds feudalism in the Western European sense. Kovalevsky forgets, among other things, *serfdom*, which is not in India, and which is an essential moment' (Marx 1975, 383). Marx also noted that inheritance does not work in the same way in Indian society as in feudalism: "According to Indian law the ruling power is not subject to division among the sons; thereby a great source of European feudalism [is] obstructed." Marx also took issue with Kovalevsky's view that the Ottoman Turks introduced feudalism during their conquest of North Africa: "There is no trace of the transformation of the entire conquered land into "domanial property." The lousy "Orientalists" etc. refer vainly to the places in the Qu'ran where the earth is spoken of as belonging "to the property of God"' (Marx 1975, 370). Marx objected to using European categories like 'feudalism' to define non-Western societies; as one Marx scholar put it, for Marx 'the course of Indian history is to be explained by indigenous, not imported categories' (Krader 1975, 406).

Luxemburg also had a different view from Marx on the Russian commune, the *mir*. In the *Introduction to Political Economy* she argued that

Russia was a special case, since 'the state did not seek to destroy the communal property of the peasants through force, but on the contrary, attempted to rescue and preserve it with all the means at its disposal' (Luxemburg 2004, 95). She based this view on the fact that when the serfs were freed in the 1860s the 'land was not, as in Prussia, assigned to individual peasant families as private property, but to whole communities as inalienable and unmortgageable communal property. The entire community took responsibility for debt repayment' (Luxemburg 2004b, 96). However, Luxemburg's own discussion tends to undermine her claim that the state 'attempted to rescue and preserve' the commune 'with *all* the means at its disposal' (Luxemburg 2004b, 100). As she noted, the heavy tax burden imposed by the state on the village communities meant that 'the dissolution of the mark community could no longer be prevented' since many peasants fled the land while those who remained on it sought to escape the onerous tax burdens by disassociating themselves from the *mir*.⁷

As we can now see from his draft letters to Zasulich in 1881 (a work that was not published until the 1920s and which Luxemburg was unaware of), Marx instead argued that 'a certain type of capitalism, fostered by the state at the peasants' expense, has risen up against the commune and found an interest in stifling it...What threatens the life of the Russian commune is neither a historical inevitability nor a theory; it is the state oppression' (Marx 1983a, 104-105). He added, 'After the so-called emancipation of the peasantry, the state placed the Russian commune in abnormal economic conditions; and since that time, it has never ceased to weigh it down with the social force concentrated in its hands....This oppression from without unleashed the conflict of interests already present at the heart of the commune, rapidly developing the seeds of its disintegration' (Marx 1983a, 114). He concluded: 'It is no longer a question of a problem to be solved, but simply of an enemy to be beaten. To save the Russian commune, there must be a Russian revolution...If the revolution takes place in time, if it concentrates...the intelligent part of Russian society...to ensure the unfettered rise of the rural commune, the latter will soon develop as a regenerating element of Russian society and an element

⁷ The case was different in the East Indies, where the Dutch authorities tried to preserve communal forms through state control as a way to enforce their colonial rule. Engels addressed this in a letter to Karl Kautsky of February 16, 1884, in which he called Dutch rule in the East Indies an example of oppressive 'state socialism' (Engels 1967, 109)

of superiority over the countries enslaved by the capitalist regime' (Marx 1983a, 115-16).

The difference between Luxemburg and Marx's views on the Russian state reveals a divide in their evaluation of pre-capitalist communal forms as a whole. Although Luxemburg pointed to the positive dimensions of communal forms, she never questioned the assumption that they must dissolve before a society can be ready for socialism. Russia, she held, was belated in its capitalist development largely because the state worked to *maintain* the communal forms. In her view, Tsarism was blocking the 'progressive', unilinear historic movement from agrarian communalism to capitalist private property and henceforth to socialism. She therefore held that the task of dissolving the communal forms in Russia falls not to the bourgeoisie, which was weakened by compromises with Tsarism, but to the proletariat, by having it lead a bourgeois-democratic revolution that grants the peasants private property. She wrote, 'The proletarian revolution [of 1905], even in its first, inconclusive phase, had already destroyed...the last remainder of bondage and the mark community, which had been artificially preserved by Tsarism' (Luxemburg 2004b, 102). Only after this is achieved, she held, can the proletariat grow in strength and numbers to the point of putting forth strictly socialist demands.⁸ In sum, by arguing that the Russian state preserved the communal forms, Luxemburg was able to argue that the 'leading role' in the Russian revolution falls not to the bourgeoisie but to the proletariat without having to question the unilinear view of historical development that characterized post-Marx Marxism.

Marx, on the other hand, argued that a proletarian revolution was needed to 'save' the Russian commune. He held that the co-existence of communal forms in Russia and capitalism in the West provided Russia with an opportunity to create a socialist society that bypassed capitalist industrialization—but only so long as certain historic conditions were met. *If* the state's approach toward the *mir* continues, he held, it will probably disappear and Russia will lose the finest chance to avoid the vicissitudes of a capitalist regime. Yet *if* the state's intrusive actions were halted through a

⁸ Luxemburg spelled out the leading role of the proletariat in her address to London Conference of the Russian Social-Democratic Party in 1907 (Luxemburg 1974, 213). This did not mean that she thought that Russia in 1907 was ready for a purely proletarian socialist revolution. As Nettl notes, her position at the time was close to that of the Bolsheviks in that she advocated 'autonomous advance-guard action by the proletariat to achieve what was essentially a bourgeois revolution'. (Nettl 1969, 229)

peasant uprising, it was possible that Russia could move toward socialism without experiencing capitalist industrialization. Most important of all, *if* a social uprising of the Russian peasantry was supported by proletarian revolution in the West, Marx argued, the positive contributions of the *mir* could be salvaged in a socialist context. Marx approached his subject matter with an assortment of conditionals—an approach that does not readily fit into any tendency toward formulaic thinking.

In a word, Marx was much more cautious and careful than Luxemburg about drawing conclusions about the ‘inevitability’ of any social outcome. Marx painstakingly analyzed conditions in Russia, India, North Africa and elsewhere, and was adverse to drawing conclusions about the future course of development in those lands on the basis of abstract generalizations. It is not without reason that he insisted in this period that his greatest theoretical work, Volume One of *Capital*, does *not* contain a universal theory of history. Its discussion of the historical tendency of capitalist accumulation, he insisted, applies to West Europe and West Europe *alone* (Marx 1983b, 136). Marx was extremely reluctant to claim apodictic knowledge of ‘historical laws’, especially when it came to parts of the world that he was only in the process of becoming acquainted with.

This also becomes evident by comparing Marx’s discussion of pre-capitalist relations in *Capital* with Luxemburg’s approach. A number of scholars have argued that one reason that Marx delayed the publication of Volumes Two and Three of *Capital* is that he wanted to make the analysis of conditions in the non-Western world as integral to those volumes as the discussion of historical developments in England is to Volume One.⁹ That Marx worked hard to integrate material on the non-Western world into Volume Two is evident from the published text. Volume Two contains numerous discussions of conditions in India, China, pre-Colombian Peru, Arab civilization, and Russia. Marx was especially interested in the conditions that produce the dissolution of communal formations in such societies as they come into increasing contact with Western capitalism.

In Part I of Volume Two, Marx calls the existence of a class of wage labourers ‘the indispensable condition without which M-C, the transformation of money into commodities, cannot take the form of the transformation of money capital into productive capital’ (Marx 1981, 117). Two conditions are needed for a class of wage labourers to arise. One is the separation of the labourers from the objective conditions of production: ‘The means of production, the objective portion of productive capital, must

⁹ See especially Smith 2002.

thus already face the worker as such, as capital, before the act of M-L can become general throughout society' (Marx 1981, 116). Without the separation or alienation of the labourers from the production process, capital accumulation and wage-labour cannot arise. This is not all that is needed, however. As Marx notes in his draft letters to Zasulich, the eviction of the Roman peasants from the land during the Second Punic War did not create a class of 'free' wage labourers, nor did it lead to capitalism. Instead, the disenfranchised peasants constituted a dispossessed but non-wage earning class that lived on the margins of society. A similar process occurred in the seventh and eighth centuries when the Christian and Jewish peasantry was displaced from the land as a result of the Arab conquest of the Levant. Marx writes in Volume Two that the reason for this is that there is also 'another side' to what is needed for capitalism to emerge: 'For capital to be formed and to take hold of production, trade must have developed to a certain level, hence also commodity circulation and, with that, commodity production' (Marx 1981, 117). Marx shows that *the manner* in which the separation of the labourers from the conditions of production converge with the rise of a money economy will determine whether or not capitalism arises. He presents no abstract schema or social necessity here, but only a *tendency* given the existence of specific, contingent historical conditions. On these grounds he denies that Russia is inevitably fated to fall prey to capitalism: 'This is because the Russian agricultural worker, owing to the common ownership of the soil by the village community, is not yet fully separated from his means of production' (Marx 1981, 117).

This is a very different emphasis than found in Luxemburg's *Accumulation of Capital*, which presents the absorption of non-capitalist strata by capitalism as a virtual historical inevitability. Luxemburg even acknowledges that sooner or later all non-capitalist strata will be consumed by imperialism—unless a proletarian revolution *in the West* first emerges to put a stop to the process. This not only tends to introduce a note of historical inevitability not found in Marx; it also leaves the masses of the non-Western world as bystanders to their own emancipation.¹⁰

Luxemburg was an outstanding figure for (among other reasons) paying attention to parts of the world that the 'Marxists' of her generation ignored. While that is definitely to her credit, her reading of pre-capitalist societies, as is true of her reading of Kovalevsky's work, is not as nuanced

¹⁰ That Luxemburg consistently denied that struggles for national self-determination could be revolutionary hardly helped matters in this regard.

and subtle as Marx's. This is no cause for condemnation; few thinkers in world history have been as nuanced and subtle as Marx.¹¹ However, the difference between their two approaches does have important ramifications, since Luxemburg more readily accommodated to the unilinear evolutionism that characterized not only the Second International but also established Marxism as a whole. As a result, her relentless dedication to spontaneous revolt and mass action from below sits uneasily with her theory of accumulation, which tends to be economistic.

There was no difference between Marx and Luxemburg insofar as the centrality of revolution was concerned. Rosa never wavered from her view that 'revolution is everything, all else is bilge' (Luxemburg 1982, 259). Where they differed was on the ability of revolution to carve out a multilinear path that avoids the stage of capitalist industrialization. Unlike his followers, Marx was not wedded to a unilinear view of history. He envisioned the possibility of an alternative path of development for Russia and other non-Western countries that avoids the unilinear sequence of feudalism to capitalism to socialism. This flowed from his profound anti-determinism, his grasp of historic contingency, and his sensitivity to the struggles of the human subject for liberation.

Tragically, the depth of Marx's philosophy of 'revolution in permanence' was unknown to the Marxists of Luxemburg's generation. Indeed, it remained unknown long afterward. As a result, the possibility of achieving socialism without undergoing the horrors of capitalist industrialization receded from view.

Nevertheless, Luxemburg's firm opposition to imperialism, her appreciation of pre-capitalist communal forms, and her openness to forces of liberation—not just the proletariat but women as well¹²—can inspire our generation to explore anew the *depth* of Marx's Marxism, of which she

¹¹ Although many writers use the term "dialectics" as if it provides some ready-made golden key to resolve any and every problem, Marx understood—as did Hegel before him—that *thinking dialectically* is no facile matter but is in fact *exceedingly rare*. This is most of all because dialectics is not an applied science. As Marx put it, 'He will discover to his cost that it is one thing for a critique to take a science to the point at which it admits of a dialectical presentation, and quite another to apply an abstract, ready-made system of logic to vague presentiments of just such a system'. (Marx 1983c, 261)

¹² Though it has long been claimed that Luxemburg paid little or no attention to women's concerns, recent research has pointed to a neglected feminist dimension of her thought. See especially Dunayevskaya 1981 and F. Haug 1988.

could have but the faintest intimation. Our generation is the first to have *all* of Marx's writings pried from the archives—from the *Economic and Philosophic Manuscripts of 1844* to the *Grundrisse* to his writings on the 'Asiatic Mode of Production' to the original drafts of his three volumes of *Capital*, to the many writings from his last decade on India, China, Russia, Indonesia, Native Americans, and others. When Luxemburg's passionate determination to achieve genuine human liberation is combined with a determination to absorb the depth of Marx's thought that our generation is the first to have full access to, new mental—and practical—horizons can open up before us. To do justice to Luxemburg's profound commitment to human liberation calls on us to do no less.

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SPECIAL SECTION ON ROSA LUXEMBURG'S POLITICAL ECONOMY

Rosa Luxemburg's *Accumulation of Capital* New Perspectives on Capitalist Development and American Hegemony

INGO SCHMIDT

Labour Studies Program, Athabasca University, Athabasca, Alberta, Canada

Abstract

The article begins with a critique of a variety of Marxist theories on capitalist development and the hegemony of the United States. These theories either see capitalism in stagnation and American hegemony in decline since the 1970s or understand neoliberalism as the American way to permanent hegemony. The former fail to explain accumulation during the era of neoliberalism, the latter can't explain the current crisis of neoliberal capitalism. As an alternative a Luxemburgian approach is suggested, which proceeds in two steps. One, core concepts of Rosa Luxemburg's *Accumulation of Capital* are introduced and the Marxist debate about her work reviewed. This is necessary because of the absence of any tradition of Luxemburgian political economy. Second, from a Luxemburgian perspective post-war capitalism developed in two phases, each of which was possible because class-struggles and international conflicts had opened non-capitalist environments for capitalist penetration. The first phase gave rise to consumer capitalism and neo-colonialism; the second was characterized by accumulation by dispossession that rolled back welfare states in the North and developmental states in the South, while also integrating formerly state-socialist countries, notably China, into the capitalist world-system.

Résumé

Cet article commence par une critique de plusieurs théories Marxistes sur le développement capitaliste et l'hégémonie des Etats-Unis. Soit ces théories constatent

Ingo Schmidt is an economist and works as the Coordinator of the Labour Studies Program at Athabasca University. He earned his PhD from the University of Göttingen and wrote a doctoral thesis on trade unions and Keynesianism. Ingo taught at different universities in Germany and Canada in the past and was as a staff economist with the metal workers union, IG Metall, in Germany. He co-authored and edited a number of books, most recently a volume on *Varieties of Neoliberalism* (in German) and is finishing, with Bryan Evans, a volume on *Social Democracy After the Cold War* (in English). His works appeared in a number of German- and English-language journals, including *Monthly Review*, *Labour/Le Travail* and *Studies in Political Economy*. Ingo is also the economics columnist of the monthly paper *Sozialistische Zeitung* and a co-editor of *Göttinger Betriebsexpress*, a local labour paper.

Ingo Schmidt est économiste et coordonne le programme d'Études Ouvrières de l'Université d'Athabasca. Il a fait son doctorat à l'Université de Göttingen et a écrit sa thèse sur les syndicats et le keynesianisme. Ingo avait enseigné dans plusieurs universités en Allemagne et au Canada et était conseiller économique auprès du syndicat de la métallurgie allemand IG Metall. Il a co-écrit et dirigé plusieurs livres, le plus récemment *Varieties of Neoliberalism* (en allemand) et termine, avec Bryan Evans, un volume sur *Social Democracy After the Cold War* (en anglais). Ses travaux ont été publiés dans plusieurs revues en allemand et en anglais, y compris *Monthly Review*, *Labour/Le Travail* et *Studies in Political Economy*. Ingo est également éditorialiste économique pour le mensuel *Sozialistische Zeitung* et co-rédacteur de *Göttinger Betriebsexpress*, un journal syndical.

un capitalisme en stagnation et une hégémonie américaine en déclin depuis les années soixante-dix, soit elles décrivent le néolibéralisme comme la voie américaine vers l'hégémonie permanente. Celles-ci ne peuvent pas expliquer la crise actuelle du capitalisme néolibéral, tandis que celles-là échouent à expliquer le processus d'accumulation du capital pendant l'ère néolibérale. Comme alternative, l'auteur propose une approche inspirée par Luxemburg, en deux temps. Premièrement, il introduit les concepts clés de *l'Accumulation du capital* de Rosa Luxemburg et résume les débats Marxistes autour de ses œuvres. Ce temps est nécessaire du fait de l'absence d'une tradition d'économie politique à la suite de Luxemburg. Deuxièmement, dans une perspective issue de Luxemburg, le capitalisme d'après-guerre s'est développé en deux phases, dont chacune était possible parce que les luttes de classes et les conflits internationaux ont ouvert des brèches dans des sociétés non-capitalistes pour la pénétration du capitalisme. La première phase a permis l'émergence du capitalisme consumériste et du néo-colonialisme ; la deuxième se caractérise par l'accumulation par dépossession de l'état-providence dans le Nord et des états en développement dans le Sud, ainsi que par l'intégration des nations auparavant socialistes, notamment la Chine, dans le système-monde capitaliste.

Key Words

Accumulation by dispossession • capital accumulation • developmental state • non-capitalist environments • American hegemony • welfare state,

Mots-clés:

Accumulation du capital • accumulation par dépossession • état en voie de développement, état-providence • environnements non-capitalistes • hégémonie des Etats-Unis

Mainstream economists and policy advisors have offered two explanations for the Wall Street crash in September 2008 and the concomitant world economic crisis. Monetarists saw the loose monetary policies of Alan Greenspan, Ben Bernanke and big government as the cause of speculative bubbles that eventually burst and crashes (Kindleberger 1978, Akerlof & Shiller 2009). The former suggest tight money and austerity, the latter reregulation as remedies for future crisis. As emergency measures for crisis containment, monetarists prefer bank bailouts while New Keynesians advocate for fiscal stimulus. Both groups focus on financial markets, policy failures and the short term. Regardless of the fact that monetarists wrap their preferred policies in the language of non-intervention, a crucial implication of these foci is that political intervention of one sort or another can help to get the economy back on its long-term growth path, which is determined by the growth of labour supply and technical progress (Barro & Sala-i-Martin 2003).

Marxists have an entirely different view. They see capital accumulation as inherently crisis-prone and destined for stagnation. From this angle, political intervention may contain a crisis momentarily but will not be able to avoid the crisis next time. Only a transition from capitalism to socialism can break the crisis cycle (O'Connor 1987). This article contributes to the Marxist tradition of crisis theory. More specifically, it uses Rosa Luxemburg's *Accumulation of Capital* (1913)¹ to analyze capitalist development and the hegemony of the United States. Central to this approach is the idea that capitalism is plagued by a lack of effective demand and thus a lack of profitable investment opportunities. Only the capitalist expansion into non-capitalist environments, whether these are found in the centres or the peripheries of the capitalist world system, can save capital accumulation.

I shall argue that the United States overcame capitalism's tendency towards stagnation twice since World War II (WWII). In the 1950s and 1960s, capitalist accumulation penetrated private households and small business sectors that were hitherto engaged in simple commodity production. This capitalist expansion within the United States consolidated the dominance of monopoly capital and went hand in hand with the rise of mass consumption (Baran & Sweezy 1966). It was accompanied by foreign direct investments and military engagement in the Global South (Magdoff 1966). Consumer capitalism at home and neo-colonialism abroad triggered the post-war boom; they also established the United States firmly as the leader of the capitalist centres. Yet, in the 1970s, a series of financial, economic and fiscal crises brought tendencies towards stagnation the fore again. They were overcome this time by the turn to accumulation by dispossession (Harvey 2003), which created new investment opportunities by rolling back welfare states in the North and developmental states in the South. Due to the crucial role of finance, centred on Wall Street, and the military, centred in the Pentagon, the United States could reassert its leading role among capitalist powers (Schmidt 2008b). Yet, this reassertion needs to be qualified. On the one hand, the United States' growth from the 1990s until the present was higher than that of other capitalist centres; on the other hand, it was considerably lower than it had been in the 1950s and 1960s.

A number of Marxist theories were developed to understand capitalist stagnation and the American decline. Robert Brenner (2002;

¹ Future references to this work are given as AC

2006) advanced the argument that accumulation suffers from the restraint of overcapacities. Authors affiliated with the *Monthly Review* (Baran & Sweezy 1966; Foster & Magdoff 2009; Sweezy & Magdoff 1977) argue that major innovations, namely the automobile and concomitant suburbanization, exhausted their growth potential and that subsequent innovations did not have the same forward and backward linkages that characterized the ones on which consumer capitalism was built. Giovanni Arrighi (1994; 2007) makes a similar point by stressing the shift of American hegemony from ascendancy, based on competitive advantage over other capitalist centres, to decline. The decline, he suggests, is only delayed by the United States' central role in world finance that allows extended control and appropriation of capital in other parts of the world.

All of the aforementioned theories offer valuable insights into the development of American and world capitalism since WWII and particularly in case of world-systems theory, even earlier. But they also share a major weakness. They identify the crises of the 1970s as the turning point from post-war prosperity to stagnation but fail to explain why the United States could maintain its leading position in the face of lower growth. And they can't explain why American growth in relative terms was higher than it was in competitor countries like Germany and Japan. The apparent contradiction between the theoretical diagnosis of stagnation and the reality of continuous growth, however small, and American hegemony, however hollow, led some Marxists to the conclusion that American capitalism is close to being invincible (Panitch & Konings 2008). However, the Wall Street crash, the world recession of 2008/9, continuing fears for a 1930s or 1970s-style double-dip recession, and the transformation of private sector crisis into fiscal crises in the United States and all other capitalist centres put more than one question mark behind claims for enduring American hegemony. While Brenner, Arrighi and the *Monthly Review*-school have difficulties explaining why American hegemony could be maintained even in the face of slow growth, Panitch and his collaborators are at pains fitting the *Crisis this Time* (Panitch et al. 2011) into their theory of continued American hegemony.

This is where the Luxemburgian approach suggested in this article comes into play. Its focus on capitalism's need to open non-capitalist environments for capitalist penetration allows the distinction of two phases of expansion since WWII. In the first phase welfare and developmental states facilitated the integration of private households and small businesses in the North and subsistence economies in the South into the circuits of global capital accumulation. The paradox of this first phase

of capitalist expansion was that welfare and developmental states facilitated the commodification of non-capitalist environments and limited capital accumulation by establishing extended public sectors and regulations for the flows of private capital. These latter two aspects were the starting point for a phase of accumulation by dispossession, in which welfare and developmental states were rolled back and the economic space they had controlled was opened up for private capital investments. This accumulation by dispossession received a massive boost after the collapse of the Soviet Empire and China's turn to world market integration (Harvey 2005). Yet the same investments in formerly state socialist countries that spurred accumulation from the early 1990s to the present crisis also added additional production capacities and are thus a cause of the crisis.

Whether one agrees with such arguments or not, the use of a Luxemburgian approach needs some explanation. Since the publication of the *Accumulation of Capital* in 1913, critics have charged Luxemburg with economic determinism.² Moreover, the first half of the 20th century, with its recurrent wars, revolutions and economic crises, may be seen as confirmation of Luxemburg's theory, but the post-war prosperity and the weaker phase of accumulation by dispossession are clearly at odds with her prognoses of economic stagnation and the collapse of the capitalist system. Yet, Luxemburg devoted approximately one third of the *Accumulation of Capital* to the analysis of economic ideas and policies that were discussed at different phases of capitalist development. A recurrent theme in these debates was the question of whether accumulation is limited by insufficient demand or whether market adjustments will always equilibrate supply and demand. The underlying theme that she identifies in these debates is the need to search for new areas for capitalist expansion.

To show that the *Accumulation of Capital* represents a genuine approach to political economy, as opposed to a deterministic economic model³, the next two sections introduce the core concepts of Luxemburg's theory and discuss the critiques of her work in the context of the economic and political crisis of their times. The remainder of the article applies

² For a critique of such interpretations, see: Geras 1976; Rousseas 1979; Zarembka 2002.

³ It should be noted that Luxemburg was well aware of the limitations of purely theoretical models. Speaking about propositions derived from such models, she says: '...we must further inquire whether it is not merely because mathematical equations are easily put on paper' and continues: 'the time has come to look for the concrete social conditions of accumulation'. (AC 91)

Luxemburg's political economy to the development of American capitalism from the post-war period until today.

Rosa Luxemburg's Political Economy

The Accumulation of Capital...

Luxemburg begins her analysis with a look at the reproduction schemes that Marx introduced in *Capital*, Volume II (1885) to analyze the exchange relations between constant capital, variable capital and surplus value on the one hand, and on the other, the production of the means of production, the reproduction of constant capital and consumer goods, as well as the reproduction of variable capital and capitalists' consumption. From her reading of Marx, she concludes that finding 'an effective demand for the surplus values' (AC 138) is the crucial precondition of capitalist accumulation. Going from there, she discusses the possibilities of generating such demand from either increased consumption or from investment. Any such demand, she argues, only suffices to reproduce the already existing wealth in the capitalist economy. Accumulation, however, requires additional demand and this can only be found, according to Luxemburg, in 'non-capitalist social environments' (AC 347). Such non-capitalist economies, which Luxemburg calls 'natural economies' (AC, chapter 27), are characterized by subsistence production, barter exchange and very limited monetary exchange. At a maximum, 'commodity economies' (AC, chapter 28) were characterised by 'simple reproduction', mediated by commodity exchange, but were certainly not driven by the imperative to accumulate in a system of 'expanded reproduction'.

A key tool to open up external markets, i.e. capitalist expansion into non-capitalist environments, is credit (AC, chapter 30). Credit provides economic agents in non-capitalist environment with purchasing power and integrates them into the process of capitalist accumulation. The irony of this integration is that, whenever it happens, external markets are transformed into internal markets that are prone to insufficient demand. At some point all previously non-capitalist environments will be absorbed into capitalism. The reservoir of additional demand therefore dries up and accumulation, therefore, comes to a standstill: 'Capitalism (...) strives to become universal (...) and it must break down – because it is immanently incapable of becoming a universal form of production.' (AC 447) This is a logical conclusion, derived from an abstract model of accumulation. Regarding the application of such a model to the actual development of capitalism, Luxemburg continues: 'In its living history it (capitalism) is a contradiction in itself, and its movement of accumulation provides a

solution to the conflict and aggravates it at the same time.’ (AC 447) This proposition hardly suggests the automatic collapse of capitalism; it rather points towards, to paraphrase Marx, ‘men who make their own history under circumstances existing already, given and transmitted from the past’ (Marx 1852, 103). In fact, Luxemburg argues that, in order to escape ‘a string of political and social disasters and convulsions’, the working class has to ‘revolt against the rule of capital’ (AC 447). This implies that labour movements have a choice between seeking cooptation by the capitalist state or fighting against it and the economic system that it represents. Writing in a prison cell during World War I, she labelled this choice as one between ‘socialism or barbarism’ (Luxemburg 1916).

Another implication of Luxemburg’s theory of accumulation should be mentioned, as it will be important for the analysis in the second part of this article. Luxemburg rejects the idea, prominent in much of recent globalization literature, that capitalism develops within domestic economies and enters the world market only at a later stage, which leads to the withering of nation-states (Reich 1992). Against such views she maintains that ‘international trade is a prime necessity for the historical existence of capitalism’ (AC 340) and warns that limits to accumulation will lead to increased competition between states (AC, chapters 31-32). The crucial distinction, thus, is not between domestic markets and foreign markets but between internal markets – ‘the capitalist market’ – and external markets – the ‘non-capitalist social environment that absorbs the products of capitalism and supplies producer goods and labour power for capitalist production’ (AC 347).⁴ It follows that capitalist expansion does not necessarily, certainly not exclusively, consist of capitalist firms establishing trading posts and production sites outside the country of their origin. It also consists of the replacement of the ‘natural economy’ by the ‘commodity economy’ and finally the emergence of the imperative to accumulate (AC, chapters 27-28) within the borders of all capitalist states. For example, the commodification of household production and the subjugation of small businesses to the imperatives of capital accumulation played a major role in the long boom that began with World War II (Lutz 1984).

As the room for capitalist expansion narrows, competition between capitalist firms gets more intense and the state is increasingly seen,

⁴ This is an anticipation of Sweezy’s argument in the 1950s debate on the transition from feudalism to capitalism (Sweezy et al. 1976).

according to Luxemburg, as a means to protect market shares of domestic companies against foreign competitors. Thus, the smaller the external markets, the more prominent the political and economic role of the state. Intensified state competition and militarism are a consequence of this. With regards to the latter, Luxemburg says that it 'is a pre-eminent means for the realisation of surplus value; it is in itself a province of accumulation' (AC 434). This argument, particularly when it is extended from military spending to other kinds of public spending (Baran & Sweezy 1966, Kalecki 1967), points to the role that warfare and welfare states played in the post-war prosperity and the later phase of accumulation by dispossession. Although the latter was ideologically couched in neoliberalism's anti-state propaganda, the state continued to play an important role as 'a province of accumulation' and an opener for markets in non-capitalist environments (Harvey 2003; Harvey 2005).

However, before turning to the analysis of American-led capitalism, we will have a quick look at the way Luxemburg links debates about economic theory, policy and the historical development of capitalism. This will help to further the argument that Luxemburg did not develop an abstract model of economic collapse but a political economy approach, and will also allow us to put the criticism with which her theory met into historical perspective.

Section II of the *Accumulation of Capital* discusses three rounds of debate about accumulation, crisis tendencies and the need, or potential, for political intervention. Each of these debates had, on the one side, defenders of indefinite accumulation, which might be hampered by disproportions between different economic sectors momentarily, and theoreticians of insufficient effective demand on the other. The original liberal argument that accumulation feeds itself by creating additional supply and, at the same time, demand, was most famously articulated by David Ricardo and Jean-Baptiste Say, but was challenged by figures as politically as Thomas Malthus and Simonde de Sismondi 'under the immediate impact of the first crises of 1815 and 1818-19 in England' (AC 147). The second debate took place among German economists Johann Karl Rodbertus and Julius Hermann von Kirchmann against the background of the 'risings of the Lyon silk weavers and the Chartist movement in England' (AC 203) and was further inspired by 'the first world crisis in 1857' (AC 204). Rodbertus saw a declining share of wages in total income as a limit to accumulation, which he sought to correct by political intervention, an approach earning him the title of state socialist, whereas von Kirchmann saw a need for market expansion to keep accumulation going. The third debate involved the so-

called 'legal Marxists', most prominently Mikhail Ivanovich Tugan-Baranovsky, who had witnessed the Great Depression of the 1870s and the arrival of mass workers movements across Europe. In assessing the prospect of capitalist development in Russia, which the Tsarist government had made a priority since the late 1870s, the legal Marxists, says Luxemburg, 'join forces with the bourgeois 'harmonists' of the Golden Age shortly before the Fall when bourgeois economics was expelled from the Garden of Innocence – the circle is closed' (AC 304).

Some notable shifts occurred from one round of debate to the other. First, the locus of debate moves from England to Germany and eventually to Russia. This trajectory reflects the shift of the centre of accumulation to the then-emerging markets in Central and Eastern Europe. Second, the economic background of discussion moves from cyclical crisis that inspired the critique of classical liberalism to problems of long-term growth raised by the Great Depression of the 1870s.⁵ Third, political solutions that are suggested to fix, or overcome, the limits of accumulation shift from restoring feudalism – Malthus idea to create a class of unproductive consumers who would happily waste capitalist surpluses – to state intervention that should – as Rodbertus suggested – create effective demand by shifting the income distribution from profits to wages. The legal Marxists, believing in unlimited accumulation, thought state intervention unnecessary, but Luxemburg, whose analysis of accumulation and imperialism represents the counterpart to the legal Marxists, showed that militarism and protectionism are the kinds of state intervention that become necessary once accumulation reaches the limits of 'absorbable' non-capitalist environments. The alternative, of course, is a working-class revolution against capitalism.

...And its Critics

Luxemburg's critics – ranging from the social democrat Otto Bauer (1913) to the communists Nikolai Bukharin (1924) and Henryk Grossman (1929) and the independent socialist Paul Sweezy (1942) – directed their fire almost exclusively against Luxemburg's formal discussion and critique of Marx's reproduction schemes. That she moved from an abstract model to a

⁵ It should be noted that Luxemburg explicitly claims to develop a theory of long-term accumulation instead of a theory of business cycles: 'In order to demonstrate the pure implications of capitalist reproduction we must rather consider it quite apart from the periodical cycles and crises.' (AC 7)

discussion of theories of accumulation at certain historical junctures and only then developed her theoretically and historically based theory either escaped their attention or was consciously ignored. However, putting their critique into historical perspective and considering their own political projects helps to understand why they rejected Luxemburg's theory so strongly.

Against Luxemburg's proposition that accumulation would be impossible without the expansion into non-capitalist environments, Bauer argued that accumulation may, because of the uncoordinated nature of private investment decisions, see temporary disproportions between economic sectors but wouldn't be curtailed by a general lack of effective demand. Bauer's close ally Hilferding developed the implications of this argument, which represents some kind of 'supply-side-Marxism', more thoroughly. According to Hilferding, the emergence of monopoly capitalism made the dangers of disproportionality crises much more severe than they were under competitive capitalism because cartels and corporations don't have to cut back production capacities and prices during a cyclical downturn the way that small companies do. Therefore, overcapacities in the cartelized sector prevail longer than they would under conditions of free market competition (Hilferding 1910). However, the concentration and centralization of large parts of the economy in just a few hands, moving towards a 'general cartel', also creates, according to Hilferding, the conditions for an 'organized capitalism', in which the state, representing the interests of capitalists and workers, would allocate economic resources in such a way that their full use could be guaranteed and, by implication, disproportions be avoided (Smaldone 1988). Hilferding advocated for his idea of 'organized capitalism', today's social scientists might call it corporatism, during the early years of World War I and again in the mid-1920s, between the end of the revolutionary wave following the war and the beginning of the Great Depression.

Bukharin's analysis of capitalism and his critique of Luxemburg are strikingly similar to Bauer's. Their common point of reference is Hilferding's 'Finance Capital' whose economic analysis Bukharin widely accepts. He also agrees with Hilferding's political conclusion that monopoly capitalism could lead to some kind of 'organized capitalism', which Bukharin rebranded 'state capitalism' (Bukharin 1915). The only disagreement he has with Hilferding and Bauer is that the latter two accepted Kautsky's theory of 'ultra-imperialism' (1914), which argues that conflict between states can be moderated politically in the same manner as class antagonisms within countries. After the outbreak of World War I, one

didn't need to be a communist like Bukharin to reject the idea of 'ultra-imperialism' on purely empirical grounds. However, Bukharin had something to explain after the economic crises and revolutionary upheavals that had ended the war gave way to a period of 'relative stabilization of capitalism' around 1923. At this time, Bukharin (1924) picked up his Hilferding-style analysis of accumulation and turned it against Luxemburg. His aim was to reorient communists who were waiting for a return of crisis and open class struggle in the capitalist world towards support for the young Soviet Union, which he presented as the only beacon of hope during a time of capitalist stabilization. Luxemburg became a key target in this regard because her ideas were still influential among communists after she had been murdered in 1919.

Only two years after proclaiming the stabilization of capitalism, Bukharin, for reasons having more to do with factional battles among the Bolsheviks than with clear economic foresight (Kozlov & Weitz 1989), announced a period of imminent crisis. The hostility of Soviet communism towards Luxemburg's ideas remained, though. Henryk Grossmann, working at Frankfurt's famous Institute for Social Research at the time but also being a member of the communist party, picked up Bauer's critique of Rosa Luxemburg, which he fully endorsed, and developed a supply-side argument for capitalist breakdown out of this critique (Grossmann 1929). It was not the lack of non-socialist environments and effective demand, as in Luxemburg's analysis, but the lack of investable surplus that was the reason for collapse in Grossmann's theory. The publication of his book in 1929 couldn't have been more timely, even though his arguments were refuted by a capitalist system awash with money seeking profitable investments but short of effective demand (Sweezy 1942).⁶

After reviewing Marxist theories of crisis, Sweezy picked up Luxemburg's 'demand-side Marxism' in his 'Theory of Capitalist Development'. Predictably, Sweezy doesn't agree with the way Luxemburg makes her case for insufficient demand and stagnation, in fact he strongly rejects it, but he arrives at quite similar conclusions by saying that the trend to 'chronic depression' (Sweezy 1942) might be delayed by exceptional circumstances but is unavoidable over the long haul. This ambiguity between recognizing the possibility of further accumulation and tendencies towards stagnation reflects the uncertainties of the times during which he wrote his book. A full-scale war effort had pulled the

⁶ For a more positive interpretation of Grossmann's work see Kuhn 2007.

American economy out of its decade-long depression in the early 1940s, a confirmation of Luxemburg's views on the economic role of militarism, but contemporaries across the political spectrum were still suspicious that the end of the war and the subsequent reduction in arms production would signal a return of a depression.

As Luxemburg used 19th century controversies on accumulation to develop her own analysis of turn of the century imperialism⁷, we might use the debate that followed the publication of her *Accumulation of Capital* to gain some ideas for our analysis of 20th century capitalism. One might even get the impression that history repeats itself. For example, current ideas about a New or Green New Deal make open references to Roosevelt's New Deal in the 1930s and can theoretically draw on the Bauer-Hilferding tradition. Links can also be drawn from Hilferding's analysis of 'Finance Capital' to ideas about finance-led growth (Boyer 2000), which were fairly popular before the financial crises of 2001 and 2008. Moreover, the turn from the New Economy to the War on Terror after the 2001 crisis looks like the rise of militarism at the end of the 19th century. More generally, world-systems theorists like Arrighi and Wallerstein draw parallels between the decline of the British Empire about a century ago and the current decline of American hegemony. Their theory is based on the idea of 'systemic cycles' (Arrighi 1994) that describes hegemonic powers whose organization of production and trade is more productive than others: once they lose their competitive edge, the hegemonic powers maintain their dominant position by reaping financial profits off of other countries, but then eventually decline. When considering theories of hegemonic cycles the question of 'who is next?' arises. Arrighi recently suggested that China would succeed the United States as a world leader (Arrighi 2007). Yet, it remained unclear in his analysis whether this will lead to conflict between decaying capitalism, still led by the United States, and a somehow non-capitalist China or whether China is bound to become a capitalist hegemon. Other left analysts, more critical about China, see it either as a capitalist competitor (Li 2008) to Western capitalism or the latest incumbent to the Western club of imperialists (Burkett & Hart-Landsberg 2005). The same old questions arise all over again: Will the 'ultra-imperialist' cooperation among great powers turn into imperialist conflict? Is the world economy in for a period of stagnation or will a new capitalist hegemon rise and spur

⁷ It should be noted that the German original appeared of her book appeared with the subtitle 'A Contribution to the Analysis of Imperialism'

the rest of the world economy? Or will we see a transition towards socialism?

The following analysis uses Luxemburg's theory of accumulation to show that the United States-led wave of accumulation in the 20th century put questions on the agenda of the early 21st century that are strikingly similar to those at the dawn of American hegemony. In fact, one wonders whether world capitalism has gone full circle since the *Accumulation of Capital* was published and whether we are headed for a similar period of conflict and crises that Luxemburg so aptly predicted in her work. However, this does not suggest, like world-systems theory implies, that economies and societies develop in endless circles. The 'demand-side Marxism' that Luxemburg developed suggests that capitalist development is plagued by a tendency towards stagnation. The tensions between its built-in growth imperative and limits to accumulation lead to political conflicts, which, under particular circumstances, may open new fields for capitalist expansion. The United States actually became a hegemonic power because it opened such fields in the past but that doesn't mean that capitalism will see yet another wave of accumulation. The analysis of this development is woven around three threads: First, the need to find non-capitalist environments for further accumulation; second, the need to subordinate working classes to the imperatives of accumulation and capitalist rule, and third, the need for a hegemonic power to avoid imperialist conflict.⁸

American Hegemony and Capitalist Development

A period of rather high growth was drawing to a close when the *Accumulation of Capital* was published in 1913. A year later, a period of wars, revolutions, counterrevolutions and economic crises began that seem to confirm the gloomy outlook with which Luxemburg had concluded the book. Colonial powers, after dividing the worlds' peripheries amongst themselves, turned to war against each other. It was not long after that workers in many countries rebelled against their misuse as cannon fodder in a war that wasn't theirs. The political and economic stabilization that followed WWI and its revolutionary aftermath in the 1920s didn't last long.

⁸ World-systems theory is particularly strong on the last point, but doesn't say much on the first. However, a recent book by Beverly Silver (2003) systematically incorporates the role of working classes into the analysis of capitalist development. Workers and their struggles were more of a sideshow in earlier contributions by world systems theorists (Arrighi et al. 1989).

The 1930s were a decade of economic depression, labour unrest and civil war, all of which contributed to the outbreak of WWII.

Yet, the Western welfare states, Eastern state socialism, and Southern developmental states⁹ that shaped the world after WWII apparently rebutted Luxemburg's theories about the limits of capital accumulation and ever intensifying class struggle. In turn, her social democratic and communist critics seemed to win the day. By and large, welfare states, whatever their differences across countries, fit Hilferding's idea of organized capitalism, where representatives from labour, capital and the state would cooperate in such a way that economic imbalances could be avoided. Political class compromise and Keynesian demand management spurred unprecedented economic growth, which allowed the transformation of impoverished workers into affluent consumers. Imperialist rivalries were superseded by international cooperation within the United Nations and Bretton Woods systems and a number of other organisations. Colonies gained political independence and overcame their role as outlets for surplus production from the capitalist centres by developing their own industries and domestic markets. Kautsky might have called this combination of international cooperation and economic development of the South 'ultraimperialism' and might have seen it as a way to overcome inequalities across countries in much the same way as Hilferding saw organized capitalism as a way to overcome inequalities within countries. Moreover, the consolidation and expansion of Soviet communism into Eastern Europe and the Chinese revolution seemingly proved Bukharin's argument that socialism would not emerge from capitalist decline and workers revolution but from further development of the Soviet Union. Of course, the expansion of state socialism diminished the capitalist world market but this did not seem to impede capitalist accumulation at all. Thus, the idea that expansion into non-capitalist environments is a necessary condition for growth looked rather futile. Yet, such expansion occurred and fuelled the long boom in the post-war period. It just didn't take the form of colonial conquest that was projected by Luxemburg.

⁹ For an overview of postwar developments in these 'three worlds', see Birnbaum (2001) and Haggard & Kaufman (2008).

Post-War Prosperity: Consumer Capitalism and Neo-Colonialism

Workers struggles in the capitalist centres and anti-colonial struggles in the South – both inspired and supported by the Soviet Union to a greater or lesser extent – created an appetite among capitalist classes to co-opt and integrate these respective movements. Welfare and developmental states became the tools towards this political end but also the means for market expansion. This argument may seem counterintuitive. After all, nationalizations in both kinds of states diminished the areas for capitalist operations and rising shares of taxation and public spending along with increased protective measures for labour protective limited capitalists' control over increasing parts of the economy. Though increased state intervention during the post-war era certainly had these limiting effects on capitalist accumulation, it also had the effect of opening up new markets to capitalist expansion (Schmidt 1997). In the capitalist centres, this is particularly true for economic activity in working class households and small businesses, like farming, craft production, and retail. All of these areas had certainly, in Luxemburg's terms, passed from the stage of 'natural economies' to 'commodity economies'. Increased wages bought consumer goods and small businesses produced, or offered services, for market sale. However, there was still ample room for capitalist expansion into non-capitalist environments. A significant share of household production – food preservation and processing, cleaning and care work, mostly done by women – was still outside the cash-nexus. Small businesses, in turn, remained largely in the realm of 'simple reproduction', which means that all revenue exceeding their costs went into consumption and possibly some retirement savings but not into business expansion. Many of these small businesses were, particularly after the Great Depression, burdened with debt that made them easy prey for capitalist corporations seeking market outlets. State intervention in the post-war era, partly going back to interventions during the war, contributed to the penetration of the household and small business sectors by the imperatives of accumulation or 'expanded reproduction', respectively (Gordon & Rosenthal 2003).

Moderated by the state, compacts between labour and capital were negotiated in key industries. This 'organized capitalism' turned workers, to a greater or lesser extents, into consumers, indeed. Crucially, though, purchases of refrigerators, washers and other household appliances were a form of capitalist expansion into the non-capitalist environment of household production. The same is true for the expansion of culture industries into the realms of community-based cultures. These expansions

were further advanced by state built infrastructures that allowed cheap delivery of mass produced goods. As a result, small businesses serving only local markets were increasingly replaced by a combination of large-scale producers and retail chains. Of course, infrastructure investments also spurred accumulation directly, particularly in construction industries.

Capitalist expansion was further fuelled by the industrialization of peripheral countries, however incomplete this was. Though developmental states were aiming at the emergence of domestic industries and markets, they also had to import capital, namely investment goods and technologies, from the capitalist centres. State-backed development thus helped to expand capitalist relations of production in previously non-capitalist environments in the periphery.

The idea of substituting domestic class struggle for welfare states and imperialist rivalry and colonial exploitation for international cooperation and development were not new, as the theories of 'organized capitalism' and 'ultraimperialism' show. In the past, they had been resisted because ruling classes in the capitalist centres considered concessions to labour and anti-colonial movements as first steps in undermining their political power and economic wealth. Towards the end of WWII, the neoliberal mastermind Friedrich Hayek (1944) was still warning of 'the road to serfdom', but the thinking of the ruling classes was changing at that time. There was no doubt that the United States was establishing itself as the unchallenged leader of the capitalist centres so that imperialist rivalries became obsolete. Containment of Soviet and Chinese communism became the main goal of this collective imperialism, led by the United States (Schmidt 2008a). Anti-communism, though, was not only directed against communist regimes in Moscow and Beijing but also against radical currents in Western labour movements and Southern developmental states. The Cold War, then, created the conditions under which welfare and developmental states became politically acceptable for ruling classes in the capitalist centres. As already shown, the acceptance of state moderation also opened new fields of non-capitalist environments for capitalist expansion. Of course, the Cold War also came with an arms economy (Baran & Sweezy 1966) that confirmed Luxemburg's views on the role of militarism in the process of capitalist accumulation.

The End of Prosperity

Mass consumption in the West, industrialization in the South and generally increased state expenditures, including arms production and infrastructure investments, were the sources of economic growth during

the post-WWII-boom. Its political basis was a Cold War bloc of United States-led Western bourgeoisies, trade unions and development regimes in the South. By the 1970s, though, the post-war boom went bust. Markets for mass consumer goods showed signs of saturation after the top layers of Western working classes, who were integrated into capital-labour-compact, had adopted middle-class lifestyles. The arms economy, which had spurred accumulation in the United States during the 1950s and 60s so much, had unintended effects because Germany and Japan, where arms production was insignificant compared to the United States, had used the long boom to build up export industries that became major competitors of American corporations in the 1970s. The combined outcome of market saturation and the emergence of new export industries were overcapacities in the industrial sectors that had been growth engines during the boom (Brenner 2002). In this respect, things could only get worse because some of the developmental regimes, particularly in South Asia, were turning from the development of their domestic markets, the expansion into non-capitalist environments on their own territory, to the markets of rich countries in the West.

Inevitably, non-capitalist environments were by no means exhausted by the 1970s. Poor workers, often immigrant and female, in the capitalist centres were still performing unpaid work in the private household sector on top of their low-wage work. In the South, the penetration of vast hinterlands around a few isolated centres of industrialization had hardly begun. Thus, from a purely economic point of view, further capitalist expansion would have been possible (Heim 1996). However, ruling classes were reconsidering their views on welfare and developmental states for political reasons (Jenkins & Eckert 2000). A wave of labour militancy and anti-colonial struggles had shaken the capitalist world since the 1960s. In the capitalist centres, workers struggled for higher wages and welfare state expansion, and against Taylorist factory regimes (Horn 2007). Higher wages and further expansion of the welfare state could have created higher demand for consumer goods. Yet, equal wages for both sexes and workers of all colours were incompatible with the preservation of segmented labour markets that capitalists considered as crucial for their rule over the working class (Edwards 1979). Over the course of the 1970s, capitalists came to the conclusion that it was better to reinforce control over workers even at the price of losing some of these workers as affluent consumers.

At the same time, different cross-class coalitions in the South fought against imperialist domination and for a new world economic order

(Murphy 1983). Things came to a head with the oil-price hikes in 1973 and 1979, and workers demands for nominal wage increases that would compensate them for the loss of purchasing power that came with higher oil prices. The confluence of struggles over wages and resource prices convinced the ruling classes in the West that it was time to fight back against welfare and developmental states that were increasingly seen as a springboard for accelerating claims by workers and poor countries' peoples. Moreover, oil price hikes put the issue of ecological limits of capital accumulation onto ruling classes' radar screens. As a result of the economic and ecological crises of the 1970s, they turned to neoliberalism (Glyn 2006).

Fiscal austerity and tight money were the means to undermine the bargaining power of workers and developmental regimes. This strategy, combined with military interventions against left-leaning governments in the South, allowed capitalist centres to reclaim monopoly access to the world's resources. Politically, the neoliberal assault on developmental and welfare states helped to restore the power of capital over workers and of capitalist centres over peripheries (Glyn 2006). Moreover, the weight of international finance and the military, both dominated by the United States, in the neoliberal policy package helped to regain American hegemony, which had not only been challenged by workers and other popular movements from below but also by export-oriented accumulation in Germany and Japan. After the neoliberal turn, the latter were still a competitive threat to American manufacturers, not unwelcome in maintaining wage pressures on American workers, but they were unable to compete with 'Pentagon Wall Street Capitalism' (Schmidt 2008b).

Accumulation by Dispossession

The restoration of American hegemony and capitalist power more generally had an economic Achilles' heel, though. The forms of capitalist expansion that made the long post-war boom possible, namely the rise of consumer capitalism in the West and domestically oriented industrialization in the South, were either challenged or directly attacked by neoliberal policies. New areas and forms for capitalist expansion had to be found, if stagnation, a recurrent theme in economic debates during the 1970s, was to be avoided.

Theoretically, the adherents of neoliberal policies denied such problems with reference to Say's Law according to which supply creates its own demand if state intervention doesn't tie up the invisible hand of the market. In the early 1980s, this argument, which had been criticized by

Marx and Luxemburg, but also by the bourgeois economist Keynes, was updated with a renewed emphasis on Schumpeter's idea of innovation as a driver of economic growth.¹⁰ Many Keynesian economists consider the turn from demand management to supply-side policies as the reason for the growth slowdown following the long boom of the 1950s and 60s (Skidelsky 2009). It should be noted, though, that the Keynesian business cycle models that guided economic policies during the long boom, denied the need for expansion into non-capitalist environments as much as it was denied by the supply-side theories that became popular under neoliberalism. A Luxemburgian perspective draws a different picture: On the one hand it confirms the Keynesian assertion that neoliberal policies constrained capital accumulation. On the other hand, it shows that these policies did create new forms of capitalist expansion to avoid stagnation. Neoliberal rhetoric about market notwithstanding, it was the state that played a crucial role in initiating and furthering forms of expansion that David Harvey described as 'accumulation by dispossession' (2003, 145-152), though it might have been more precise to speak about the enforced transfer of public property, or that of working class households and small businesses, into corporate property.

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The most obvious form of such transfers is the privatization of publicly owned industries, such as telecommunications and railways, or public services, such as health care. In terms of scale, these privatizations in the West paled in comparison to the transformation of state socialism into capitalism in the East. With the Soviet Empire collapsing and China turning to capitalism with retention of its political system, vast new territories were opened up for capital accumulation¹¹.

Aside from privatizations, massive expansions of credit and stock markets, beginning in the 1980s and picking up steam in the 1990s, played a key role in furthering capital accumulation under neoliberalism. This was a way to boost consumer demand in a time of wage restraint and allowed corporate finance to gain control over pension plans. The United States more than any other capitalist centre positioned itself as the world's financial centre and consumer of last resort at the same time. This latter role allowed some of the former developmental states to become exporters

¹⁰ This new wave of Schumpeterian thinking was later labeled 'endogenous growth theory'. For a comprehensive survey see Aghion & Howitt 1998.

¹¹ Current debates about future prospects of capital accumulation bear strong resemblance to the controversies about capitalist development in Russia, to which Luxemburg contributed in *The Accumulation of Capital* (AC, chapters 18-24).

of mass-produced consumer goods. Export-oriented accumulation in the South was accompanied by large-scale destruction of subsistence production and small businesses that previously had contributed to the simple reproduction within local economies¹².

The overall outcome of neoliberal forms of accumulation were contradictory, though: On the one hand, the assault on welfare and developmental states led to a redistribution from wages to profits and from poor to rich countries, thus swelling the capital funds seeking profitable investment opportunities. On the other hand, there was never enough room for capitalist expansion to absorb all these funds. Parts of them ended up in financial markets where they fuelled claims for future profit even further without contributing to the accumulation of productive capital. The ever-widening gap between productive accumulation and financial accumulation was filled by asset-inflation, which led to recurrent financial and economic crises in every corner of the world and eventually caused the Wall Street crash and Great Recession of 2008. Determined intervention by governments and central banks halted the threat of imminent collapse of the worldwide circulation of capital and contained the depths of the crisis. However, these interventions did not solve the underlying problem of too much capital chasing too few profitable investment opportunities. By pouring liquidity and public money into the global financial system, over-accumulated capital was saved from depreciation and is therefore still looking for investment opportunities that aren't on the horizon. Over the past two decades a number of emerging economies of the South, notably China, provided vast outlets for capital investments. Utilization of the production capacities that were created during this process would require the transformation of Southern workers, at least a significant share of them, into affluent consumers. Ironically enough, the International Monetary Fund (IMF), usually an advocate of low wages and welfare state retrenchment, tells Chinese leaders that they should turn to the kind of welfare capitalism that Western countries abandoned in the 1970s (IMF 2010). Yet, chances are that the new Chinese capitalist class in alliance with its Western business friends will prefer the continued exploitation of cheap Chinese labour rather than

¹² Analyses of this 'new wave' of capitalist expansion into non-capitalist environments, including the role of international finance, often read like the late 19th century wave of expansion that Luxemburg (AC, chapters 20-37) described.

allow trade unions and welfare state bureaucrats to interfere with their businesses (Ho-fung 2009; Schmidt 2010).

Moreover, since neoliberal accumulation was centred in the United States, the current economic crisis also affects American hegemony. Not in the sense that any other country or group of countries seems capable of replacing the United States in that position but in the sense that the United States is no longer capable of inventing new frontiers that would allow capital accumulation on a world scale to recover from the Great Recession. Chances are that Luxemburg's closing remarks in the *Accumulation of Capital* also qualify as an apt assessment of the current condition of capitalism:

The more ruthlessly capital sets about the destruction of non-capitalist strata, at home and in the outside world, the more it lowers the standard of living for the workers as a whole, the greater also is the change in the day-to-day history of capital. It becomes a string of political and social disasters and convulsions, and under these conditions, punctuated by periodical economic catastrophes or crises, accumulation can go on no longer. But even before this natural economic impasse of capital's own creating is properly reached it becomes a necessity for the international working class to revolt against the rule of capital.' (AC, 447) '

Conclusion

The preceding depiction of capitalist accumulation under American hegemony is obviously more a sketch than a proper analysis. It still lacks conceptual underpinnings and empirical support. Instead of that it offers a string of hypotheses. Such a loose approach is justified because there is no tradition of Luxemburgian political economy on which an analysis of United States-led accumulation could be built. Strong criticism of her work during the first half of the 20th century was followed by near oblivion in the second half. Considering this state of things, it is more appropriate to lay out the principles of Luxemburg's own approach to political economy, as in the first part of this article and then present some hypotheses showing how her approach could be used for the analysis of capitalist development now. Particularly important in this respect is the finding that a careful reading of Luxemburg's theory of accumulation contradicts widely shared interpretations of her theory to be purely economic and deterministic. Conversely, this article suggests, Luxemburg's theory carefully considers the role of economic ideas as a means to articulate social interests. It also reflects the impact of class struggle, the result of antagonistic social

interests, on economic developments. Given recurrent outbursts of class struggle, economic crises and ideological dispute, chiefly between Keynesianism and (neo-)liberalism, over the last century, Luxemburg's political economy looks like a promising approach to enrich our understanding of recent history and current developments. The sketch on capitalist development under American hegemony that was offered in this article is an invitation to use this approach for more comprehensive analyses in the future.

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SPECIAL SECTION ON ROSA LUXEMBURG'S POLITICAL ECONOMY

Rosa Luxemburg's Reform or Revolution in the Twenty-first Century

HELEN SCOTT

Department of English, University of Vermont. Burlington, Vermont, United States

Abstract:

Rosa Luxemburg lived in a time and place very unlike our own. She was part of a mass labour movement with revolutionary socialist politics at its core, during a period when world socialist revolution was a tangible prospect. At the start of the 21st century the United States labour movement is at a historic low point, organized socialist politics lacks a mass working class base, and capitalism brings crisis, war, and environmental destruction across the globe. But nonetheless across the United States, labour activists are confronting the corporate union model with class struggle unionism based on rank and file independence and left politics. Luxemburg's *Reform and Revolution*, written at a high point of socialist struggle, contains invaluable lessons for this new generation of activists as they confront the political and organizational challenges of the day.

Resumé:

Rosa Luxemburg a vécu à un moment et dans un environnement qui ressemblaient très peu aux nôtres. Elle faisait partie d'un mouvement ouvrier de masse au cœur duquel se situait une politique révolutionnaire socialiste, à une époque où la révolution socialiste mondiale était une possibilité réelle. Au début du 21^{ème} siècle, le mouvement ouvrier aux Etats-Unis a atteint un niveau bas historique, la classe ouvrière de masse fait défaut aux politiques socialistes structurées et le capitalisme apporte son lot de crises, de guerres et d'atteintes à l'environnement à travers le monde. Néanmoins, partout aux Etats-Unis, les activistes progressistes font face à des syndicats s'organisant comme des entreprises, et proposent un syndicalisme de lutte des classes basé sur l'indépendance

Helen Scott is an Associate Professor of English at the University of Vermont. She is the editor of *The Essential Rosa Luxemburg*, published by Haymarket Books, and co-author with Paul Le Blanc of an anthology of Luxemburg's writings, *Socialism or Barbarism*, from Pluto Press. She has published articles in *Callaloo*, *International Socialist Review*, *Journal of Haitian Studies*, *Postcolonial Text*, *Works and Days*, and in several postcolonial collections in addition to her monograph, *Caribbean Women Writers and Globalization: Fictions of Independence* (Ashgate, 2006). Originally from Britain, she has lived in the US since 1988. She received her BA from the University of Essex and the PhD from Brown University. She is currently a union delegate for United Academics (AFT-AAUP) and is a long time socialist activist in labour and social movements.

Helen Scott est professeur associée d'anglais à l'Université du Vermont. Elle est la rédactrice de *The Essential Rosa Luxemburg*, publié par Haymarket Books, et co-auteur avec Paul Le Blanc d'une anthologie des écrits de Luxemburg, *Socialism or Barbarism*, de Pluto Press. Elle a publié des articles dans *Callaloo*, *International Socialist Review*, *Journal of Haitian Studies*, *Postcolonial Text*, *Works and Days*, et dans plusieurs collections postcoloniales en plus de sa monographie, *Caribbean Women Writers and Globalization: Fictions of Independence* (Ashgate, 2006). Originaire de Grande Bretagne, elle vit aux Etats-Unis depuis 1988. Elle a obtenu sa licence à l'Université d'Essex et son doctorat à Brown University. Elle est actuellement représentant syndicaliste pour United Academics (AFT-AAUP) et une militante socialiste de longue date dans des mouvements ouvriers et sociaux.

de la base et une politique de gauche. *La Réforme et La Révolution*, de Luxemburg, écrit à l'un des moments forts de la lutte socialiste, contient des leçons d'une immense valeur pour cette nouvelle génération d'activistes déterminée à faire face aux défis politiques et organisationnels d'aujourd'hui.

Keywords

class struggle • crisis • labour movement • reform • revolution

Mots-clés

lutte des classes • crise • mouvement ouvrier • réforme • révolution

Rosa Luxemburg was both shaped by, and, to an unusual degree, shaped, the historical conditions of her day. The turn of the twentieth century was a period of rapid transformation and political upheaval, as capitalism expanded across the globe. World socialist revolution was, as Georg Lukács put it, an 'actuality,' and Luxemburg participated in two revolutions in her short life. Had she lived, it is a distinct possibility that the fate of the German revolution, and thus of the world, would have been different. This is not to reiterate a version of the 'great man' theory of history, but rather to acknowledge that individuals can and do play pivotal roles within particular social contexts. Within the confluence of events in 1918 Luxemburg and her comrade Karl Liebknecht were valuable leaders with the potential to provide decisive guidance to the revolutionary movement. Instead, they were murdered, and therefore taken out of the equation. Pierre Broué speculates in his history of the German Revolution:

[T]he German Communist Party could have been victorious, even though it was defeated. There does not exist any Book of Destiny, in which the victory of the Russian October and the defeat of the German October, and the victory of Stalin and then Hitler, could have been written in advance. It is human beings who make history (1971, 649).

It is important to stress that at the same time that she impacted history as an individual, Luxemburg was inextricably part of the wider working class collective that formed the bedrock of her political environment. Luxemburg, born in Poland, spent most of her adult life working for the Social Democratic Party in Germany, the SPD. Unlike the professional party bureaucrats, who became disconnected from the lives of the majority, Luxemburg stayed in constant contact with workers, from her first experiences in the Polish working class movement, through her early SPD

work among miners in upper Silesia, through her speaking tours after the 1905 Russian Revolution, to her agitation among fighting workers on the streets of Berlin in the final days of her life.

Paul Le Blanc's description of the social conditions that engendered the Bolsheviks in Russia captures the decisive features of Luxemburg's age: 'The Leninist party came into being within a context: as part of a broad global working-class formation, as part of a developing labour movement, and as part of an evolving labour-radical sub-culture' (2006, 150). The politically conscious working class was on the ascendancy; socialism was at the heart of a mass labour movement; and the SPD provided a vital political culture, captured by Mary Nolan in her regional study:

[S]ocial democracy provided a vocabulary for analyzing society and a vision toward which to struggle. It offered a vehicle for coping with urban industrial society and protesting against the inequities of capitalism and political authoritarianism. In the process of filling these functions, social democracy created a political and economic movement and a new kind of workers culture, which brought together thousands of Düsseldorf workers previously divided by skill and occupation, by religion and geographic origin, by experiences and expectations (1981, 3).

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From the perspective of a socialist living in the United States today, the political environment could hardly be more different. The labour movement, as described, for example, in Kim Moody's recent book *US Labour in Trouble and Transition*, stands in marked contrast to the confident, combative working class in and around the SPD:

Unions as institutions, with notable exceptions here and there, have failed their members and proved unable to recruit new ones in sufficient numbers to slow down, let alone reverse, a deteriorating balance of class forces in American society that has created a capitalist class of super rich individuals whose wealth is unprecedented in history. The cost of this is a working class that has lost ground in virtually every field of social and economic life (2007, 2).

Arguably precisely *because* the contextual dissimilarities are so marked, Luxemburg's writings continue to be of great value: we can learn much from this highpoint of working class struggle. With the Great Recession of 2008/9 presenting global capitalism with its biggest crisis in generations, the turn of the twenty-first century is also a time of social instability and

change.¹ The scale of the crisis led to a renewed interest in Marxism globally, witnessed in the success of the *Historical Materialism* journal and conference; the publication of Marxist books by mainstream houses; the striking increase in sales of Marx's *Das Kapital* and the *Communist Manifesto*; the best-seller status of the proletarian novel *Kanikosen*; and the celebrity around a Japanese comic version of *Das Kapital*. In the words of a BBC report about protests against the G-20 summit in London: 'the economic crisis... made criticizing capitalism acceptable again.' And yet such glimpses of the potential of a revitalized interest in Marxism are nonetheless small, while the relative success of the far right, especially in Europe, is daunting. The project of rebuilding a 'labour radical subculture' is urgent.

In what follows I will consider the central lessons of one of Luxemburg's most significant works, *Reform or Revolution*, and assess their relevance more than a century later. The context for the debate leading to Luxemburg's *Reform or Revolution* was the transformation of the SPD from a small revolutionary group operating under conditions of illegality, to a mass political party with representation in the formal political institutions of the day. While a more detailed account is beyond the scope of this article, briefly, the growth of a professional bureaucracy was accompanied by the development of reformist, or revisionist, politics, moving away from the central tenets of revolutionary Marxism. Eduard Bernstein, exiled to England under the Anti-socialist laws (which were repealed in 1890), became one of the main spokespeople of this trend, which developed in to a political tradition that has continued to exert influence, in various guises, throughout the past century. In what follows I shall use Bernstein as the foil for Luxemburg's central arguments, but bearing in mind that both are 'standing in for' larger theoretical traditions. Luxemburg was responding to an attempt to discredit revolutionary Marxism; attacks on Marxism continue to appear with some regularity (Robert Service's *Comrades: A History of World Communism*, David Priestland's *The Red Flag*, Archie Brown's *Rise and Fall of Communism*), and so it seems particularly apt to return to Luxemburg's defense and weigh its continued significance.

Economic crisis

Bernstein's case against Marx's theory of revolution rests on his apprehension of capitalism's adaptation, through credit, cartels, and

¹ See Catherine Rampell's *New York Times* article for a useful discussion of the origins and popularization of the term 'Great Recession.'

increased productivity, to such a degree that economic crises are no longer inevitable. Referring to the increased regulation of production, Bernstein writes in *Evolutionary Socialism*: 'Without embarking in prophecies as to its final power of life and work, I have recognised its capacity to influence the relation of productive activity to the condition of the market so far as to diminish the danger of crises' (1899). He further predicted that capitalism, as it was 'tamed' would become more egalitarian and democratic. Such claims have been repeated periodically during capitalism's history. Until recently capitalist economists sounded a lot like Bernstein, repeating the myth that capitalist crises are a thing of the past. As David Leonhardt wrote in the *New York Times* in early 2008:

Until a few months ago, it was accepted wisdom that the American economy functioned far more smoothly than in the past. Economic expansions lasted longer, and recessions were both shorter and milder. Inflation had been tamed. The spreading of financial risk, across institutions and around the world, had reduced the odds of a crisis. Back in 2004, Ben Bernanke, then a Federal Reserve governor, borrowed a phrase from an academic research paper to give these happy developments a name: 'the great moderation' (Leonhardt, 2008).

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Luxemburg's response, in *Reform or Revolution* and then later in more depth in *The Accumulation of Capital*, pointed to the *inherent* contradictions within capitalism that produce crises. She draws attention to three traits of capitalist development on which scientific socialism rests:

First, on the growing anarchy of capitalist economy, leading inevitably to its ruin. Second, on the progressive socialization of the process of production, which creates the germs of the future social order. And third, on the increased organization and consciousness of the proletarian class, which constitutes the active factor in the coming revolution (Luxemburg 1908, 45).

The first of these, capitalism's inevitable 'ruin,' or 'collapse,' has been subjected to many challenges, from Marxist and bourgeois economists alike. Often the critique mirrors the familiar charge leveled at Marxism more generally—the theory is discredited because the predicted collapse has not occurred, in the face of capitalism's ever-new ways to adapt and thrive. Some Marxists, starting with Luxemburg's contemporary Bukharin, have developed a more pointed critique suggesting a too great emphasis on the 'spontaneous collapse' of capitalism. Neither position holds up against Luxemburg's analysis.

Only willful suppression of Luxemburg's emphasis on the necessity for working class organization—the subjective or 'active' factor in revolution, which I shall come back to—can sustain the allegation that Luxemburg predicted socialism's inevitable triumph. Luxemburg makes no such claim, but rather identifies the inescapable *contradictions* within the system that present the stark choice between 'socialism or barbarism.' She held that all those measures Bernstein claimed would resolve the problems of young capitalism may defer crises for a period of time, but will ultimately only exacerbate them. Bernstein, she argues, takes the impressionistic and blinkered perspective of the isolated capitalist, but Marxists instead must 'seize these manifestations of contemporary economic life as they appear in their organic relationship with the whole of capitalist development' (1908, 70) and thus see the underlying dynamics:

For him, crises are simply derangements of the economic mechanism. With their cessation, he thinks, the mechanism could function well. But the fact is that crises are not 'derangements' in the usual sense of the word. They are 'derangements' without which capitalist economy could not develop at all. For if crises constitute the only method possible in capitalism—and therefore the normal method—of solving periodically the conflict existing between the unlimited extension of production and the narrow limits of the world market, then crises are therefore inseparable from capitalist economy (1908, 71).

The ensuing hundred years have confirmed periodic crises as 'the normal method' of resolving capitalism's contradictions. Luxemburg was able to point to two such moments in the years between the publication of *Evolutionary Socialism* and *Reform and Revolution*:

Hardly had Bernstein rejected, in 1898, Marx's theory of crises when a profound general crisis broke out in 1900, while seven years later, a new crisis, beginning in the United States, hit the world market. Facts proved the theory of 'adaptation' to be false (1908, 52).

A century later we are in the aftermath of the most severe global crisis since the Great Depression of the 1930s; only massive state intervention—the selective abandonment of neoliberalism and return to Keynesianism—stemmed market free fall and complete bankruptcy of the financial system. The very measures used to prevent crises, all those credit default swaps and other intricate financial mechanisms, 'aggravated the anarchy of the capitalist world and expressed and ripened its internal contradictions.' And

the measures taken to halt the Great Recession have in turn created further problems, such as the threat of sovereign debt default, not to mention mass unemployment, exacerbated poverty and human suffering.

Bernstein also rejected the labour theory of value, the premise understood by Marx and also for a long time by bourgeois economists, that labour is embodied in capital, that capitalist profit comes from the exploitation of workers—who are paid less than the value of what they produce—and the excess appropriated by the capitalists as profit. Bernstein moved closer to the marginal utility school of economics, moving away from the identification of labour as the source of all profit, and positing instead an ideal system of supply and demand in a free market system.² This is again reminiscent of the neoliberal mantra that became dominant toward the end of the twentieth century. Luxemburg's response is characteristically vivid:

Bernstein forgets completely that Marx's abstraction is not an invention. It is a discovery. It does not exist in Marx's head but in market economy. It has not an imaginary existence, but a real social existence, so real that it can be cut, hammered, weighed, and put in the form of money. The abstract human labour discovered by Marx is, in its developed form, no other than money (1908, 78).

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The underlying dynamics emphasized by Luxemburg continue to drive contemporary capitalism: Slashing wages was central to neoliberalism, capitalism's means to recover profitability following the downturn of the mid 1970s. During the economic boom years in the 2000s, the portion of national income going to profits increased dramatically while real wages stagnated. The State of Working America summarized the redistribution of wealth as 'the equivalent of transferring two hundred and six billion dollars annually from labour compensation to capital income' (Mishel 2009, 42):

The stark picture is also emerging at the tail end of a thirty-year cycle in which most workers lost ground even during the supposedly good years. Real hourly wages for the bottom 50 percent of male workers are lower today than they were in 1973, 20 representing a massive shift in wealth toward the wealthiest. On the other hand, the share of national income held by the richest 1 percent doubled, from 9 percent in 1979 to 18 percent in 2005. The transfer accelerated during the last boom. Writes economist Jared Bernstein, between

² See Kurz, 1995, for a discussion of Bernstein's relationship to the marginal utility school.

2003 and 2005, 'an amazing \$400 billion in pre-tax dollars was shifted from the bottom 95 percent of households to those in the top 5 percent' (DiLeo 2010, 14).

If capitalism's much debated return to profitability exacerbated class divisions in the United States, the recession has brought unemployment, home foreclosures, and a credit freeze to millions of American workers. While the 'too big to fail' banks received massive infusions of state money, workers got austerity. The scale of poverty and immiseration globally was already horrendous, as seen in studies such as Mike Davis' disturbing *Planet of Slums*, and the Great Recession just made things a lot worse. Luxemburg's 'barbarism' is more descriptive of our world than Bernstein's 'humane' capitalism.

The Capitalist State

Bernstein's vision of a gradual transition to socialism rested on the idea that the state would play a crucial role in regulating capitalism and protecting labour, and that political democracy would foster socialist reforms. Luxemburg responds by elaborating a Marxist understanding of the bourgeois state and the limits of bourgeois democracy. Seen in the larger history of successive social forms, capitalism expands the function of the state and develops the political democracy that is to play a vital role in working class struggle. But the fetters of class relationships supersede these progressive features:

The present state is, first of all, an organization of the ruling class. It assumes functions favoring social development specifically because, and in the measure that, these interests and social development coincide, in a general fashion, with the interests of the dominant class (1908, 63).

Luxemburg illustrates the conflict between general social good and particular capitalist interests by the examples of tariff barriers and militarism, both of which become indispensable for capitalist nations even as they are incompatible with the overall development of capitalist production:

In the clash between capitalist development and the interests of the dominant class, the state takes position alongside the latter. Its policy, like that of the bourgeoisie, comes into conflict with social development. It thus loses more

and more its character as a representative of the whole of society and is transformed at the same rate, into a pure class state (1908, 63-4).

Luxemburg's analysis was to be confirmed of course in the twentieth century when national competition led to the massive military conflagrations of the two world wars. It also continues to describe our current situation.

While neoliberal ideology insists on the removal of any barriers to international 'free trade,' powerful nations nonetheless do use both tariff and non-tariff controls to protect their own interests, giving themselves a competitive advantage at the expense of others, even when this has damaging global consequences. Within the United States one thinks of tariffs on steel, or subsidies for corn producers, both of which benefit national capital at a cost to those of other nations. The powerful multilateral institutions of the late twentieth century such as the World Trade Organization (WTO), International Monetary Fund (IMF) and World Bank, and trade agreements such as General Agreement on Tariffs and Trade (GATT) and the North American Free Trade Agreement (NAFTA), despite their grandiose claims, infamously enforce the will of the dominant capitalist powers.³

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The intensification of capitalist globalization led some to prematurely pronounce the end of the nation state, but while neoliberalism insists on dismantling state measures that are beneficial to workers, such as price controls on food, or government spending on health care or education, in other ways the state becomes both stronger and more obviously capitalist. As David Harvey puts it in his study of neoliberalism:

[T]he nationalism required for the state to function effectively as a corporate and competitive entity in the world market gets in the way of market freedoms more generally...the neoliberal state needs nationalism of a certain sort to survive. Forced to operate as a competitive agent in the world market and seeking to establish the best possible business climate, it mobilizes nationalism in its effort to succeed (Harvey 2005 79, 85).

This is the case when capitalism is functioning maximally; when the system is threatened, as in the latest global crisis, states are rapidly and overtly deployed to save national capital. Walden Bello, among others, has drawn attention to these patterns: 'In their responses to the current economic

³ Toussaint, 1998, offers an excellent account of these broad historical processes.

crisis, governments paid lip service to global coordination but propelled separate stimulus programs meant to rev up national markets' (2009). Needless to say, nowhere has this state intervention involved widespread measures beneficial to workers.

Luxemburg famously placed militarism and imperialism at the heart of her analysis of capitalism, and much of her life work was dedicated to opposing war. In *Reform or Revolution* she outlines the uses of militarism for capitalist nation states:

First, as a means of struggle for the defense of 'national' interests in competition against other 'national' groups. Second, as a method of placement for financial and industrial capital. Third, as an instrument of class domination over the labouring population inside the country (63).

The full weight of Luxemburg's argument is beyond the scope of this article, but what is immediately striking is how accurate her summary remains as a diagnosis of the twenty-first century. The century began with the Pentagon's proclamation of 'full spectrum dominance'—which meant, as William Engdahl puts it, 'that the United States should control military, economic and political developments, everywhere' (2004, 269)—and has given us protracted wars in Iraq and Afghanistan, the latter now surpassing the official duration of the Vietnam war. In addition, United States Special Forces now operate in around seventy-five countries, as part of the 'war on terror' in the Middle East, central Asia and Africa. These conflicts stem from broader maneuvering between world powers—the United States, Europe, Japan, China—as much as the drive for direct control of oil and gas supplies, and other precious resources, such as those recently 'discovered' by the Pentagon in Afghanistan. And on a global scale also this century continues to see militaries used against domestic 'labouring populations' when they protest, from Egypt to Greece to Thailand.

Bourgeois democracy

This bolsters Luxemburg's objection to Bernstein's prediction that capitalism as it matured would necessarily deepen and spread bourgeois democracy. Luxemburg responded: 'No absolute and general relation can be constructed between capitalist development and democracy' (86). This can be seen today both in the existence of capitalist nations that are not formally democracies, and in the severe limitations of actual democracy within those that are. While capitalism is assumed to be reciprocal with

democracy in dominant ideological formulations, bourgeois apologists for authoritarianism are not uncommon. In one of his regular op-ed pieces for the *New York Times* David Brooks recently mapped out the division between 'democratic' and 'state' capitalist regimes, suggesting that sometimes the latter may be necessary, and conversely sometimes democracy can stand in the way of the profit motive:

[S]tate capitalism may be the only viable system in low-trust societies, in places where decentralized power devolves into gangsterism. Moreover, democratic regimes have shown their vulnerabilities of late: a tendency to make unaffordable promises to the elderly and other politically powerful groups; a tendency toward polarization, which immobilizes governments even in the face of devastating problems (Brooks, 2010).

For some liberals the contradiction is so blatant that they seek to understand, like Robert Reich, why capitalism is 'killing democracy:'

Capitalism, long sold as the yin to democracy's yang, is thriving, while democracy is struggling to keep up. China, poised to become the world's third largest capitalist nation this year after the United States and Japan, has embraced market freedom, but not political freedom. Many economically successful nations—from Russia to Mexico—are democracies in name only. They are encumbered by the same problems that have hobbled American democracy in recent years, allowing corporations and elites buoyed by runaway economic success to undermine the government's capacity to respond to citizens' concerns (Reich 2007, 38-9).

Reich sees this antagonism as both anomalous and something that can be corrected; Luxemburg shows it to be systemic and inescapable. She points out that bourgeois political and legislative systems are products of bourgeois revolution: 'Every legal constitution is the product of a revolution. In the history of classes, revolution is the act of political creation, while legislation is the political expression of the life of a society that has already come into being' (2008, 89). And further, capitalist rule is distinct from previous forms of class rule because it is expressed economically:

What distinguishes bourgeois society from other class societies—from ancient society and from the social order of the Middle Ages? Precisely the fact that class domination does not rest on 'acquired rights' but on *real economic relations*—the fact that wage labour is not a juridical relation, but purely an

economic relation. In our juridical system there is not a single legal formula for the class domination of today (90).

The capitalist 'bias' in politics is more than simply the existence of corporate lobbying, funding of candidates, and the presence of corporate executives in office and vice versa (though these are admittedly overwhelming): the fundamental class relations are the bed rock of capitalist society, not limited to the legal or political superstructure.

This is something that has been exposed by the British Petroleum (BP) Deepwater Horizon oil spill in the Gulf of Mexico, a colossal environmental catastrophe where corporate power is blatantly at odds with public and environmental welfare, and government regulation is all but non-existent. The interpenetration of government and corporate power is visible in everything from the regulation agencies which rubber-stamped BP's plans, to the industry interests of individual members of the investigative commission (Republican William K. Reilly, formerly of the Environmental Protection Agency, board member of ConocoPhillips, DuPont, and Energy Future Holdings) or judges (Martin Feldman, with an investment history in Transocean, Halliburton, and others). This event has led some left commentators, such as Paul Street, to revisit the Marxist critique of bourgeois democracy:

It might seem a 'paradox' that the rise of large scale industrial capitalist tyranny—characterized by the massive top-down command and systematic exploitation of labour and related gross, authoritarian, democracy-disabling economic inequality—coincided with the expansion of formal democracy (universal suffrage, free political parties and associations and speech, etc.) across the West. (Street, 2010)

Street cites Ellen Meiksins Wood's 1995 book, *Democracy Against Capitalism*: 'Capitalism, she observed, is different from previous and other class systems and modes of production...in that it is characterized by a fundamental division between the political and the economic' (Street 2010). Luxemburg's systemic analysis is *more* pertinent now than a century ago, while Bernstein's prediction that democracy would consistently spread as capitalism developed seems hopelessly naïve and outdated.

Socialism From Below

The difference between Bernstein and Luxemburg again can be located in the latter's materialist method that mitigates against the former's impressionism. While Bernstein accepts the appearance of a neutral state, Luxemburg always keeps in mind the inescapable underlying class antagonism. Luxemburg responds to Bernstein's impatience with Marx's 'dualism:'

What is Marx's 'dualism' if not the dualism of the socialist future and the capitalist present? It is the dualism of capitalism and labour, the dualism of the bourgeoisie and the proletariat. It is the scientific reflection of the dualism existing in bourgeois society, the dualism of the class antagonism writhing inside the social order of capitalism (79).

Luxemburg consistently takes the perspective of the oppressed class, while Bernstein, in his acceptance of the universality of capitalist society, takes that of the bourgeoisie:

[Bernstein] thinks he succeeds in expressing human, general, abstract science, abstract liberalism, abstract morality. But since the society of reality is made up of classes, which have diametrically opposed interests, aspirations, and conceptions, a general human science in social questions, an abstract liberalism, an abstract morality, are at present illusions, pure utopia. The science, the democracy, the morality, considered by Bernstein as general, human, are merely the dominant science, dominant democracy, and dominant morality, that is bourgeois science, bourgeois democracy, bourgeois morality (1908, 98-9).

That Bernstein sides with the ruling class accounts also for his elitism and palpable distaste for workers. In *Evolutionary Socialism* he writes:

We cannot demand from a class, the great majority of whose members live under crowded conditions, are badly educated, and have an uncertain and insufficient income, the high intellectual and moral standard which the organisation and existence of a socialist community presupposes (Bernstein, 1899).

Bernstein can only imagine reforms as the act of the enlightened few, such as himself, and Social Democratic representatives in government: he

anticipates the 'socialism from above' described by Hal Draper more than half a century later in his *Two Souls of Socialism*:

What unites the many different forms of Socialism-from-Above is the conception that socialism (or a reasonable facsimile thereof) must be handed down to the grateful masses in one form or another, by a ruling elite which is not subject to their control in fact.

Luxemburg embodies the other side of the equation:

The heart of Socialism-from-Below is its view that socialism can be realized only through the self-emancipation of activated masses 'from below' in a struggle to take charge of their own destiny, as actors (not merely subjects) on the stage of the history. "The emancipation of the working classes must be conquered by the working classes themselves:" this is the first sentence in the rules written for the First International by Marx, and this is the First Principle of his life-work.

Luxemburg insists on 'the conquest of political power by a great conscious popular mass' (95), not as a minority act 'on behalf of' the working class.

The Labour of Sisyphus

These polar positions are played out in Luxemburg's discussion of trade unions. The reformist position was captured by Konrad Schmidt, who predicted that 'the trade-union struggle for hours and wages and the political struggle for reforms will lead to a progressively more extensive control over the conditions of production,' and 'as the rights of the capitalist proprietor will be diminished through legislation, he will be reduced in time to the role of a simple administrator' (quoted in Luxemburg, 1908, 55). Schmidt's error, Luxemburg explains, is in mistaking superficial gains for labour, such as wage increases or limits on the working day, as 'social controls' that are little pieces of socialism. But in fact, while unions may negotiate the terms of wages and exploitation in isolated incidences, 'trade unions cannot suppress the law of wages...They have not...the power to suppress exploitation itself', not even gradually:

[T]he scope of trade unions is limited essentially to a struggle for an increase of wages and the reduction of labour time, that is to say, to efforts at regulating capitalist exploitation as they are made necessary by the momentary situation of the world market. But labour unions can in no way influence the process of production itself (1908, 57).

Where reformists see increasing potential for long term permanent gains for workers through reforms, Luxemburg instead sees the limitations: 'the fact is that trade unions are least able to execute an economic offensive against profit. Trade unions are nothing more than the organized *defense* of labour power against the attacks of profits' (1908, 82). While trade unions can give workers bargaining power in specific instances over wages and conditions, these gains are partial, and have to be won over and over again. Luxemburg captured this reality in the famous metaphor comparing union work to the labour of Sisyphus, the mythological king doomed to repeatedly roll a huge stone to the top of a hill only to see it roll back down again. Ultimately trade unions have no power over the capitalist mode of production itself.

The intervening century in the United States has certainly confirmed this judgment, with periods of immense gains for organized labour such as in the 1930s, but then periods of defeats, such as the 1980s. One hundred years later, the fundamental rights being fought for at the turn of the 20th century—the eight-hour workday, abolition of homework and piecework, complete observance of Sunday rest, recognition of the right to unionize—are still not possessed by workers in the most advanced capitalist nations. To take one example of many, Upton Sinclair famously documented the atrocities of the meat packing industry in Chicago in 1906; those abuses were largely wiped out after decades of labour activism. But in the wake of the de-unionization of the meat industry, many of the same conditions have returned to the plants now located in the mid-west and employing Asian and Latino rather than Eastern European immigrants. And of course in 'low wage' factories in Mexico and China—and, due to the criminalization of immigrants, in sectors of industry within the United States—workers face conditions akin to those of England's early industrial revolution.

Luxemburg's grasp of trade unions' powerlessness to tame capitalism is accompanied by an appreciation nonetheless of their necessity, and a strategy for trade union work that has profound implications for labour activists today. Luxemburg makes a crucial distinction between a revolutionary approach (which she identifies as the official SPD position) and a reformist approach (seen in Bernstein and his allies, and in the trade union bureaucracy), to trade union and more broadly political labour work:

According to the present conception of the party, trade-union and parliamentary activity are important for the socialist movement because such activity prepares the proletariat, that is to say, creates the *subjective* factor of the socialist transformation, for the task of realizing socialism. But according to Bernstein, trade-union and parliamentary activity gradually reduce capitalist exploitation itself. They remove from capitalist society its capitalist character. They realize *objectively* the desired social change (66).

Luxemburg elaborates an approach taken by the trade-union officialdom in *The Mass Strike*:

The specialization of professional activity as trade-union leaders, as well as the naturally restricted horizon that is bound up with disconnected economic struggles in a peaceful period, leads only too easily, among trade-union officials, to bureaucratism and a certain narrowness of outlook (*Mass Strike* 177).

Luxemburg further identifies 'the overvaluation of the organization, which from a means has gradually been changed into an end in itself,' an 'openly admitted need for peace, which shrinks from great risk and presumed dangers to the stability of the trade unions,' 'the overvaluation of the trade-union method of struggle itself,' and the tendency to 'lose the power of seeing the larger connections and of taking a survey of the whole position' (177). All of this leads to a narrow focus on 'economic' issues and the pursuit of political 'neutrality.'

Now on the one hand Luxemburg is engaging in a time and place specific polemic against the increasingly powerful bureaucracy within the new and massive legal union movement in Germany, but on the other hand much of what she elaborates is much more broadly applicable. The union movement within the United States has moved through its own specific history, experiencing extreme lows and heights of strength and influence. The post world war two period both witnessed the high point of union membership (33% of the workforce in the 1950s), but also the development of business unionism and with McCarthyism, purging of communists and socialists from the movement. While labour-management 'cooperation' once accompanied high wages and good benefits within unionized industries, capital's offensive from the mid 1970s led to a steady decline in unionization and weakening of labour's bargaining power to its current low point (12% of the workforce today), as described by Kim Moody:

The quarter century-old retreat that followed the turning point of the early 1980s has left a trail of declining living and working standards for union and nonunion workers alike. It has turned collective bargaining on its head—from a front for economic and social gains across a broad range of issue to a means of retreat, sometimes orderly, sometimes not. Far from taming the lion of employer aggression, it has encouraged still more demands for lower labour costs and the slumping living standards that follow (Moody 2007, 2).

In the wake of these developments, the 21st century American labour movement is characterized by starkly opposing strategies: what Moody calls ‘bureaucratic corporate unionism,’ taking the long dominant tactics of business unionism—a top down organizational model, labour-management cooperation, concessionary bargaining—to new levels:

This new direction is a step beyond business unionism in its centralization and shift of power upward in the union’s structure away from the members, locals, and workplace; its fetish with huge administrative units; and its almost religious attachment to partnerships with capital. We call it corporate unionism because its vision is essentially administrative, its organizational sensibility executive rather than democratic, and its understanding of power market-based and, hence, shallow (196).

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And against this is what is variably called ‘social movement’ or ‘social justice’ or ‘class struggle’ unionism, espoused by rank and file labour activists scattered throughout workplaces across the country: the ‘democratic social movement unionism born of struggle with the employers’ (197).

Bureaucratic unionism distrusts the membership, appeals to an imaginary ‘lowest common denominator,’ avoids ‘controversial’ political stances, and sees union activity in itself as the end. Social justice unionism, in contrast, often emerges from, or is strengthened by, political issues outside of specific workplaces. The ‘Day Without Immigrants’ actions of May 1 2006 featured widespread strikes and mass protests bringing millions out on to the streets across the United States of America. While certainly workplace issues and demands contributed, the primary source of this activism was the struggle to defend and extend immigrant rights. The epic battle of the National Union of Healthcare Workers in California against the bureaucratized Service Employees International Union (SEIU) stems as much from a desire for democracy, transparency, and worker control within the union as it does from workplace issues. Social

movement unionism is also making itself felt in the workforce with the highest percentage of unionization in the nation: public teachers. The official leadership of the National Education Association (NEA) and the American Federation of Teachers (AFT) hew to a well-worn bureaucratic approach, oriented to the Democratic Party and accepting the terms of budget cuts and attacks on teachers in the name of 'accountability' and test scores. But a new reform movement within the teachers' unions is challenging this orthodoxy. The recent election victory for the Caucus of Rank-and-File Educators (CORE) group in Chicago stemmed from an alternative strategy that goes beyond the immediate workplace to consider larger political questions, and to build solidarity with students and parents.⁴ *Reform or Revolution* contains invaluable lessons for this new generation of labour activists.

Reform or Revolution

Luxemburg insists that socialists cannot 'counterpose' reform and revolution, but that rather there is an 'indissoluble tie' between the two, the struggle for reforms being an essential means to the end of revolutionary transformation. Bernstein reversed the Marxist equation when he declared: 'The final goal, no matter what it is, is nothing; the movement is everything.' Luxemburg shows that another crucial substitution has also taken place:

People who pronounce themselves in favor of the method of legislative reform *in place and in contradistinction* to the conquest of political power and social revolution do not really choose a more tranquil, calmer, and slower road to the *same* goal, but a *different* goal. Instead of taking a stand for the establishment of a new society they take a stand for surface modifications of the old society (90).

The reformist strategy thus throws out the possibility of revolution; it is also less able to actually win reforms. And when social democracy comes to power in government, it will only be able to manage the system, not change it. The record of social democracy in office throughout the twentieth century has repeatedly confirmed Luxemburg's analysis, from Germany's SPD in world war one through to Britain's New Labour at century's end.

⁴ The election speech by new president Karen Lewis can be read in the CORE newsletter: <http://coreteachers.com/2010/06/13/karen-lewis-ctu-president-elect-acceptance-speech/>

One of Luxemburg's claims that is obviously incorrect is her optimistic comment that 'Bernstein's theory was the *first*, and at the same time, the *last* attempt to give a theoretic base to opportunism' (102); instead countless versions have replaced his. In the United States in the absence of any major socialist or labour party, the Democrats have long claimed the mantel of 'party of the people' and, in the words of Lance Selfa, 'played the role of the party that appeals to immigrants, the oppressed, and working-class Americans with the promise of policies that increase economic and social opportunity,' while in fact functioning as the 'graveyard of social movements' (Selfa 2008, 9). Many of Luxemburg's arguments again are of great value in understanding the role of the Democrats: the class character of the state, legal, and political systems; the fact that oppression and inequality are embedded in capitalism; the dominance of bourgeois ideas.

But perhaps the most pertinent of all is Luxemburg's identification of the fundamental elitism at the heart of reformism, its assumption that only a professional minority can achieve reforms 'on behalf of' the oppressed masses. The same logic is at work in the argument that only through electing a Democrat can workers achieve union rights, defend access to abortion, secure immigrant protections, or safeguard the environment. Luxemburg's response, that only the 'popular masses themselves, *in opposition* to the ruling classes' can transform capitalist society (102) has been confirmed over time. Certainly every major progressive reform won in the course of the century in the United States was the result of independent grass roots mass movements. As the late Howard Zinn was wont to say, 'the really critical thing isn't who is sitting in the White House, but who is sitting in.' And globally major structural shifts, such as the overthrow of apartheid in South Africa, or the neoliberal rebellion across Latin America, have been the result of mass working class activity.

The material preconditions for socialist revolution emphasized by Luxemburg are more prevalent now than in her lifetime: the global working class is far bigger and more productive than in Luxemburg's day; the socialization of production has intensified as capitalism has become more globalized and interlocked; 'just in time' production makes capitalism particularly vulnerable to strike action. Now a group of workers in one plant or region can have a disproportional impact on a large-scale operation. In just this way the recent strike of 2000 workers at a Honda components manufacturing plant in Foshan shut down all of the multinational's plants across China.

The 'increased organization and consciousness of the proletarian class, which constitutes the active factor in the coming revolution' (45) did not grow steadily, culminating in world revolution in a short time frame. Luxemburg always stressed that this was not a foregone conclusion:

[I]t is impossible to imagine that a transformation as formidable as the passage from capitalist society to socialist society can be realized in one happy act...Socialist transformation supposes a long and stubborn struggle, in the course of which, it is quite probable, the proletariat will be repulsed more than once (95).

The heightened inequalities stemming from the Great Recession have provoked mass working class responses in countries as far apart as Guadeloupe, Iceland, Thailand, and France. The celebrated trends predictor Gerald Celente was widely quoted for his account of the fallout: 'This is a 21st century rendition of the "workers of the world unite". The people are fully aware of the enormous bailout going to the 'too big to fails' that they are being forced to pay for. The higher the taxes go, the more jobs that are lost, the greater the levels of protest' (Amies 2010).

Socialism or Barbarism.

The scale and depth of the crises rocking our globe return us to Luxemburg's stark opposition. As Paul Street put it recently:

The barbarism has already begun and the fight is now both against that and for mere survival. The corporate state is leading us on a death march at an ever-escalating pace. Deepwater and Bhopal are us. It will not do to tinker around the edges in response. Only revolution can save the Earth (Street, 2010).

Capitalism is routinely presented as inevitable, natural, and superior throughout all major social institutions in the United States of America. As Robert McChesney and John Bellamy Foster write: 'Perhaps nothing points so clearly to the alienated nature of politics in the present day United States as the fact that capitalism, the economic system that drives the society, is effectively off-limits to critical review or discussion' (McChesney 2010). And yet people's experiences inevitably collide with the ideology. Polls from Pew Research Center, Gallup, and Rasmussen suggest increasingly unfavorable attitudes towards capitalism: only a slim majority report a positive view of capitalism, while from twenty per cent to more than a third report a positive view of socialism. Clearly the definition of

'socialism' here is highly variable, and none of these results demonstrate a mass turn to Marxist politics. But they do indicate that large numbers of Americans reject the idea repeated daily that capitalism is the best and the only imaginable social system. And periodically that dissatisfaction translates in to collective action: the factory occupation by workers at Republic Windows and Doors; the Equality Across America protests; the March 4th day of action for public education in California and elsewhere.

Kim Moody concludes *US Labour in Trouble and Transition* with the possibility of a renewed movement: 'The hope for the next upsurge is that there is a clearer vision with a wide enough base and an experienced grassroots leadership to push beyond the limits of the ideology, practice, and personnel of business unionism in its old and new forms' (246-7). If the long period of working class defeat is to be reversed, the lessons of our revolutionary history must be learned again. Luxemburg describes the task of socialists:

The union of the broad popular masses with an aim reaching beyond the existing social order, the union of the daily struggle with the great world transformation, that is the task of the social democratic movement, which must logically grope on its road of development between the following two rocks: abandoning the mass character of the party or abandoning its final aim, falling into bourgeois reformism or into sectarianism, anarchism, or opportunism (102-3).

Socialists working in our very different environment must help rebuild the 'labour-radical sub-culture:' participate in struggles where they break out, and bring Marxist ideas and history with them. The works of Rosa Luxemburg have much to teach us in this ongoing process.

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SPECIAL SECTION ON ROSA LUXEMBURG'S POLITICAL ECONOMY

The Current Relevance of Rosa Luxemburg's Thought

ESTRELLA TRINCADO

History of Economic Thought, Complutense University of Madrid. Madrid, Spain

Abstract

This article insists upon the current relevance of Rosa Luxemburg's thought. Luxemburg had a sensibility ahead of her time and, faithful to her dreams of revolutionary change, she searched for an open society. This leftist revolutionary did not believe in the contingency of individual freedom. Instead, she argued for movement and development over time as a perpetual objective of the globalized masses. Luxemburg sought a new type of socialism and even a new way of thinking. The basic idea of her political conception was the opening of the revolutionary horizon, a willingness to learn new things. Thus, she learned from classical economics and, at the same time, she was able to criticize them. Luxemburg anticipated many current economic theories that enable us to understand the contemporary crisis. Finally, some conclusions are drawn, taking stock of Luxemburg's theories and life.

Resumé:

Cet article reconnaît la pertinence et l'actualité de la pensée de Rosa Luxemburg. Luxemburg avait une sensibilité en avance sur son temps et, fidèle à ses rêves de transformation révolutionnaire, elle cherchait une société ouverte. Cette révolutionnaire de gauche n'a pas cru à la contingence de la liberté individuelle et a suggéré que le mouvement et le développement dans le temps étaient un objectif permanent des masses mondialisées. Luxemburg cherchait un nouveau socialisme et même une nouvelle manière de penser. L'idée de base de sa conception politique était l'ouverture de l'horizon révolutionnaire et une volonté d'apprendre de nouvelles choses. Ainsi, elle a appris de l'économie classique tout en montrant en même temps sa capacité à les critiquer. Luxemburg a anticipé plusieurs théories économiques d'aujourd'hui qui nous permettent de comprendre la crise actuelle. En fin, quelques conclusions sont tirées, faisant le point des théories et de la vie de Luxemburg.

Estrella Trincado is Lecturer in History of Economic Thought in the *Complutense University of Madrid*. She is a specialist in Rosa Luxemburg's thought and in the doctrine of classical economists. She has attended conferences (Madrid, Santiago, Dublin, Porto, Wuhan) and published academic articles establishing a link between Luxemburg's life and thought and tracing the classical economic origin of Luxemburg's thought (see *Research in Political Economy* 2004, *Información Comercial Española* 2009, *Mujeres Economistas* 2007, Ecobook). She can be reached at: estrinaz@ccee.ucm.es.

Estrella Trincado est maître de conférences en histoire de la pensée économique à l'Université Complutense de Madrid. Elle est spécialiste de la pensée de Rosa Luxemburg et de la doctrine des économistes classiques. Elle a participé à de nombreux colloques (Madrid, Santiago, Dublin, Porto, Wuhan) et a publié des articles universitaires qui établissent un lien entre la vie et la pensée de Luxemburg et font émerger le lien entre celle-ci et l'économie classique (voir *Research in Political Economy* 2004, *Información Comercial Española* 2009, *Mujeres Economistas* 2007, Ecobook). Elle peut être contactée à estrinaz@ccee.ucm.es.

Key Words:

alienation • classical economists • current crisis • openness • Rosa Luxemburg

Mots-clés:

aliénation • économistes classiques • crise actuelle • ouverture • Rosa Luxemburg

Recently, Rosa Luxemburg's thought has become especially relevant. For instance, the current economic crisis may be explained through the Luxemburgian thesis. According to Luxemburg, stock market or housing bubbles are a consequence of the fact that capitalism is not aimed at satisfying needs. Rather, its only aim is to create value: not to produce consumer products, but to make profit perpetually. The system creates great inequality, hunger and the relative dominance of speculative or financial economics. It is based on unemployment or unstable employment, militarism, the control of public opinion and the loss of citizens' decision-making capacities and ability to participate in shaping a desirable future.

Moreover, recent imperialist wars, such as those in Iraq and Afghanistan, have made the figure of Luxemburg current again. Her antimilitarism was a key element of her thought: she opposed the First World War and she was co-opted by movements in the 60's and 70's as an emblem, especially as a critic of the Vietnam War. Although this may seem strange with an internationalist author, antiglobalization movements have used Luxemburg's image¹. Luxemburg argued that capital gain is only possible if we include consumers external to the capitalist system: the time will come when the extension of capitalism will make this system unfeasible and, if all the world is capitalist, the final crisis will occur and the system will be replaced with a truly international one, in the good sense of the word.

Finally, Rosa Luxemburg has been in the news again: according to German authorities, the remains found in the forensic Institute of Berlin have led to the exhumation of a beheaded corpse which could be the remains of the assassinated revolutionary. It seems that the body buried the year of her assassination was not hers: it lacked the hip defect that she

¹ See Drainville (2005), Slavin (2006) or Löwy (2009). Schütrumpf (2007) regards Luxemburg as highly modern and relevant today; she is increasingly popular with globalization critics, particularly in Latin America. In the 1980s critics of globalization on the left saw it as a new form of imperialism that relies on economic domination rather than direct military conquest. Thus, anti-imperialists began to focus on opposing globalization, and they contributed to giving birth to the present-day antiglobalization movement. In Germany, where there is a resurgence of interest in Marxism, Luxemburg also looks ripe for a renaissance.

suffered, with one leg longer than the other.² Subsequent tests have determined that the corpse found recently was that of a woman between forty and fifty years of age, who had suffered from osteoarthritis and whose legs were of different lengths. The previous corpse lacked the rifle butt blows that Luxemburg received on the head or the shot in the head that is supposed to have caused her death. Conversely, the body found in Berlin shows obvious signs of drowning, according to *Der Spiegel*, with missing extremities since weights were tied to Luxemburg's hands and feet before she was thrown into the canal: when the water froze, the limbs would have separated.

However, Rosa Luxemburg refused to go through life acting like a victim, and we are not going to victimize her. Perhaps avoiding that victimization was the key to avoiding discrimination as a woman – certainly, being a woman did not hurt her as much, for instance, as her hip defect. That does not mean that her sex was not a constraint on her activity and to disseminating her ideas. It took another woman, Joan Robinson, who in 1951 published Rosa Luxemburg's most well-known book, *The Accumulation of Capital*, to admit in a fifteen-page introduction that she was the first to study an economic subject as important as the inducement-to-invest. Luxemburg created a theory of capitalism's dynamic development, anticipating twentieth century growth models by emphasizing the growth of effective demand (Trincado 2001).

In this article, we seek to demonstrate Luxemburg's far-sighted sensibility and, defying any tendencies to victimize her, we emphasize her current relevance. As a dialectic materialist, practice and theory was for her one and the same; her own life and political struggles are perfectly coherent with her theory. She faced life and resisted, struggling against the 'givens' of nationalism, bureaucratized union and party politics, and the supposed inevitability of capitalism: this was her work of art. Luxemburg remained faithful to her dreams of a revolutionary change, searching for an open society and fighting against the endogamy she found in her way. In so doing, she created a new concept of alienation. Luxemburg emphasized movement and development in time as a perpetual objective of the globalized masses. At the same time, Luxemburg proposed an open

² When she was two years old, Luxemburg fell ill and doctors diagnosed tuberculosis, which proved to be a hip inflammation that was not correctly treated. As a result, the joint did not fit well and Rosa walked with a slight limp for the rest of her life. In the course of time, that limp was to make it easier for the police to identify her every time she took part in demonstrations and when she was forced to flee.

economic theory that anticipated many concepts mobilized to understand the current economic crisis. Finally, some conclusions shall be drawn, taking stock of Luxemburg's theories and life.

Against Endogamy

As a child in the little Polish town of Zamosc, Rosa Luxemburg showed herself to be an idealist; she dreamt of a revolutionary change: 'My ideal is a world where I could love everybody in peace. In pursuit of that goal, maybe once I will need to learn how to hate' (Seidemann 2002, 9). She wrote this inscription in 1887, when she was seventeen years old, on the back of a photo she gave to a classmate for high school graduation.

Her studies acquainted her with the writings of Adam Smith and other moral philosophers, and her bent led her to radical writers, such as Marx and Engels. While still a student, she became actively involved in politics. There, in her twenties, she met Leo Jogiches, a twenty three-year-old political organizer. He trained her in revolutionary practice. However, they had differences in their understanding of revolutionary organization and their relationship suffered under the strain of Luxemburg's professional success. Professional life finally won and Jogiches and Luxemburg separated when she finished *The Accumulation of Capital* (Frölich 1972).

Although Jogiches did not accompany Luxemburg, her idealism did and she always sought the advent of that Utopian world in which 'our worlds will not be reduced to searching for the property of our home as we will feel the whole world as our home' (Luxemburg 1914, 4-5). To the end, she followed her libertarian principles and, although she defended social revolution, she also displayed a spark of genius at the outbreak of the first Russian revolution when she became indignant at how it was unfolding. This is because Rosa Luxemburg defended a *Mensch*, a 'true human being' with an open mind, very different from that of her male comrades. From prison, she wrote: 'Being a true human being means happily throwing one's life "on fate's great scale" if necessary, but, at the same time, enjoying every bright day and every beautiful cloud. Oh, I can't write out a prescription for being a true human being' (Luxemburg to Emanuel and Mathilde Wurm, 12/28/16, in Luxemburg (1993, 173)).

Luxemburg searched for openness in theory and practice, fighting against the endogamy she found in her life (Trincado 2004). For instance, although Marxist scholars typically understate Luxemburg's involvement in feminism, Luxemburg sought to collaborate with women's liberation movements and defended the role of women in revolution. Though it was

not strange for socialist women to distrust women's suffrage (as was the case in Spain with Victoria Kent), Rosa Luxemburg called for women's suffrage, linking it at all times with the broader issue of general liberation. Her friendship with Clara Zetkin, founder of the women's liberation movement as a mass labour movement, was crucial. However, Zetkin decided to focus on organizing women, while Luxemburg extended her range of interests. In a situation of general oppression, her concerns could not be centered only on women. But Luxemburg helped the women's movement by collaborating with the journal *Equality*, which was edited by Zetkin. In 1907, she participated in the International Conference of Socialist Women and stressed the importance of women having their own voice heard (Dunayevskaya 1982). She knew well about being doomed to remain silent: although she was the editor of the social democrat journal, when she arrived in Germany in 1898 she found that the male members of the party were not willing to grant her the same powers they had allowed her male predecessor. Her complaints to Bebel did not improve the situation and shortly afterwards she resigned, although she did not make this issue a part of what was then called the 'women's question'. In party controversies, when disagreement with the core of the orthodox leadership of Bebel and Karl Kautsky emerged in 1910-11, the latter spoke with a special sarcasm that no male opponent would have had to endure. Finally, members of the socialist party tried to limit her work to the women's question. However, she emphatically refused to let herself be classified.

Luxemburg also faced and rejected the endogamy of nationalism. In her thesis *The Industrial Development of Poland*, for which she was awarded a PhD in Philosophy and Law from the University of Zurich in 1897, she criticized nationalistic reconcentration (Luxemburg 1977). In 1772, Poland fell under Russian domination. There were several Polish insurrections that were bloodily repressed. Only following the Treaty of Versailles after the First World War, was Poland made independent. In her thesis, Luxemburg demonstrated that Russian Poland had become so dependent on the Russian market that the political demands for independence were unrealistic. Her opposition to the independence of Poland was not very popular among the nationalistic Polish Socialists. The fact that she objected to the self-determination of Poland could only lead to her isolation from the socialist Party, as Lenin shows (1963a, 1963b, 1963c, 1963d, 1963e). Some Party comrades, she claimed, used to say that a woman's place was in the home. But, in fact, as Cliff (1960) remarks, in the final analysis, by not supporting Polish independence Luxemburg was following the spirit of

Marx and Engels. The latter defended Polish independence because they sought internationalism. Luxemburg criticized Polish independence, but for the same reason.

Like Marx and Engels, Luxemburg did not want to accept an absolute criterion for judging the struggles for national independence. In 1848, Marx and Engels thought that the enemies of the democratic revolutions were Czarist Russia and the Austria of the Hapsburg dynasty. The independence of Poland might create a barrier to both. But over time, Czarist Russia began to totter, and in Russia a socialist revolution was taking place. At that moment, there was no influential social force in Poland interested in national independence. Since internal Polish forces could not achieve independence, the support of an imperialistic power would be necessary. In addition, neither Poles nor Russians could topple the Czar by themselves, so the only solution was the unity of Polish and Russian workers. Consequently, at that historic moment, Luxemburg argued that Polish independence was not a progressive force.

But Rosa Luxemburg also faced the endogamy of unions. Her clash with unions began when *Reform or Revolution* was published in 1900 (Luxemburg 1937), a short essay condemning revisionist theories of Marx's texts and the theories of her peers, such as Eduard Bernstein (1923). Although they were Marxists, adherents of revisionist theories believed that capitalism had more survival potential than Marx supposed and argued that it could be modified to obtain a redistribution of income and wealth. They defended reform brought about through constant pressure by the unions and cooperatives of producers and consumers. Against this, Rosa Luxemburg asserted that a possible evolutionary route to socialism was a renunciation of socialism, since the system of wage-earning work would still exist. To claim that capitalism will not collapse is to say that socialism is not historically necessary, thereby thwarting the hopes of Marxism and suggesting the feasibility of a permanently alienated reality. Finally, and more importantly, Rosa Luxemburg affirmed that Marx, and the classic economists before him, had demonstrated that redistribution laws do not achieve social improvement: low wages depend on unavoidable economic factors, not on human laws. These can even create a resistance to change that harms workers as a whole, although in the short term it benefits particular workers.³

³ Through the early 1900s Luxemburg was engaged in a continuous struggle from the left against a reformist current in the German SPD; she was concerned about bureaucratization and control by right wing elements of the trade union movement (see Frolich (1972, 74-76),

Later, Rosa Luxemburg also had to fight against the endogamy of the Party. After the Russian Revolution of 1905 (a trial run for the one in 1917), Luxemburg moved to Poland, where the issues more typical of her thought, like the question of working class spontaneism and organization, were paramount. In the revolution, the organization of everything became fundamental, and the administration gave signs of wanting to increase the power of trade union leaders in the party, a conservative force in Luxemburg's view. She saw spontaneity as the revolutionary way of opposing this union bureaucracy, arguing that revolutionary action must imply a real movement of the masses and not of the narrow framework of the Social-Democratic Party and of the union apparatus. 'Freedom only for the supporters of the government, only for the members of one party – however numerous they may be – is no freedom at all. Freedom is always and exclusively freedom for the one who thinks differently' (The Russian Revolution 1922, in Waters (1970, 389)). Not only was union leadership conservative but, in addition, it was only concerned with organized workers, not with non-organized ones, from the so-called *lumpen proletariat* (the poorest urban layers excluded from the direct production process) to artists, who are as revolutionary as the proletariat, in Luxemburg's view. For Luxemburg, the unions' only purpose should be as midwife to the emergence of workers' revolutionary conscience.

Later, Luxemburg would break with Kautsky when she wrote *The Mass Strike, the Party and Trade Unions*, where she not only questioned the union leadership but also the relationship between Marxist leadership and spontaneity (Luxemburg 1907). The proletariat of a backward country, Russia, had shown itself to be more advanced than the workers of the technically advanced countries, which should have slowly accumulated experience over the years. Spontaneity not only meant instinctive action against conscious political direction, but a driving force and a moderating influence. 'In short, in the mass strike in Russia, the element of spontaneity plays such a predominant part, not because the Russian proletariat is "uneducated" but because revolutions do not allow anyone to play the schoolmaster with them' (quoted in Hudis and Anderson 2004, 198). Rosa Luxemburg elaborated a revolutionary strategy, but with special emphasis on the intellectual development of the proletariat, seen as an unlimited and

and Hudis and Anderson (2004, 168-199)). She continued her struggle against unions in Luxemburg (1906;1907).

long-lasting resource, and therefore as the most precious contribution to the revolution.⁴

Finally, Rosa Luxemburg also looked for “openness” in the world of knowledge. In 1907, the German Social Democratic Party (the SPD) founded a school in Berlin and Luxemburg became a teacher of political economy. She enjoyed teaching the subject so much that she began to write a book based on her classes, *Introduction to Political Economy*. The book is not complete, since many of its chapters are lost, but it was published posthumously in 1925. During the production of this elementary Marxian text, Luxemburg encountered insoluble difficulties with Marx's work and model. As Nye (1994, 228) points out, Luxemburg's criticism of Marx's framework for capital accumulation shows a specific understanding of the problem of knowledge. For Luxemburg, only human commitment permits a coherent grasp of social reality. Frameworks can be written down, but there is no reason to think that they represent reality unless formulas are constantly referred back to experience. Knowledge may be stored in the form of representations, but to retain relevance requires active and ongoing engagement with the changing physical and social reality. In this sense, the process is open-ended, giving rise to a not yet completed universal system of immutable truths.

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A New Concept of Alienation

As argued in Trincado (2004, 250-251), the aim of all this spontaneism and search for openness was to achieve liberation from alienation. But, Luxemburg's understanding of alienation differed from Marx's, perhaps in part because of her experiences as a woman. Alienation has been defined as the product of an activity splitting away from the activity itself and ending up controlling it, so that the agent does not see himself in the activity. But, in the final analysis, what do philosophers of alienation seek? Rosa Luxemburg's answered: they seek the opening to the deep, free unalienated ego, from which spontaneous action and creativity emerges. A new form of socialism emerged from the perspective of the deep ego that was largely critical of Stalinism. This socialism proposed to break

⁴ We must say that, in spite of her spontaneist theory, Rosa Luxemburg was not denying the difficulties of organization that the revolutionaries faced in opposing an absolutist regime. What she objected to was making a virtue of necessity and then turning it into a real principle. She called this concept of organization “ultracentralist”. It was necessary, she said, to rethink the concept of permanent revolution, linking it to the independent and direct action of the masses, without losing hope of achieving an organization that enabled the revolution to be a success.

alienation by seeking Husserl's living present, an approach that goes beyond representative thought, opposes the oblivion of being, and is based on a concept of objectivity that thwarts current relativism and post-modernist philosophy. It is a 'present' in which reality is revealed and, as her experiences in prison suggest, it is presence understood as a gift. This present has a lot to do with poetry and the arts.

Art captivated Luxemburg: she worked as a literary columnist and even painted (Luxemburg 1981). In painting, she thought that depth and perspective were the most difficult elements to express. In literature she had a taste for classical writing but also loved the popular, realist, anti-Utopian authors engaged with the problems of society. To Luxemburg, they showed reality with simplicity and elegance and aroused feelings of indignation, compassion or affection in the reading process. Writing itself has to emerge every day from the feelings of the moment, in order to find the proper words that will touch others' hearts and express enthusiasm at every moment (Seidemann 2002, 75). That applies to political writings, as well: as Nettl points out, the gutless state of Party journalism was obvious to Rosa Luxemburg. 'I do not like the way party affairs are written up... everything so conventional, so wooden, so repetitive' (Nettl (1966, 147): Seidel letters, N^o 1 (15), Berlin, 23 June 1898). She promised herself not to forget that, in political writing, it is absolutely necessary to perceive the importance and truth of the whole text. Literature should be read in a true-life predisposition, to arrive at each conclusion through a personal path of reflection. In particular, for Luxemburg, literature must be, and is, an expression of the philosophy of history and, in this way, could inspire revolutionary feelings to well up from the depths of memory and encourage the liberation of the proletarian *aesthetic* sensibility, worn down by work (Luxemburg 1981, 43).

Luxemburg defended a liberation of the masses via clear thinking within a luminous existence, where art, language, bureaucracy, fear and power do not extinguish life in all its different shapes. In her stay in prison from 1914 to 1918, she wrote very revealing letters. They show a warm woman, without resentment, passionate about life, who found pleasure in looking at a flower, who tenderly described a flock of birds in the park or was fascinated by geology and poetry, by light and shadows. Experiences in life could be cruel or happy, but Luxemburg always lived without fear, not even fearing death. Maybe she was finally able to answer her own literary question about a Tolstoi story: before dying, Ivan Ilich achieved a luminous conscience that allowed him to conquer his fear of death and physical pain. About this, Luxemburg asked: 'Could that (experience) be better defined?

How have you interpreted it?' (Letter to Konstantin Zetkin, 6 August 1909 in Luxemburg (1981, 175)). There is another heartwarming fragment from a letter from prison to Sophie Liechknecht. Luxemburg thought finding a butterfly, which had been desperately beating its wings against the window pane for two or three days, an incredible experience. It only showed by the slight movement of its wings that it was alive:

Involuntarily, I spoke out loud to the butterfly, saying, 'Just listen how merrily the bird is singing; you must take heart, too, and come to life again!' I could not help laughing at myself for speaking like this to a half-dead butterfly, and I thought: 'You are wasting your breath!' But I wasn't, for in about half an hour the little creature really revived; after moving about for a while, it was able to flutter slowly away. I was so delighted at his rescue! (Wroncke, May 1917; Luxemburg (1969, 33-4).

The Movement and the Ego

As Haug (1992) observes, Luxemburg's vocabulary always refers to movement, to masses in perpetual change, gathering together and moving forward, active and hopeful, creators and victims of their own history, open to the continuous fluidity of passing time. 'In general, the political tactics of social democracy is not something that may "be invented". It is the product of a series of great creative acts of the often spontaneous class struggle seeking its way forward' (Luxemburg 1971, 100-2). In her writing, Luxemburg rejected sterile habit and inertia. Moreover, Luxemburg did not believe in the contingency of individual freedom. In her thought, the search for real freedom was related to the idea of 'the whole', based on Hegel's philosophy. 'The true subject to whom this role of director falls is the collective ego of the working class, which insists on its right to make its own mistakes and to learn the historical dialectic by itself' (Luxemburg 1972, 306). Luxemburg fought against the idea of an isolated subjective *ego* (see, for instance, Luxemburg (1971, 300)). The subjectivists themselves described this *ego* as reactive or passive: it opposes the reality beyond itself instead of acting freely in a communicative unity or totality. For Luxemburg, seeking mass liberation under conditions of Marxian historical necessity negates tendencies towards personalization and hero worship. Instead, the scope of the ego is amplified, beyond the personal will to include the collective whole. The ego itself is only developed in time.

Lukács (1968, 27-45) pointed out that Luxemburg's approach allowed greater openness and receptiveness to the non-organized masses and to new ways of spontaneous organization. Participation and the

masses' own initiative is the irreplaceable source of new ways of struggling against power and against the bureaucratization of political movements. Only experience is capable of correcting and opening new paths, Luxemburg (1972, 246) says. In this sense, the masses alone can provide new organizational and representative methods, which cannot be foreseen by a central bureau understood as a separate corpus distinguished from the unorganized mass. Given intellectuals' thirst for power, Luxemburg saw this undemocratic organizational conception as the greatest danger for Russian Social Democracy and for Lenin's theory (Luxemburg 1971, 302). For her, the arrival of communism had to be based on historical necessity, not on the voluntary action of social democratic politics. Conversely, Lenin's organization was rooted in a subject-based theory in which the Socialist Party was to play the decisive role, and opportunities would emerge from the Party's actions.⁵

Therefore, although mass action is normally associated with a lack of control, for Luxemburg the spontaneity of the masses is not a state of anarchy. It is a non-directed, undisciplined, and in this respect self-conscious, response by the masses to tense social relations. Class conscience is the effect of revolutionary practice. Ultimately, the working class must learn historical dialectics itself. Luxemburg fights against 'the dictatorship of politicians, which is a dictatorship in the bourgeois sense', where 'time after time, an elite invites the working class to meetings; the latter must applaud the leaders' speeches, and approve their proposed resolutions unanimously' (Luxemburg 1972, 247). Dialogue is not only a way of revealing human desires, but an end in itself, as it opens the world to uncertainty. The basic idea of this political conception is the 'interiority' of a self-transformation, the opening of the revolutionary horizon, the perpetual willingness to learn new things, even from simple or cruel events. However, as we have said, this does not mean that Luxemburg believed in the contingency of individual freedom: undoubtedly, she was not a liberal orthodox but an historic-materialistic. She makes fun of the

⁵ Zarembka (2003) says that, in fact, Lenin's economics seems not to be Marxist. His 'state capitalism' admitted the possibility of using capitalist methods in the factory, e.g., adopting Taylorism to promote Soviet industrial development, disregarding the active role of workers in technology or the consequences for workers of a major separation between mental and manual work or of the bureaucratization of work. As Mattick (1935) points out, though Luxemburg and Lenin had set themselves the same task against reformism and for the overthrow of capitalist society on a world-wide scale, their ways for pursuing this goal diverged; and they remained at odds on decisive questions of revolutionary tactics and on many questions of revolutionary principle.

materialists who consider history to be Bentham's panopticon prison, a mechanical superstructure that will lead the passive masses. But, she then goes on, 'the unconscious comes before the conscious.'⁶ The logic of the historical process comes before the subjective logic of the people who take part in the historical process' (Luxemburg 1972, 102).

Economics

As we have said, Luxemburg maintained that Marx did not satisfactorily demonstrate that pure capitalism could continue growing in a totally capitalist world: this argument is the central thesis of her most well-known book, *The Accumulation of Capital: Contribution to an Economic Explanation of Imperialism* (1913). In this work, like Marx, Luxemburg criticizes the classical economists' affirmation that there is no direct relation between production and consumption, Say's famous law. In the Marxian model, a massive quantity of goods is produced that will not find buyers because workers earn low wages. Indeed, many of the masses live in very poor conditions, in part because segments of the working class have been replaced by machines, forming a lumpen proletariat excluded from production processes and wage labour. Capitalists do not consume. Rather, they re-invest the surplus, for example, in revolutionizing the means of productions, to increase production and so profits and support capital accumulation. Value produced in capitalist society is not used by workers or by capitalists, but by 'capital'. But, according to Luxemburg, the problem with Marx's work is that it was centered on investment -- the accumulation of capital. Marx tried to demonstrate quantitatively that constant economic expansion was possible in a capitalist economy, although there would be crises. According to Luxemburg, in Marx's arithmetical model, very special assumptions must be made. The problem that she found, in particular, was the inducement-to-invest. Where would demand come from to support the new investment? In a society with constantly accumulating capital, investment will only be guaranteed if there is a continuously expanding market for the goods produced: capitalists will not continue producing and investing if they cannot sell their output at a profit. To achieve a constant

⁶ 'Regarding the historical materialism that maintains that the economic factors are the *only* causes of development, I'm convinced that it has only a mythical existence in your own brain. Materialists that maintain that economic development goes through the lanes of history, more or less, as a satisfied locomotive, while politics, ideology, etc. follow it passively... you will not find that type of theoreticians even in the remotest of Russian territories... and if you find such a guy, display him in gallery of the wax museum (Robert Seidel, Berlin, 15-VIII-1898 in *Luxemburg* (1981, 134)).

accumulation of capital we must have 'a stratum of buyers outside the capitalist company', a process achieved through imperialism and the exploitation of non-capitalist countries, or rather, pre-capitalist countries (colonies or independent nations). The capitalist countries export their economic crises and the non-capitalist countries provide markets for the surplus of goods produced in the developed countries, while the production of the underdeveloped countries is displaced. This increases profits and provides employment at home. Nevertheless, the postponement of economic crises cannot last forever. Unless markets and profitable wars expand indefinitely, global overproduction is inevitable. Capitalism needs other economic systems and yet it tends to become universal, so it is doomed to self-destruction due to its internal contradictions, as Marx said (Trincado 2010).

After the First World War, when in jail and with the certainty of being right on the issue of the distribution and subordination of some countries to others, Rosa Luxemburg would write the Second volume, *The Accumulation of Capital, or What Epigones Have Made of Marx's Theory. An Anti-critique*, which would answer the criticisms of her first volume.

Some argue Rosa Luxemburg had simply introduced one more stage, imperialism, in the necessary advent of Marxian socialism. But for her, accumulation is now not only an internal relation between capital and work, rather it is between the capitalist and the non-capitalist environment. For Luxemburg, the market determines production. She emphasized the effective demand that is necessary to production (Dunayevskaya 1982). For Marx, the 'gravedigger' of capitalism was the proletariat and the only actor capable of generating value within the capitalist system. In Luxemburg's case, this revolutionary actor is not located inside capitalism, but outside, in the non-capitalist strata (Trincado 2007): she gives new importance to the colonized masses, and not only the proletariat, both in maintaining the capitalist system and in overcoming it through struggles for socialism.

On the other hand, the concept of surplus value is of critical importance in Rosa Luxemburg's theory of value (Luxemburg 2003, chapter one). However, her definition of surplus value is not different from classical economists' profit: a reward for risk and remuneration for abstinence from consumption, that is, savings. This remuneration from savings coincides with the interest rate. Luxemburg's theory likewise maintains the idea of compensation for abstinence from consumption. It is possible to organize work without saving. Credit and borrowing replaces

the need for savings and the interest rest is the best indicator of the capitalist's desire to invest without saving.

What really distinguishes Luxemburg's theory from that of classical economists is the concept of capital. According to Luxemburg, the real purpose and driver of capitalist production is not to obtain surplus value in general, in any quantity, but unlimited surplus value, in increasing larger quantities. That is to say, to accumulate capital. The difference between extended reproduction and simple reproduction lies in that in the latter the capitalist class consumes the whole surplus value, whereas, in the former, part of the surplus value is subtracted from the personal consumption of their owners, not to be hoarded but to be turned into active capital, to be capitalized. According to Luxemburg, extended reproduction (the increase of production beyond immediate needs) is the rule in any social historical formation if there is to be economic and cultural progress. But capital advanced by capitalists is divided into two parts: one that represents their expenses in the means of production and the other invested in wages. Marx calls the first part, which translates its value to the product by means of the labor process, constant capital; the second, which increases through the appropriation of unpaid labor, he labels the variable part of capital. In particular, the composition of the value of goods produced in the capitalist system is expressed by the formula $c + v + s$, where c is constant capital; v , variable capital or the capital invested in wages; and s surplus value, the increase of value for a not fully paid part of wage-earning labor (Luxemburg 2003, 10). In the social forms of the natural economy, extended reproduction refers to the mass of articles of consumption: consumption is the aim of production. But in the capitalist system, production is not directed to satisfying needs; its aim is the creation of value, not the production of consumer articles, but surplus value. The production of goods does not constitute an end for the capitalist producer, but a means to obtain surplus value.⁷

Breaking down the Marxist equation, v expresses the fact that in a given society the universal form of production is commodity production. Luxemburg says that it means that in capitalism workers are "free" in a double sense: formally free in person and free of access to the means of

⁷ Adam Smith, for example, does not include constant capital in his concept of value. The real wealth is in net revenue, not in gross revenue and net revenue is extracted eliminating the expenses of maintenance of machines and means of production, that is to say, fixed capital, and circulating capital (Smith 1977, book II). This is precisely the problem of capital that Ricardo (1817) advanced, being capital the time needed to obtain returns from the investment.

production. However, in capitalism, v tends to be reduced to the physiological and social minimum necessary for the existence of workers, and s tends to grow at the cost of v and in proportion to it. The wage-earning worker only has to do what the businessman tells him and produces an object that belongs to the businessman. The capitalist will try to increase his surplus value by prolonging the hours of work and reducing wages. The result will depend on the relation of forces between capitalists-workers. And, as Marx himself says:

The bargain concluded, it is discovered that he was no 'free agent,' that the time for which he is free to sell his labor-power is the time for which he is forced to sell it... For 'protection' against 'the serpent of their agonies', workers must put their heads together, and, as a class, compel the passing of a law, an all-powerful social barrier that shall prevent the very workers from selling, by voluntary contract with capital, themselves and their families into slavery and death. (Marx 2007, 330).

Thus, Rosa Luxemburg and Marxists incorporate the concept of capital as a productive force and clarify the difference between labor as a commodity and other commodities. Finally, they insist that the productive force of capital places us on a confusing wheel that leads us to the cyclical crises inherent in capitalism:

Capitalist reproduction, however, to quote Sismondi's well-known dictum, can only be represented as a continuous sequence of individual spirals. Every such spiral starts with small loops which become increasingly larger and eventually very large indeed. Then they contract, and a new spiral starts again with small loops, repeating the figure up to the point of interruption. This periodical fluctuation between the largest volume of reproduction and its contraction to partial suspension, this cycle of slump, boom, and crisis, as it has been called, is the most striking peculiarity of capitalist reproduction (Luxemburg 2003, 7).

As she did not accept the possibility that this uncertainty was permanent, Luxemburg tried to demonstrate that a final crisis would occur and she suggested her new path out of capitalism.

Luxemburg, however, lacks the concept of uncertainty. The deterministic time of dialectical materialism does not conceive of uncertainty. At least not as Knight (1921) put it: he distinguished between risk (a randomness the probability of which can be calculated) and 'uncertainty' (a randomness the probability of which cannot be calculated).

For Luxemburg surplus value - profit – is achievable in predictable labor (Luxemburg 2003, 11). But capitalist economics is full of uncertainties, not least since it is not only based on objective costs but on inter subjective elements and, as Soros (2008) puts it, on reflexive values. Prices not only depend on what I wish or want, but also on what you think about this wanting or wishing. The statement 'I am your enemy' only has sense at an inter-subjective level.

Conclusion

Rosa Luxemburg was ahead of her time. She based her proposals for change on learning from the past and hope for the future and, in so doing, her thought anticipated current theories that enable us to understand the present moral, social and economic crisis. The open society that Luxemburg imagined is certainly more idealistic than the one achieved, or even typically thought of, in Western societies. However her concept of movement and her political insistence on openness to a revolutionary horizon is of particular use for informing but also explaining mass actions in recent decades.

Luxemburg fought theoretically against endogamy and the isolation of the ego. She also fought against the endogamy and exclusion she encountered in her own life, whether feminist, nationalist, by unions or the Party and even in the world of knowledge... Many of her demands for women's liberation have been achieved. Yet, her experiences as a woman remind us that feminism can also be exclusive and prone to victimization. Her positions on nationalism can be used to counter nationalist demands and re-assess struggles for the recognition of differences and cultural identity based on belonging within a particular, socially defined group. Her experiences within the party and her theories of spontaneity still constitute a criticism to current non participative democracies, but they take on their full meaning after the fall of the Berlin wall in 1989. Luxemburg did not understand socialism without democracy, nor dictatorship as a way of liberation. The success of the Leninist-type 1917 Revolution destroyed any subsequent desire of the working class to establish real socialism. Finally, her theories of subjectivity and objectivity in politics and in the arts clearly relate to contemporary post-modernism concerns and thwart moral and philosophical relativism, by rooting the ego in collective, material history, in the praxis of struggle rather than in the singular, isolated individualistic ego of liberal thought and practice.

Luxemburg's new path out of capitalism is based upon a new philosophy and a new conception of the present -- and it brings new hopes

to society. The socialism of her time was a disappointment for these hopes: she was murdered at the hands of her comrades, by a local paramilitary group probably obeying orders from Noske, the Home Secretary of the Social-Democratic Government. But society has a new opportunity to make sense of Luxemburg contributions and aspirations.

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SPECIAL SECTION ON ROSA LUXEMBURG'S POLITICAL ECONOMY

Rosa Luxemburg and the Global Violence of Capitalism

PAUL LE BLANC

Department of History and Political Science, LaRoche College. Pittsburgh, Pennsylvania, United States

Abstract:

Rosa Luxemburg's pungent honesty is evident in her critical-minded and 'unorthodox' analysis of the economic expansionism of imperialism that arose out of *the accumulation of capital*. Despite an idiosyncratic reading and critique of Marx's *Capital*, she sought to defend and advance the revolutionary perspectives of classical Marxism. Criticisms and counterpoised analyses offered by Rosdolsky, Bukharin, Lenin, and Robinson have not diminished what are generally seen as brilliant contributions. Militarism, war, and inhumanity are perceived as essential to imperialism in her analyses, and imperialism is seen as central to the nature of capitalism. Luxemburg's account of global economic development reflect impressive economic insight, historical sweep, and anthropological sensitivity that impress critics as well partisans.

Résumé :

Le franc parler de Rosa Luxemburg est évident dans ses analyses critiques et 'hétérodoxes' de l'expansionnisme économique de l'impérialisme qui a émergé de l'accumulation du capital. Malgré une lecture idiosyncratique et critique du *Capital* de Marx, elle cherchait à défendre et à avancer les perspectives révolutionnaires du marxisme classique. Les critiques et contre-analyses offertes par Rosdolsky, Boukharine, Lénine et Robinson n'ont pas diminué des contributions communément admises comme brillantes. Dans ses analyses, le militarisme, la guerre et l'inhumanité sont perçues comme essentiels à l'impérialisme et l'impérialisme occupe une place centrale dans la nature du capitalisme. La description du développement économique mondial par Luxemburg montre une acuité économique impressionnante, un sens de l'histoire, et une sensibilité anthropologique qui ont impressionné ses critiques comme ses partisans.

Keywords

capitalism • economics • imperialism • Marxism • socialism

Paul Le Blanc is professor of history at La Roche College. He has written books on Marx, Gramsci, Lenin and Luxemburg, among others, as well as on the working class history of the United States. Recent publications include articles and reviews in *Historical Materialism*, *International Labor and Working Class History*, *International Viewpoint*, *Labour/Le Travail*, *Monthly Review*, *New Politics* and *Working USA*. He may be reached at La Roche College, Pittsburgh, PA 15237, United States.

Paul Le Blanc est professeur d'histoire à La Roche College. Il a écrit des livres sur Marx, Gramsci, Lénine et Luxemburg, entre autres, ainsi que sur l'histoire de la classe ouvrière aux Etats-Unis. Parmi ses publications récentes on trouve des articles et des critiques de livres dans *Historical Materialism*, *International Labor and Working Class History*, *International Viewpoint*, *Labour/Le Travail*, *Monthly Review*, *New Politics*, *Working USA*. Il peut être joint à La Roche College, Pittsburgh, PA 15237, Etats-Unis.

Mots-clés

capitalisme • économie • impérialisme • marxisme • socialisme

Rosa Luxemburg sought to keep her balance – as any serious revolutionary must – with a pungent honesty and a lively sense of humor.

By the time she was in her mid-forties, she confessed to an intimate friend that ‘in theoretical work as in art, I value only the simple, the tranquil and the bold. This is why, for example, the famous first volume of Marx’s *Capital*, with its profuse rococo ornamentation in the Hegelian style, now seems an abomination to me (for which, from the Party standpoint, [Luxemburg joked] I must get 5 years’ hard labor and 10 years’ loss of civil rights....).’ She hastened to add that Marx’s economic theories were the bedrock of her own theoretical work, but also emphasized that her ‘more mature’ work was in ‘its form...extremely simple, without any accessories, without coquetry or optical illusions, straightforward and reduced to the barest essentials; I would even say ‘naked,’ like a block of marble.’

Delving into theoretical questions -- explaining the economic expansionism of imperialism that arose out of *the accumulation of capital*, which became the title of her 1913 classic -- was a creative labor through which ‘day and night I neither saw nor heard anything as that one problem developed beautifully before my eyes.’ The process of thinking -- as she slowly paced back and forth, ‘closely observed by [her cat] Mimi, who lay on the red plush tablecloth, her little paws crossed, her intelligent head following me’ -- and the actual process of writing combined as an experience of trance-like and profound pleasure (Bonner 1993, 185, 204).¹

Yet this was someone for whom -- despite her banter about Hegel -- dialectical thinking came most naturally. Applying the dialectical approach to her economic studies, Luxemburg understood capitalism as an expansive system driven by the dynamic of accumulation. Capital in the form of money is invested in *capital* in the form of raw materials and tools and labor-power, which is transformed -- by the squeezing of actual labor out of the labor-power of the workers -- into *capital* in the form of the commodities thereby produced, whose increased value is realized through the sale of the commodities for more money than was originally invested, which is the *increased capital* out of which the capitalist extracts his profits,

¹ Roman Rosdolsky, while agreeing with Georg Lukács that she was ‘a genuine dialectician,’ comments that Luxemburg ‘sometimes overlooked the dialectical content hiding behind Marx’s “Hegelian style,”’ resulting in a lack of understanding of Marx’s methodology in *Capital* that led to her own flawed critique of that work (Rosdolsky 1989, 492-493).

only to be driven to invest more capital for the purpose of achieving ever greater capital accumulation.

Luxemburg's analysis of the capital accumulation process involves a complex (for some, an overly-complex) critique of the second volume of Marx's *Capital*. According to Luxemburg, there is a methodological problem with how Marx approaches the analysis of capitalism – creating what she sees as an insoluble contradiction. Marx, she asserts, posits an abstract individual capitalist, rather than the actual 'aggregate social capital,' and he also posits an abstract society composed only of capitalists and workers; she also castigates Marx's 'reproduction schemes' (showing the relationship of capital goods used for industrial production and consumer goods) in that second volume, scoffing at the notion that 'this untiring merry-go-round in thin air could be a faithful reflection in theory of capitalist reality' (Luxemburg 1951, 335).

Not all have been charmed by such alluring irreverence. Roman Rosdolsky in his magisterial *The Making of Marx's 'Capital'* (1989) argues that Luxemburg (along with many other would-be Marxists of that time) failed to comprehend the complexity and sophistication of Marx's method in *Capital*. Specifically, she missed the fact that the first two volumes of *Capital* 'do not go beyond the analysis of 'capital in general' whereas the third volume does and therefore represents the transition to the analysis of 'many capitals' and their interaction with one another, i.e. capital 'in its reality'. In fact, Rosdolsky insists, her analysis suffered from a 'complete neglect of Marx's category of "capital in general"' and its role in the abstraction of 'a pure capitalist society' which yield a far richer analysis than Luxemburg's assumptions allow for. According to Rosdolsky, 'the 'bloodless fiction' for which Luxemburg rebukes Marx is none other than the study of the social reproduction process in the context of 'capital in general' (1989 66-67, 67, 71).

Yet even one of her severest critics, the Russian Marxist Nikolai Bukharin, hailed Luxemburg's analysis as 'a daring theoretical attempt' and 'the deed of a brilliant theoretical intellect' (Bukharin 1972,268). This refers to what Rosdolsky himself praises as 'the valid kernel of her book,' (1989, 72) *The Accumulation of Capital* (1951, first published 1913). Her resolution of what she considered to be problems of Marx's analysis involved focusing on the global dynamics of the capitalist system and arguing that a voracious imperialism, along with its handmaidens militarism and war, are at the heart of capitalist development. As Harry Magdoff once put it, 'imperialism is not a matter of choice for a capitalist society; it is the way of life of such a society' (1969, 26). This was in

dramatic contrast to the optimistic gradualism of such reformists as Eduard Bernstein whose 'revisionist' perspectives, challenging Marx's revolutionary theories, had gained considerable influence in the socialist movement. But it was also in contrast to the 'orthodox' Marxism personified by Karl Kautsky – who increasingly propagated a somewhat static understanding of Marx's perspective while inclined to see imperialism in terms far less grim than Luxemburg would allow for.

Luxemburg offers an incisive economic analysis of imperialism. There are several distinctive features of Luxemburg's analysis that sets it off from that of other leading Marxist theorists – Rudolf Hilferding, Nikolai Bukharin, and V.I. Lenin. She makes a great deal of the co-existence in the world of different cultures, different types of society, and different modes of production (or forms of economy – different economic systems). Historically the dominant form of economy worldwide was the communal hunting and gathering mode of production, which was succeeded in many areas by a more or less communistic agricultural form of economy which she characterized as a primitive 'peasant economy.' This was succeeded in some areas by non-egalitarian societies dominated by militarily powerful elites, constituting modes of production that she labeled 'slave economy' and 'feudalism.' Sometimes co-existing with, sometimes superseding these was a 'simple commodity production' in which artisans and farmers, for example, would produce commodities for the market in order to trade or sell for the purpose of acquiring other commodities that they might need or want. This simple commodity mode of production is different from the capitalist mode of production, which is driven by the already-described capital accumulation process, overseen by an increasingly wealthy and powerful capitalist minority (Luxemburg 1951, 325, 368-9).

Three features especially differentiate the analysis in *The Accumulation of Capital* from the perspectives of other prominent Marxists:

1) Luxemburg advances a controversial conceptualization of imperialism's relationship to the exploitation of the working class in the advanced capitalist countries. Because workers receive less value than what they create, they are unable to purchase and consume all that is produced. This under-consumption means that capitalists must expand into non-capitalist areas, seeking markets as well as raw materials and investment opportunities (particularly new sources of labor) outside of the capitalist economic sphere.

'Non-capitalist organizations provide a fertile soil for capitalism,' she noted, which means that 'capital feeds on the ruins of such

organizations, and, although this non-capitalist milieu is indispensable for accumulation, the latter proceeds, at the cost of this medium nevertheless, by eating it up'. Penetration into non-capitalist economies facilitate the capital accumulation process, but capitalist accumulation 'corrodes and assimilates' these economies. This constituted a new contradiction: 'capital cannot accumulate without the aid of non-capitalist organizations, nor, on the other hand, can it tolerate their continued existence side by side with itself. Only the continuous and progressive disintegration of non-capitalist organizations makes accumulation of capital possible'. The inevitable tendency this leads to will be 'the standstill of accumulation,' which 'means that the development of the productive forces is arrested,' leading to capitalist collapse (Luxemberg 1951, 416, 417). (We will see that Luxemburg did not conceive of this leading to a painless transition to socialism, but rather to the desperate escalation of militarism and war.)

2) Another distinctive quality of her conceptualization of imperialism is that it is not restricted to 'the highest stage' or 'latest stage' of capitalism. Rather, imperialism is something that one finds at the earliest beginnings of capitalism – in the period of what Marx calls 'primitive capitalist accumulation' – and which continues non-stop, with increasing and overwhelming reach and velocity, down to the present. Or as she puts it, 'capitalism in its full maturity also depends in all respects on non-capitalist strata and social organizations existing side by side with it,' and 'since the accumulation of capital becomes impossible in all points without non-capitalist surroundings, we cannot gain a true picture of it by assuming the exclusive and absolute domination of the capitalist mode of production'. Quoting Marx, she concluded: 'The historical career of capitalism can only be appreciated by taking them together. "Sweating blood and filth with every pore from head to toe" characterizes not only the birth of capital but also its progress in the world at every step, and thus capitalism prepares its own downfall under ever more violent contortions and convulsions'. This meant, on the international arena, 'colonial policy, an international loan system -- a policy of spheres of interest -- and war. Force, fraud, oppression, looting are openly displayed without any attempt at concealment, and it requires an effort to discover within this tangle of

political violence and contests of power the stern laws of the economic process' (Luxemburg 1951, 364-5, 452-3).²

3) Another special feature of Luxemburg's contribution is her anthropological sensitivity to the impact of capitalist expansion on the rich variety of the world's peoples and cultures that one cannot find in the key works of Hilferding, Lenin, and Bukharin.

The survey of capitalist expansionism's impact in her *Accumulation of Capital* includes such examples as:

- the destruction of the English peasants and artisans;
- the destruction of the native-American peoples (the so-called Indians);
- the enslavement of African peoples by the European powers;
- the ruination of small farmers in the mid-western and western regions of the United States;
- the onslaught of French colonialism in Algeria;
- the onslaught of British colonialism in India;
- British incursions into China, with special reference to the Opium wars;
- the onslaught of British colonialism in South Africa (with lengthy reference to the three-way struggle of black African peoples, the Dutch Boers, and the British).

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'Each new colonial expansion is accompanied, as a matter of course, by a relentless battle of capital against the social and economic ties of the natives,' she wrote, 'who are also forcibly robbed of their means of production and labor power.' Observing that 'from the point of view of the primitive societies involved, it is a matter of life or death,' she noted that the invariable consequence involved 'permanent occupation of the colonies by the military, native risings and punitive expeditions are the order of the day for any colonial regime.' The economic underpinnings of such realities was always emphasized: 'Their means of production and their labor power no less than their demand for surplus products is necessary to capitalism,' Luxemburg wrote. 'Yet the latter is fully determined to undermine their independence as social units, in order to gain possession of their means of

² While the English translation of Luxemburg's book makes reference to Chapter XXIV of *Capital*, it is part VIII (Chapters XXVI to XXXIII) in which one finds discussion of 'primitive accumulation' in Marx (1967).

production and labor power and to convert them into commodity buyers.’ But the destructive impact of all this on the cultures of the world’s peoples was emphasized by Luxemburg as by no other Marxist theorist of her time: ‘The unbridled greed, the acquisitive instinct of accumulation must by its very nature take every advantage of the conditions of the market and can have no thought for the morrow. It is incapable of seeing far enough to recognize the value of the economic monuments of an older civilization’ (Luxemburg 1951, 370, 371, 372, 376).

These strengths in Luxemburg’s analysis were drawn together, two years later, in the eloquent anti-war polemic composed from a prison cell:

Capitalist desire for imperialist expansion, as the expression of its highest maturity in the last period of its life, has the economic tendency to change the whole world into capitalistically producing nations, to sweep away all superannuated, pre-capitalistic methods of production and society, to subjugate all the riches of the earth and all means of production to capital, to turn the laboring masses of all zones into wage slaves. In Africa and in Asia, from the most northern regions to the southernmost point of South America and the South Seas, the remnants of old communistic social groups, of feudal society, of patriarchal systems, and of ancient handicraft production are destroyed and stamped out by capitalism. Whole peoples are destroyed, ancient civilizations are leveled to the ground, and in their place profiteering in its most modern forms is being established.

This brutal triumphant procession of capitalism through the world, accompanied by all the means of force, of robbery, and of infamy, has one bright phase: it has created the premises for its own final overthrow, it has established the capitalist world rule which, alone, the socialist world revolution can follow. This is the only cultural and progressive aspect of the great so-called works of culture that were brought to the primitive countries. To capitalist economists and politicians, railroads, matches, sewerage systems, and warehouses are progress and culture. Of themselves such works, grafted upon primitive conditions are neither culture nor progress, for they too dearly paid for with the sudden economic and cultural ruin of the peoples who must drink down the bitter cup of misery and horror of two social orders, of traditional agricultural landlordism, of super-modern, super-refined capitalist exploitation, at one and the same time (Luxemburg 1970, 325).

As suggested above, it can be argued that capitalism is more complex, more dynamic than Luxemburg allows.³ Beyond this, there is more truth than she seems aware in her assertion that ‘the accumulation of capital, as an historical process, depends upon non-capitalist social strata and forms of social organization.’ Non-capitalist regions of the globe are certainly the target of capitalist penetration and degradation for the sake of maximizing profits – but such penetration is also relentlessly taking place in the multifaceted non-capitalist aspects of our lives and environment, within highly developed capitalist countries. The destructive profiteering expansion not only into the cultures and lives of people in economically ‘under-developed’ economies but also into the cultures of lives of people who live highly developed economies. ‘Capital needs the means of production and the labor power of the whole globe for untrammelled accumulation,’ Luxemburg wrote. ‘It cannot manage without the natural resources and the labor power of all territories’ (1951, 365-366). This is true of *all territories* indeed, including the territories of our bodies, our family life, our friendships, our creative drives, our sexuality, our dreams, and multiple community and social and cultural activities -- all of which are permeated by pre-capitalist and non-capitalist dimensions and energies even in expanding global regions where an advanced capitalist economy predominates.

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Indeed, in perhaps a less comprehensive way, elements of such understanding informed earlier critics of Luxemburg’s analysis. In 1924 Nikolai Bukharin, one of the outstanding economists in the newly-arisen world Communist movement (before its bureaucratic-authoritarian degeneration had fully crystallized), noted that – as Luxemburg herself insisted – ‘capitalism was already conducting ravaging colonial policies at a very early stage of its development.’ But *inside* of the capitalist countries, during this early period, there were still plentiful “non-capitalist” sectors of the population – ‘peasants, small craftsmen, etc. What need was there to wander to distant lands? . . . Resting on the ground of her own theory, Rosa Luxemburg cannot possibly answer this question’. Bukharin went on to insist that capital, ‘in hunting for maximum profits, . . . looks for *cheaper* labor and, at the same time, *the highest rate of exploitation*’ (Bukharin 1972, 248).

Luxemburg’s very definition of imperialism was challenged. ‘Imperialism is the political expression of the accumulation of capital,’ she

³ See Rosdolsky (1989, 63-72, but especially 66-67). An excellent discussion can also be found in Kowalik (1990, 247-253). Worth consulting, as well is Howard and King (1989, 106-115).

wrote, 'in its competitive struggle for what remains still open for the non-capitalist environment' (Luxemburg 1951, 446). Exclaiming that 'here we are faced with a whole pile of various mistakes,' Bukharin elaborated:

Firstly, capital has always fought for 'remains' (a more than unprecise term). Secondly, it follows from this definition that a fight for territories that have *already* become capitalist is not imperialism, which is utterly wrong. Thirdly, it follows from the same definition that a fight for already 'occupied' territories is not imperialism either. Again, this factor of the definition is utterly wrong. The whole definition suffers from the basic fault that it treats the whole problem without any regard to the necessity of a specific characterization of capital as *finance capital* (Bukharin 1972, 253).

This last comment alludes to the more expansive analysis of imperialism developed by Russia's revolutionary Marxists – the Bolsheviks (above all Bukharin himself as well as Vladimir Ilyich Lenin) – in the early years of World War I. 'Imperialism is a policy of conquest,' Bukharin had insisted in his 1915 work *Imperialism and World Economy*. 'But not every policy of conquest is imperialism. That is why, when we speak of imperialism as the policy of finance capitalism, its conquest character is self-understood; at the same time, however, we point out what production relations are being reproduced by this policy of conquest.' Bukharin added that 'we imply highly developed organisms and, consequently, a certain scope and intensity of world relations; in a word, we imply the existence of a developed world economy; by the same token we imply a certain state of production relations, of organizational forms of the economic life, a certain interrelation of classes, and also a certain *future* of economic relations, etc., etc.' (Bukharin 1972a, 114-5). In his 1916 work *Imperialism, the Highest Stage of Capitalism*, Lenin offered a conception no less multi-faceted, involving 'the capitalist threads, which in thousands of different intercrossings' bind the global economy 'into an instrument for oppressing a thousand million people (in the colonies and semi-colonies), that is, more than half the population of the globe that inhabits the dependent countries, as well as the wage-slaves of capital in the 'civilized' countries' (Lenin 2008, 237)⁴

Given that her *Accumulation of Capital* appeared in 1913, that her *Anti-Critique* defense was composed while she was in prison in 1915, and

⁴ This quote from Lenin is from a 1920 preface to the French and German editions of Lenin's work.

that she was killed by right-wing death squads at the beginning of 1919, Luxemburg had no opportunity to consider these contributions by Lenin and Bukharin. Her polemics were not aimed at fellow revolutionaries in Russia or elsewhere. Rather, she was contending with elements in the socialist movement who believed negative features of capitalism could gradually be reformed away, as well as those self-defined 'orthodox Marxists' who veered away from revolutionary commitments.

Paul Sweezy shrewdly cites Luxemburg's comment that a conception of 'limitless of capital accumulation' will mean that 'the sold soil of objective historical necessity is cut from under the feet of socialism' (Sweezy 1968, 207). Her analytical preference tilted her toward the notion that not only were non-capitalist portions of the globe necessary for the accumulation process, but that once these were inevitably incorporated into the global capitalist economy, the accumulation process would break down – propelling the laboring masses to socialist revolution. It cannot be denied, however, that the tendency of 'limitless capital accumulation,' although rejected by Luxemburg, has asserted itself in ways that dramatically undermined the revolutionary socialist outcomes that she anticipated.

Regardless of powerful criticisms leveled at Luxemburg's *Accumulation of Capital*, her discussion of the workings and impacts of imperialism clearly retain considerable validity. Modern economist Joan Robinson once commented, after an extremely critical survey of *The Accumulation of Capital*, that 'for all of its confusions and exaggerations, this book shows more prescience than any orthodox contemporary could claim' (Robinson 1951, 28).⁵

The importance of foreign investment and foreign aid, the process of 'modernization,' the role of the World Bank and International Monetary Fund, are all anticipated in her discussion of 'international loans.' Noting the dramatic increase in 'the world-wide movement of capital, especially in Asia and neighboring Europe: in Russia, Turkey, Persia, India, Japan, China, and also in North Africa,' she observed that economically developing areas – particularly newly independent countries – become targets for foreign

⁵ Robinson (1951) felt that Luxemburg 'garbles' and 'brushes away' aspects of Marx's argument, is too prone to treat some economists 'with a good deal of sarcasm' and to 'dismiss them as useless,' also complaining that she 'neglects the rise of real wages,' focuses too exclusively on economic imperialism as the source of capital accumulation, and that in general Luxemburg's 'argument streams along bearing a welter of historical examples in its flood, and ideas emerge and disappear again bewilderingly' (20, 22, 28)

loans that while 'indispensable for the emancipation of the rising capitalist states ... are yet the surest ties by which the old capitalist states maintain their influence, exercise financial control and exert pressure on the customs, foreign and commercial policy of the young capitalist states.' Luxemburg observed that modernization schemes, such as railroad construction, irrigation projects, etc., 'almost exclusively served the purposes of an imperialist policy, of economic monopolization and economic subjugation of the backward communities,' devastating the original economic and cultural patterns and relationships, drawing increasing numbers of people into the embrace of the capitalist market. She also observed that 'there was an element of usury in every loan, anything between one-fifth and one-third of the money ostensibly lent sticking to the fingers of the European bankers.' Asking 'how-were the means to come from' that would pay off the mounting debts, she pointed to the intensifying exertions and rising tax burdens of the peasant masses and laboring poor. 'Although it became evident at every step that there were technical limits to the employment of forced labor for the purposes of modern capital, yet this was amply compensated by capital's unrestricted power of command over the pool of labor power, how long and under what conditions men were to work, live and be exploited' (Luxemburg 1951, 419-20, 421, 434, 435).

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No less dramatic is her perception of the economic role of militarism in the globalization of the market economy:

Militarism fulfils a quite definite function in the history of capital, accompanying as it does every historical phase of accumulation. It plays a decisive part in the first stages of European capitalism, in the period of the so-called 'primitive accumulation', as a means of conquering the New World and the spice-producing countries of India. Later, it is employed to subject the modern colonies, to destroy the social organizations of primitive societies so that their means of production may be appropriated, forcibly to introduce commodity trade in countries where the social structure had been unfavorable to it, and to turn the natives into a proletariat by compelling them to work for wages in the colonies. It is responsible for the creation and expansion' of spheres of interest for European capital in non-European regions, for extorting railway concessions in backward countries, and for enforcing the claims of European capital as international lender. Finally, militarism is a weapon in the competitive struggle between capitalist countries for areas of non-capitalist civilization (Luxemburg 1951, 454).

But more than this, military spending 'is in itself a province of accumulation,' making the modern state a primary 'buyer for the mass of products containing the capitalized surplus value,' although in fact – in the form of taxes -- 'the workers foot the bill' (Luxemburg 1951, 455).

In fact, the workers 'foot the bill' of militarism in more ways than one – which Luxemburg emphasized in her 1915 *Junius Pamphlet*, noting that 'the world war is a turning point in the course of imperialism,' when 'for the first time, the destructive beasts that have been loosed by capitalist Europe over all other parts of the world have sprung, with one awful leap, into the midst of the European nations.' Integral to this was 'the mass destruction of the European proletariat. ... Millions of human lives were destroyed in the Vosges, in the Ardennes, in Belgium, Poland, in the Carpathians and on the Save; millions have been hopelessly crippled. But nine-tenths of these millions come from the ranks of the working class of the cities and the farms. It was our strength, our hope that was mowed down there day after day, before the scythe of death.' Emphasizing that not only was the World War 'a blow ... against capitalist civilization of the past, but against socialist civilization of the future,' she concluded: 'Here capitalism reveals its death's head, here it betrays that it has sacrificed its historic right of existence, that its rule is no longer compatible with the progress of humanity' (Luxemburg 1970, 325-326, 327).

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Much has happened since Luxemburg wrote these lines. But what she had to say so many years ago has resonated in the subsequent history of the twentieth century, and in the realities of globalization that we face in the twenty-first.

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REVIEW ESSAY

Honour Songs and Indigenous Resistance

DEBORAH SIMMONS

University of Manitoba

Simpson, Leanne and Kiera L. Ladner, eds. 2010. *This is an Honour Song: Twenty Years Since the Blockades – An Anthology of Writing on the “Oka Crisis.”* Winnipeg: Arbeiter Ring. ISBN 978-1894037-41-9. Paperback: 19.95 CAD. Pages: 366.

This is a powerful book about memories and action, history and social change. Like so many others, I vividly remember the summer of 1990, the summer of rebellion in Kanien’kehaka territory, a pitched battle over a quiet stand of pines near the town of Oka, Québec. As the editors of this wide-ranging collection put it, “the mobilization of Kanien’kehaka that summer was such a powerful image and such a defining moment for so many of us (Indigenous and Canadian alike)” (3). Leanne Simpson describes the way an act of resistance carries its transformative power into the future by way of an image from Nishnaabeg elders’ teachings about the ripple effect of a stone thrown in the water (17). Wab Kinew remembers “the summer that we stopped playing Cowboys and Indians and started becoming warriors” (51). Clayton Thomas-Muller says in watching the events, “Something deep inside of me snapped. I quit trying to be Canadian. I just gave up” (219). Peter Russell and Kiera Ladner both refer to that summer as a “flashpoint event.” The mobilization of 2,000 military troops against a community of men, women and children exposed the deep contradictions at play in the Canadian state. There was both an ugly racist backlash and an unprecedented upsurge of radical indigenous and non-indigenous solidarity across the country.

At the same time, ideas and strategies for solidarity action on the non-Indigenous Left were put to the test. Our weak knowledge and understanding of Indigenous issues, and our lack of trusting relationships of solidarity with Indigenous activists were exposed. Those of us who saw the obvious injustices in the theft of Indigenous lands for a golf course and the massive military response to the Kanien’kehaka blockades were compelled to become students of the history of Indigenous dispossession and resistance at Kanehsatà:ke, and of the history of Indigenous dispossession and resistance generally in Canada (I took a run at this in my

own doctoral dissertation; see Simmons 1996). As a student in Toronto, I remember vigorous debates about the role of non-Indigenous people in solidarity movements, about political divisions within Indigenous communities, about the uneasy relationships of Indigenous peoples with labour movements and with Quebec nationalists. That summer represented exactly the kind of collective political school in struggle that social movements embody at their best.

In their introduction to *This is an Honour Song*, editors Leanne Simpson and Kiera Ladner point out that Indigenous resistance didn't start with the 1990 battle at Kanehsatà:ke. Rather, it was the product of centuries of struggle for land and self-determination by Haudenosaunee. More immediately, it was the culmination of a variety of struggles across Canada since the Red Power movement of the 1970s, including the 1974 occupation of Anicinabe Park still so clearly remembered in 1990 by the parents and relatives of Ontario Anishinaabe youth like Wab Kinew. The events at Kanehsatà:ke were foreshadowed in 1989 by Assembly of First Nations Chief Georges Erasmus, who pointed to the various Indigenous struggles of the early 80s as warning signals to the federal government that the failure to address the issues festering across the country would lead to escalating confrontations (Erasmus, 1989).

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Nor was 1990 the "end of history" for Indigenous movements, or for the development of political ideas among Indigenous peoples. On the contrary, the ensuing 20 years have seen a variety of important new developments. The occupation of Revenue Canada's Toronto offices for 29 days in December-January 1994/95 marked a watershed in Indigenous mobilizations bringing together urban and rural activists. In southern Mexico, the Zapatista rebellion sparked solidarity across state boundaries, prefiguring the global justice movements that exploded at the turn of the millennium. The past two decades saw diverse courageous actions in defence of Indigenous lands, harvesting rights and sovereignty, and new efforts to organise across Indigenous nations including the Wasáse movement associated with Kanien'kehaka scholar-activist Taiaiake Alfred, and the Defenders of the Land movement. There were also various measures taken by the state to buy peace (such as through the Royal Commission on Aboriginal Peoples, land claims and self-government processes, and the Truth and Reconciliation process to address the legacy of residential schools). At the same time, efforts were made to erode and even eliminate special aboriginal rights, facilitating the increasingly rapid appropriation of Indigenous common lands by resource development interests (for an account of this, see Gordon 2010).

A remarkable layer of young radical Indigenous intellectuals and artists has been forged in this crucible, directing their critical gaze at the Canadian state, the destructive forces of capitalist expansion, and the contradictions of gender and class within their own communities. Meanwhile, non-Indigenous supporters have begun to come to terms with the reality that Indigenous peoples are much more than mere victims – they are, and have always been, historical agents, who have had a significant impact on the shape of the Canadian state and economy through their ongoing resistance. These evolving Indigenous and non-Indigenous strands of thought are richly represented in the wide range of writings, poetry and art collected over the space of a year by Simpson and Ladner (with some acknowledged gaps caused in part by time constraints, including a lack of Québécois contributors).

The collection is framed as a series of Honour Songs, which in the words of the editors “are sung to publicly honour and acknowledge all the beautiful things, all the good these individuals and communities have brought to the people, and to honour the positive impact this ‘crisis’ had on Indigenous Peoples and Canada” (6). As evidenced in this collection, Honour Songs in the colonial context come from a place of resurgent strength born of collective resistance. This is a resistance in which women and men of all ages from elders to youth have specific, very powerful roles. It is a solidarity whose power is derived from diversity both within and across nations. It is a radicalism whose teachings are derived both from indigenous spiritualities and ways of life on the land, and from the hybrid societies of urban spaces.

Such intertwining of voices is at times raw at the edges, at times uncomfortably dissonant (or consisting of what gkisedtanamoogk calls “multiple harmonies”). In this respect, the book develops in interesting ways the dialogic modalities of indigenous ways of knowing, practiced in the form of Talking Circles or in collective labour on the land (McGregor, Bayha, Simmons 2010), and explored in Taiaiake Alfred’s work through the use of excerpts from a variety of interviews (2005). This form of knowledge creation does not seek to cram political experiences and perspectives into a static and preset theoretical mould; rather it allows for the unfolding of political analysis from the ground up and at times by indirection, combining strands of theory with stories, poetry, interviews, testimonials, and visual and performance arts. The authors often reflect on the Kanien’kehaka rebellion by way of other resonant stories of resistance; we read about battles at Ipperwash (Peter Russell), Grassy Narrows (Judy Da Silva), Burnt Church (gkisedtanamoogk), the Lubicon Cree

territory/Athabasca tar sands (Melina Laboucan-Massimo), Kitchenuhmaykoosib Inninuwug territory, (interview with Jacob Ostaman), Ardoch-Algonquin territory (interview with Paula Sherman). These stories are reminders that throughout Canada there are various other quieter “Oka crises” where indigenous peoples are reclaiming their lands and resources or defending them from theft. And as Kiera Ladner observes, the issues remain unresolved in Kanien’kehaka territory and beyond (311).

Through its presentation of these stories, narratives and memories (what Damien Lee calls “echoes” or in his Anishinabemowin language, Aadizookaanag and Dibaajimowinan [236]), the book challenges readers to cross conceptual boundaries. This is embodied in the usage of indigenous languages in the texts and in the reproduction of Indigenous artistic expressions that wrestle with colonial assumptions. Readers are required to radically reimagine the colonial order of things through the reframing of the “Oka Crisis” in terms of Kanien’kehaka names and agency; through the artistic interventions of Jane Ash Poitras, Robert Houle, Rebecca Belmore, Gerald McMaster, Shelley Niro and Greg Hill; and through Michael Orsini’s critical reflections upon the mainstream media’s role in the “Oka Crisis.”

As a whole, this collection represents a sampling of the current “state of knowledge” among those who support indigenous self-determination. The reader is bestowed with a responsibility to interpret all the voices and images in relation to their own experience and political education, and derive their own conclusions about the path of action to be followed. Just as multiple nations respond to colonial oppression via a single nationalism, multiple stories become one – but the one story is constantly destabilized by its own multiplicity. The single sure message is summarized by the editors thus: “something must be done now – before another twenty years pass” (7). There is no allowance for self-indulgent nostalgia in all the memories strewn through the book. Rather, this is a call to action for indigenous self-determination, for the health of the environment, and for social justice in this country and beyond. And it is a call to action across nations and race. In the words of gkisedtanamoogk, “every struggle in the world is a human struggle” (82).

Several of the authors pose the challenge to the readers, directly and indirectly: Poet Al Hunter says, “We control / Our own / Destiny” (57). Gkisedtanamoogk says, “In the final analysis, we do what we choose to do ... What are your choices?” (87). Harmony Rice asks “How far would you go?” The grandmother in Paula Sherman’s narrative, “Wísakedják and the Colonizer,” expresses the wish that “the young would begin to understand how important they are for the future” (344). No one is off the hook. Kiera

Ladner makes this clear in pointing to the importance of non-state political spaces and political actors: “They are the little thing[s] from which big things grow ... They are the ones that we sing about” (313).

Women’s voices are remarkably strong in this book, at least half of which is composed of interviews and works by women. This is an appropriate homage to a struggle in which women like Kanien’kehaka activist Ellen Gabriel played a leading role. Harmony Rice shares interviews with five indigenous women of Ontario, and Judy Da Silva speaks eloquently of the devastating impacts of violence against women as this intersects with environmental destruction: “I feel once we honour Mother Earth and protect her, the women will become strong again” (73). But the responsibility for honouring women’s strength is not left only to the women; gkisedtanamoogk makes it clear that “In the principles of the struggles of the people, Indigenous women have always been key, central movers and shakers” (86). In the essay by Robinder Kaur Sehdev, we learn that gender politics are also a key basis for understanding the politics of solidarity. She writes of the ways in which the Kanien’kehaka struggle informs the politics of solidarity among Third World Feminists, and conversely how Third World Feminists support understanding of interlocking oppressions. Intersections of gender, race and land are explored by way of the image of bridging in the Kaswentha (Two Row Wampum). The two parallel paths symbolizing the Haudenosaunee relationship with Europeans is bridged by three rows of beads representing peace, respect and friendship. In Sehdev’s view, this bridging or “bridgework” reflects the relationship as an ongoing and perpetually difficult transformative process rather than a fixed objective, shaping the sense of identity of all those involved.

But this bridge-building is now situated in the context of struggle, and strategic questions are paramount. The iconic images of Kanien’kehaka warriors, women and children confronting Canadian soldiers in the summer of 1990 foregrounds the role of the Canadian state in the oppression of Indigenous peoples. Notwithstanding Ladner’s effort to draw attention to non-state political spaces, the state and its contradictory legal apparatus is the main focus of analysis in a number of the essays. Damien Lee reflects this focus in his assertion that “as Anishinabek, we are seeking to transform our current relationship with Canada” (241). June McCue and Patricia Monture write of the limits in Canadian law as a framework for Indigenous self-determination. And in her epilogue to the book, Kanien’kehaka activist Ellen Gabriel addresses nine recommendations

specifically to “the Government of Canada and those levels of government that fall under its jurisdiction” (346).

Discussion of the role of Canadian corporate capitalism in the dispossession of Indigenous peoples comes through in the specific stories of struggles for land, but is perhaps underplayed in the more theoretical works. More thorough analysis of capitalist expansion and crisis within and beyond the Canadian state might shed light on the changing conditions of Indigenous struggle over the past twenty years, in particular some of the complexities arising from the increasing participation of Indigenous people in wage labour, both in rural communities (serving Indigenous corporations and joint ventures) and in cities. Sheila Gruner provides an inkling of what this might mean in her suggestion, derived in part from reflections on the multiple struggles against Free Trade in the 1990s, that analysis of capitalist social relations be understood in relation to the need for development of “alternative life relations” binding “all sites of struggle throughout the Americas and beyond, as people continually seek to reorient the uprooting effects of the capitalist project” (98). Gruner emphasizes that she is describing a way of thinking, and it is implied that the implications of this approach still remain to be fully understood. Certainly there is much work to be done to analyze how labour exploitation, race and nationhood combine as forces in indigenous struggles – and how this reality informs the challenges of building solidarity within the labour movement and the broader left.

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Hill, Gord. 2010. *The 500 Years of Resistance Comic Book*. Vancouver: Arsenal Pulp Press. ISBN 9781551523606. Paperback: 12.95 CAD. Pages: 87.

Reviewed by Peter Kulchyski
University of Manitoba

One time, in a workshop where we were discussing the social problems created in small remote communities by the anger of young Aboriginal men, I came up with the formula: “we need to turn the anger to politics.” Hardly a new idea, this is something of a restatement of an old social movement principle: where conditions are enough to batter people, anger is a healthier response than despair, especially if it can be given a political direction. With the publication of Gord Hill’s *The 500 Years of Resistance Comic Book*, activists who work on indigenous social justice issues have been given a critical tool to help with this process.

The 500 Years of Resistance Comic Book tells the story of the conquest of the indigenous Americas in a brief ten page section called “Invasion,” and then spends the remaining fifty pages dealing with “Resistance.” In the latter part, Hill draws on a variety of episodes that range in time and space from sixteenth century Inca insurgency to the late twentieth century land occupation at Stoney Point. This “rebalancing” of the historical record is important: instead of a litany of horror stories that can deaden the most hopeful spirit, Hill’s images focus on the spirit of resistance; success stories or at least testimonials to human defiance and ingenuity when faced with the depredations of colonial capitalism. Furthermore, Pontiac’s rebellion, the Mapuche resistance and the Apache struggle are all inspirational to later generations just as the story of the American Indian Movement reclamation of Wounded Knee and the Zapatista or Kanehsatake uprisings may likewise serve to inspire young indigenous activists today.

While there is something of a “Canadian” bias in Hill’s narrative – he comes from Kwakwaka’wakw territory in what is now British Columbia – he fittingly takes the American hemisphere as the setting of his story. This is an important decision: a refusal to accept the colonial national boundaries leaves open the space for indigenous international co-operation which itself may be an important move as the struggle continues in our epoch. The decision also means that indigenous youth in Canada can rightly claim inspiration from events that took place in Central and South

America, and can start to think of the conquest/resistance in much broader terms.

Graphically the book is strong, but not creatively path breaking. I think “comic book” is a better descriptor here than “graphic novel,” both because comic book denotes a more accessible or popular form, but also because graphic novels tend to use their expressive possibilities to experiment with the image-text relation. Hill, by contrast, uses a straight-up four to six panel per page, sequentially ordered, fairly standard format. There are many raised fists and colonizer-colonized confrontation images repeated in different contexts. There are few single images that are memorable, though it is worth noting that the book is in black and white: the colour cover image is much stronger and perhaps better represents Hill’s graphic talents.

Still, the material Hill has to work with is compelling. Obviously, in order to make the work accessible, as it must be in order to do the work it is meant to do, decisions have to be made: a lavish, full colour, coffee table sized graphic novel would not reach the audience Hill (and I) want this book to reach: young, often aimless, often angry indigenous people who did not learn about colonial history or the resistance to it in their formal (de)schooling. For this reason, the book is episodic rather than in any way comprehensive: many stories are left out or are given fairly short shrift, but these are unfair complaints, or complaints that belong to an academic rather than popular text.

The book is relatively free of factual errors. The most egregious is on page 36 when Hill writes that “in 1885, Cree + Metis warriors, lead by Big Bear + Louis Riel, rebelled against government control in south Manitoba”. The 1885 resistance took place in Saskatchewan; the 1869 resistance in Manitoba lead by Riel did not involve Big Bear. I would also have preferred a more nuanced position on the Canadian treaties, reserves and band councils; but again the form does not lend itself to nuanced positions and those who read this may be inspired to read some of the recommended readings provided, where they will gain a more complex understanding of these issues.

On the other hand, Hill has an impressive resume as an activist having involved himself in many actions over the past twenty years. His material on British Columbia is more detailed and stronger than other areas. And his reports on what is widely known as the Gustafsen Lake occupation include details that come from first hand reportage.

The introduction by Ward Churchill is an elegant statement from one of the senior statesmen of indigenous activism, and is worth reading

by a more seasoned generation of activists as well as those who will come to this as a comic book.

For those who have very little knowledge of the conquest and resistance, this book is as good a place to start as any. But my particular hope is that this book finds itself in friendship centres and scattered in youth drop-in centres in northern communities all across the country, where it can find its best audience and play the role of a spark in tinder.

Monture, Patricia A. and McGuire, Patricia D., eds. 2009. ***First Voices: An Aboriginal Women's Reader***. Toronto: Inanna. ISBN 978-0-9808822-9-2. Paperback: 39.95 CAD. Pages: 538.

Reviewed by Donna Schatz
York University

This edited collection is an expansive, thirty-year compilation of creative work and peer-reviewed articles previously published in the journal *Canadian Woman Studies/les cahiers de la femme*. Aboriginal scholars Patricia Monture and Patricia McGuire edited the anthology, with Monture contributing a number of pieces. The book is divided into seven main sections central to Aboriginal knowledge, worldviews and epistemologies: Profiles of Aboriginal Women; Identity; Territory; Activism; Confronting Colonialism; Confronting the Canadian Legal System and Indigenous Knowledges. The title, *First Voices* itself, emphasizes the clear goal of the volume: to share stories and to ensure that Aboriginal women's voices are heard through academic literature and research. The text also highlights the specific gender challenges which First Nations women in Canada face as a result of the effects of colonialism and discriminatory legislation and policies. Reflecting the first literatures of this land, the stories and interviews contained within are diverse personal stories recounted by grandmothers, mothers and daughters from all backgrounds, locations and ages. Many contributions focus on women's ties to and separation from their Aboriginal communities while living with white people. Non-Aboriginal authors, however, are also included as a means of promoting "cross-cultural' understanding and solidarity" (1). The nation, community and family ties of each author are noted in the biographies which follow the publications. Sadly, a number of the contributors are no longer with us.

Among others lost, two of the excerpts are from Monture's daughter Kate who passed away in August 2009 at the age of sixteen.

Themes of colonial and neocolonial dispossession run throughout the text with the lasting legacy of the Indian Act and residential schools identified as two primary causes of social and cultural disruption. The disenfranchisement of Aboriginal women and their descendants through the Indian Act is well-documented with Bill C-31 amendments clearly dismissed as limited instruments to repair historical injustices (298). In a parallel discussion of the impact of residential schools as the cause of intergenerational trauma, past president of the Native Women's Association of Canada, Beverley Jacobs, aptly notes that:

Every Aboriginal person has been affected whether a family member attended residential school or not. When a systemic process is created to destroy a people by erasing a language, a culture and a spirit, every single person is affected. When this system attacked children, the heart of our Nations, the heart of our Mothers and Grandmothers, it attacked every single person (13).

In addition to highlighting these two main examples of state-led violence against Aboriginal peoples, the Kaneshatà:ke/Oka land dispute of 1990 and the deaths resulting from the contamination of Walkerton's water supply in 2000 are also relayed through Aboriginal women's perspectives and direct experiences. The volume's greatest contribution, however, is that it goes beyond these major events by drawing attention to continued acts of colonialism, racism, sexism and violence which First Nations women face on a *daily* basis. To this end, it documents structural inequalities through everyday stories of language loss, sickness, addiction, disability, homophobia, employment inequity, loss of legal rights, correctional practices and housing and reserve conditions.

Taken as a whole, the volume comprises an exhaustive 538-page read. Each of the seven sections begins with a piece of creative writing and is comprised of approximately seven to ten short articles with considerable repetition in terms of content and themes. The tension between feminism and Aboriginal liberation struggles is raised at various points in the book, but with few exceptions, the excerpts provide limited engagement of these academic debates, the reason being that this is not the objective of the editors. Instead, the collection constitutes an accessible collection of women's writing for the purpose of which it was intended: it is a compilation of events and experiences told from the voices of Aboriginal women themselves through a different lens of understanding. Its

compelling personal accounts of social injustice are sure to impact audiences of all levels, high school students to university professors alike.

The text will no doubt challenge some readers with its stark examples of discrimination, dispossession and disenfranchisement. Its overall aim, however, is not to argue that First Nations women share a uniform culture of loss (343). Instead, the stories are framed through the perspectives of women as complex and empowered subject agents, artists, mothers, family supporters, community leaders and chiefs. The largest section in the book, *Activism*, outlines the many struggles First Nations women have taken on including those related to healthcare, education, employment, politics and the legal system (3). Issues such as self-determination, self-government and Indigenous sovereignty are addressed head-on by the authors.

Although plodding through some of the sections can be time-consuming and difficult, the book as a whole will help to inform most readers of traditional and contemporary Aboriginal ways of life while simultaneously outlining the tensions and contradictions of falling into traps or essentialist categories. Late artist Joane Cardinal-Schubert writes, "What I have a problem with is the categorization of Native Artist in a museum that does not separate other Canadian artists in exhibitions according to their race. It seems Native people cannot do anything without that adjective in front of their name" (81). Nonetheless, there are lessons to be learned from tradition. Environmentalists might take note of Aboriginal women's historical relationships and responsibilities to the land and waters as outlined by Kaaren Olsen Dannenmann, Deborah McGregor and others. Similarly, Lesley Malloch's comparison of traditional Indian and Western medicine provides insight into alternative healing. Because it is such an extensive collection with over sixty contributors, it cannot help but enlighten the reader to a variety of perspectives and often-omitted histories. As just one example of the book's inclusion of lesser-known state interference in Aboriginal peoples' lives, author Valerie Alia documents "Project Surname," a government-led surnaming program which took place in Inuit communities during the 1970s. Taken as a whole, the references at the end of each contribution provide a comprehensive resource for research and offer a "counterbalance to the [commonly accepted Western] historical record" (76).

For too long the voices of Aboriginal women have been excluded from literature and academic publishing. A quote by Marie Battiste, included in one of the final excerpts, expresses the overall objectives which are met through this collection, "What Aboriginal people need is a new

story, one which empowers ‘Indigenous worldviews, languages, knowledges, cultures, and most important, Indigenous peoples and communities’” (503). *First Voices* provides such a story. It is a conversation and celebration of Aboriginal women, their communities, lives and experiences over the last thirty years. As the authors note, the text provides a record of First Nations women’s writings long before such publications were valued in many academic and literary circles. As such, it provides a worthy contribution to Aboriginal literature and scholarship.

Albo, Greg, Sam Gindin, and Leo Panitch. 2010. *In and Out of Crisis: The Global Financial Meltdown and Left Alternatives*. Oakland: PM Press. ISBN 978-1-60486-212-6. Paperback: 14.95 CAD. Pages: 144.

Reviewed by Kanchan Sarker
The University of British Columbia, Okanagan

Among the many books on the contemporary economic crisis, *In and Out of Crisis* is in a class of its own. Three prominent scholar-activists have teamed up to provide an insightful and provocative analysis of the crisis and its implications for the future of neoliberalism, the American empire and the North American Left. In doing so, this new book picks up themes common to Panitch and Gindin’s on-going work on the American empire and Albo’s research on neoliberalism.

This is a concise, relatively accessible book, which presents a robust political intervention into current political economy and strategic debates on the Left. It begins with a concise history of the history of financial crises, state management of crises, the rise of neoliberalism and financialization. It then moves on to provide a detailed history and analysis of the current financial crisis and the American state’s role in managing and containing the crisis. Along the way, the authors also provide a chapter focused on the sweeping restructuring in the North American auto industry. Overall, Albo et al. argue that some key points which the Left has historically tended to poorly theorize (such as the relation between state and market, deregulation and neoliberalism, and American imperialism) have weakened the Left’s analysis and response to the current crisis.

To appreciate the specificity of their approach to theorizing the crisis, it is useful to carefully identify what is distinct, if not necessarily

unique, and notable in their analysis. First, the authors argue that the crisis was primarily a crisis within the American financial system. The dramatic growth of securitized sub-prime mortgages, which comprised 60% of the American market for asset backed securities, meant that the whole financial system became extremely vulnerable to the volatility in this segment of the market. This financial crisis, unlike some stock market crashes, became a general economic crisis because of its specific locus in the housing sector and the centrality of that to consumer spending. The global reach of the crisis was due to both the global circulation of complex financial assets based on consumer mortgages but also due the global importance of the American consumer market. The authors insist that this was not a crisis rooted in a profitability decline in the sphere of production. However, as they outline in chapter five, the North American auto sector (the big three, if not the foreign transplants) was the one sector of the economy that was in crisis before the recession.

Second, in a related point and contrary to some other Left theorists, Albo et al. argue that neoliberalism had succeeded, at least on its own terms (generating modest economic growth while maintaining low inflation thus reviving corporate profitability) after the crisis of the 70s. They refer to the dynamic nature of capitalism under neoliberalism (unlike those, such as Robert Brenner, who refer to a long downturn or depict the period since the 70s as one largely of stagnation and financial speculation). In part, this dynamism was due to the very success of financial capitalism, unstable as it is. Again contrary to many on the left, these authors argue that financial innovation was a key part of capitalist dynamism over the past 30 years or so, rather than being mere speculation, or working at cross purposes to the “real” economy. This new age of finance played a central role in disciplining and integrating labour into markets as workers, consumers, investors (particularly of pension funds), borrowers, and home-owners.

Third, they argue that the massive budget stimuli, state bailouts of financial and manufacturing, and talk of re-regulation do not represent a shift away from neoliberalism. Albo et al. forcefully insist that many on the left have misunderstood neoliberalism as the withdrawal of the state. This is a misunderstanding of the relationship between states and markets. Instead, they explain that “capitalist markets and capitalist states are deeply intertwined in the class and power structures of global capitalism” (10). The fundamental relationship between capitalist states and financial markets cannot be understood in terms of how much or little regulation the former puts upon the latter. It needs to be understood in terms of the

guarantee the state provides to property. “Neoliberalism should be understood as a particular form of class rule and state power that intensifies competitive imperatives for both firms and workers, increases dependence on market in daily life and reinforces the dominant hierarchies of the world market, with the U.S. at its apex” (28). The authors point out that “Neoliberalism brought a change in the mode of regulation, but there wasn’t less regulation. Moreover, freer markets often require more rules” (35).

Fourth, just as reports of the death of neoliberalism have been greatly exaggerated, the crisis does not represent the end, or significant weakening, of the American empire. Albo et al. go so far as to suggest that the crisis “*confirms* U.S. imperial leadership” (86). The imperial relationships that built today’s global capitalism have persisted through the crisis.

Finally, Albo et al. paint a particularly bleak picture of the contemporary North American left as weak, defensive, defeated, marginalized, and lacking organizational coherence. As they note, “Competition...fragmented the working class. It eroded their one ultimate strength – solidarity” (79). The various challenges currently facing the Left are analyzed critically and comprehensively. The decline in trade union membership due to the neoliberal offensive as well as sectoral change of economy has put the trade union movement on the defensive. They place the labour movement at the centre of left politics analysis but in doing so they stress the need for the renewal of the labour movement. Unions need to reinvent themselves by adopting various tactics like “living wage” struggles in alliance with community organizations (96). Arguing that the labour movement can not lead the struggle for social transformation, the authors remain supporters of the need for a socialist political party. On the policy front, among other bold declarations, they call for the nationalization of the banking sector and its transformation into a public utility.

Perhaps not all readers will be convinced by their arguments about the continuing strength of neoliberalism and American economic leadership but their evidence is compelling and provides a useful reminder not to, once again, prematurely pronounce the end of American hegemony. The authors’ arguments and analysis are nicely summarized in the “Ten Theses on the Crisis” in the concluding chapter. With all its propositions the book could be considered a manual for the contemporary Left. An economic crisis combined with wishful thinking is insufficient to defeat

neoliberalism. The missing variable is an organized, visionary and militant working-class movement.

Smith, Murray E. G. 2010. *Global Capitalism in Crisis: Karl Marx and the Decay of the Profit System*. Halifax: Fernwood. ISBN: 9781552663530. Paperback: 24.95 CAD. Pages: 172.

Reviewed by John Simoulidis
York University

We may be in the middle of the “worst economic crisis since the 1930s” and, as Smith claims, the global capitalist order “may also be on the verge of its deepest political and ideological crisis ever” (3). Given the state of the Canadian left today, many may welcome this book as a timely intervention in debates around Marxist theory and political practice. The weaknesses inherent to both neo-liberal and reform-liberal accounts of the causes of the recent global economic crisis have left many people thirsting for a deeper, more critical analysis of the real economic processes underlying it. Smith offers up an alternative analysis that is based on a particular kind of orthodox interpretation of Marx’s “scientific analysis of capitalism,” one that sees the current crisis as both the result of “conjunctural” causes as well as a component of the “systemic” crisis of the global capitalist system. He presents a defence of Marx’s “value-form analysis” both on the grounds of theoretical consistency and empirical corroboration, and attempts to extend this analysis to explaining the “long downturn” of the global capitalist economy in the post-1970s. Thus, financialization and the current “great depression” are situated within this long downturn and examined in light of the same underlying economic mechanisms. Smith presents a case for why the “falling rate of profit” theory of crisis is best suited to explaining the current conjunctural and systemic crisis of capitalism and why capitalism must be superseded by “a rationally planned, collectivized global economy under the democratic administration of those who labour” (3).

Much of the content of the book has been, as Smith acknowledges, published elsewhere—both appendices and chapter 3 were based on previously published articles and some parts of other chapters draw on his previously published book *Invisible Leviathan* (University of Toronto Press, 1994). Yet there are good reasons to collect these arguments together for

presentation in a single book. Numerous publications have appeared in recent years asserting the value of Marx in helping us understand both the contemporary crisis of capitalism and imagining an alternative future. Smith offers a particular position on both fronts: he defends the necessity of building a general theory and combines this with an appeal to the radical left to develop vanguardist political parties. While his assessment of the current political conjuncture from the perspective of its revolutionary possibilities is written primarily for a Canadian audience (and from a Trotskyist perspective), his account of Marx's value theory may have a distinct and wider appeal to both those with a basic understanding of the concepts and theories presented in Marx's *Capital* as well as those with a deeper interest in the intricacies of the debates on these.

The book can be divided into three major interwoven themes. An overwhelming portion of the book—the first two chapters and key parts of the others, as well as both appendices—is devoted to a particular theoretical elaboration and defence of Marx's value theory and crisis theory, covering a wide range of topics such as: the value-form of the commodity, labour power and exploitation; concrete vs. abstract labour and the labour theory of value; the law of value, the law of average profit, and the “transformation problem;” and finally, the “law of the tendency of the rate of profit to fall,” which bears repeated discussion throughout the text given its centrality to Smith's overall argument. An equally important, though analytically distinguishable, strain of his argument is directed towards providing empirical evidence in support of several (six, to be exact) of Marx's “predictions,” the one most central to the book being that there exists a “long-term tendency for the rate of profit to fall as a result of a rise in the organic composition of capital” (61-68). Finally, Smith claims that there are certain “programmatic” implications of value theory for revolutionary socialist political strategy, in Canada and elsewhere, though here he moves beyond Marx's “scientific analysis of capitalism” and draws generously on the history and practice of Trotskyite bolshevism (chapters 4 and 5).

Readers who have taken their first stab at reading Marx's mature works on political economy can benefit from the introduction Smith provides to some of the debates and controversies surrounding value theory and crisis theory, and may be interested in the effort he directs at showing how abstract theory can inform one (but not necessarily only) kind of revolutionary political practice. More sophisticated readers will appreciate some of the finer points of Smith's engagement with Marxist economic theory, controversial as they might be. The key to understanding

his falling rate of profit view of crisis lies in his conceptualization of “socially necessary unproductive labour” (SNUL). SNUL refers to the labour of those whose work may be “necessary” to the functioning of capitalist accumulation in some sense, but which is not directly involved in the production of commodities, hence, of value (or surplus value). This, in itself, is uncontroversial. However, following the position developed by Shane Mage, Smith advocates treating the wages and salaries paid to “socially necessary unproductive labourers” as constant capital, as opposed to variable capital or deductions from social surplus value. Smith uses this distinction between productive and unproductive labour to “re-operationalize” value categories. On this conceptual basis, Smith (in an earlier work co-authored with K. W. Taylor) reconstructs Marxian value-ratios for Canada from 1947-1991 which purportedly show “a secular increase in the organic composition of capital and a rising ratio of unproductive to productive labour in the wage-earning workforce” (86; see chapter 3 and Appendix 2 for extended discussions).

It seems that the wider and ultimate aim of Smith’s argument is political, addressing himself to the reformist and gradualist political strategy “championed by many social-justice activists, independent socialists and Marxist intellectuals” (126-7) in Canada and elsewhere. While eschewing both moralistic and so-called “distributionist” critiques of capitalism that “blame the working class for the crisis” (of the wage-push/profit-squeeze variety, for example), Smith should be commended for advancing a defence of the need for “general theory.” However, a general theory of this type isn’t easily translated into an “inclusive” (which Smith, dismissively, can only see as leading to reformist) socialist politics. Smith’s critical analysis of Marx’s political economy finds its political expression in a call for a return to revolutionary vanguardism: a plea to the radical socialist left in Canada to build a programmatically based vanguard organization that embraces Trotskyist “rules.” However, Smith’s call for “imagining” another October Revolution threatens to alienate those not baptized in the history of revolutionary movements. Whatever you might think of the political positions developed by Smith, an argument can be advanced that the connection between the effort to develop a “scientific” interpretation of Marx’s political economy and Smith’s advocacy of revolutionary Trotskyism can be suspended long enough to appreciate his contributions to his theoretical work on Marxist value and crisis theory.

Bashevkin, Sylvia. 2009. ***Women, Power, Politics: The Hidden Story of Canada's Unfinished Democracy***. Don Mills: Oxford University Press. ISBN 978-0-19-543170-4. Paperback: 19.95 CAD. Pages: 186.

Reviewed by Kimberly Earles
University of Guelph

Sylvia Bashevkin is a leading scholar on the topic of women and politics in Canada, particularly on women's political engagement. *Women, Power, Politics* is her most recent exploration of women in formal politics, particularly in positions of power, such as party leaders. The book is written for both a popular and an academic audience, promising to be particularly useful for undergraduate political science students interested in Canadian politics, democracy, and women and politics.

Bashevkin argues that there are so few women in Canadian politics due to a discomfort among Canadians with women in positions of power. She develops this argument as the *women plus power equals discomfort* equation, which neatly categorizes levels of discomfort on issues of leadership style, age, appearance, speech, and private lives, with the media playing a crucial role in reinforcing gender schemas and, as a result, the discomfort equation.

In terms of leadership style, many of the characteristics Canadians associate with an effective leader are characteristics traditionally attached to men, such as being assertive and decisive. Bashevkin argues that Canadians are comfortable with men taking on such traits, but uncomfortable when women do so. However, women who adopt a "softer," more consensual leadership style are also criticized for being ineffective. As such, there is no acceptable way for women leaders to behave. This is the line of reasoning that carries through the entire book – for women politicians there is no "right" way. Bashevkin draws on media portrayals and political memoirs to demonstrate that female politicians are deemed either too young and inexperienced (Sheila Copps in 1982) or too old (Pauline Marois in 2005); too plain (Alexa McDonough) or too glamorous (Rona Ambrose); too outspoken (Sheila Copps) or too soft-spoken (Audrey McLaughlin); too chaste and serious (Agnes McPhail) or too distracted by their love lives (Kim Campbell and Belinda Stronach). In the end, Bashevkin concludes, "political women in Canada can't seem to find ages, clothes, or speaking styles that correspond to what we as the assessors deem appropriate" (58).

My main critique of the book is Bashevkin's unwillingness to take this argument a step further to link these same critiques to all Canadian women, not just women in politics. Indeed, the more powerful the position, the more discomfort there is, but all women face judgments based on their age, appearance, speech and private lives. As with female politicians, women in general are often viewed as too young and inexperienced or too old, as there is a very short window of time when women's experience and age match up to societal expectations about what is desirable and acceptable for any position of power. Women are also judged for having children or not having children, for having a career or for staying at home to care for children, for spending too much time and effort on their appearance or for not spending enough, for being too "feminine" or too "masculine," for being single or divorced. Bashevkin's *women plus power equals discomfort* equation captures Canadian society's increased levels of discomfort when women seek top political positions, but similar arguments could be made about women seeking any position of authority or power, such as attorney or CEO, and could even be extrapolated to women in general, when there is no position of power at stake. The judgments women face regarding their age, appearance, speech, private lives, and the decisions they make are present regardless of if they are running for political office. Making these connections would strengthen the argument and make a more thorough contribution to the broader study of gender oppression.

Even without these connections, Bashevkin's discomfort argument is convincing, as she provides a thorough analysis of how female party leaders have become associated with electoral failure in Canada. She traces how women have often only been able to win leadership races in uncompetitive provincial or federal parties, and once that party fails poorly in an election, it is the female leader who is blamed. Over time, the media has begun to paint all female leaders as ineffective and associated with failure, based on the experiences of a few women who led marginal parties to marginal election results. Due to the small number of women in politics, patterns and generalizations are drawn about women such as Kim Campbell and Rita Johnston that are not drawn about men, even though there are certainly many men who have led their parties to dismal election results at the provincial and federal levels.

The overall result of the discomfort equation, argues Bashevkin, is that it limits the number of women willing to put themselves forward as candidates for elected office in Canada, knowing the scrutiny that they will face, which raises serious questions about Canadian democracy, justice and

fairness. While acknowledging the presence of socially conservative female MPs as a challenge to arguments of substantive representation, Bashevkin's focus remains on the outcomes of the paucity of women in Canadian politics and in providing solutions. Thus, she argues that one of the outcomes of women's weak political representation is that governments often neglect issues that tend to be of more salience to women, such as childcare and violence against women. In addition, the small number of women who are willing to put themselves forward for political office allows the media to continue to treat women in politics in the same manner – narrowing in on their personal characteristics and finding fault with each, rather than focusing on policy issues.

Bashevkin concludes with a chapter entitled "What to Do," which offers eight prescriptions to change the current situation faced by women in the political sphere. The first four proposals involve significant formal rule changes – from requiring mandatory voting, to adopting legislative quotas, reforming the electoral system, and contesting media portrayals through court challenges and written complaints. These formal proposals are supported by four informal proposals, which call for a renewal of the women's movement and the movement for increased democracy in Canada, informal monitoring of the media, probing anti-feminism, and getting involved in politics. Bashevkin provides compelling evidence to support the necessity of each proposal and demonstrates how each will further Canadian democracy, particularly in the present context of neoliberalism and under the federal Conservative government's political agenda. Renewing the Canadian women's movement may prove to be the most difficult, yet crucial, factor in increasing women's political representation in Canada; if it does occur, the other changes proposed by Bashevkin will support the larger project. *Women, Power, Politics* provides a thorough investigation into the underlying reasons why there are not more women at every level of Canadian politics, and Bashevkin's proposals to change the current *women plus power equals discomfort* equation provide a clear road map forward for women in Canadian politics.

Iversen, Torben and Frances Rosenbluth. 2010. *Women, Work, and Politics: The Political Economy of Gender Inequality*. New Haven: Yale University Press. ISBN 978-0-300-15310-1. Cloth: 36.95 CAD. Pages: 202.

Reviewed by Meg Luxton
York University

Iversen and Rosenbluth note that women have fewer life chances than men in most societies, historically and in the present. They take this male dominance, which they equate with patriarchy, “as a puzzle to be examined” (1). The authors claim that a political economy approach, which pays attention to the interaction of biology, culture, economic and political arrangements with the domestic dynamics between women and men, can explain why patriarchy is so common. They offer “the embedded bargaining framework,” which embeds “a microlevel household bargaining model in a macrolevel mode of production framework” in which “the balance of power between the sexes inside the household is shaped by macrolevel conditions and microdecisions by household members have significant implications for macro-outcomes” (2-3).

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Focusing on what they call the rich democracies, they start from the assumption of a historical gendered division of labour based on heterosexual marriage in which men work in the world while females stay at home (162). They note that the efficiency model preferred by most economists suggests that women do most of the unpaid household labour and participate less in the paid labour force because this division of labour is the efficient solution due to increasing returns on human capital. The authors point out that this efficiency model does not explain national variations in women’s paid labour force participation nor can it explain a range of other gender based issues. Instead they argue, “The division of labor puzzle can only be understood by treating marriage as an incomplete contract that is potentially subject to termination” (55).

Their argument is that the more marriage is the only option for women, the more women will focus on family in order to maximize their position in the marriage market, limiting their investment in education and job skills, and the more parents will socialize their daughters to accept their subordination in marriage (24). However, in marriage, women and men bargain in the context of the alternatives available and the consequences for each of “family dissolution” (29). The more divorce is available, the more “woman will have strong insurance and bargaining

incentives to shun heavy investment in household-specific assets" (that is, concentrating on being good wives and mothers) (81), instead women will reduce the amount of household work they do, get their husbands to do more household work, and enter the labour market.

However, their ability to do so depends on the type of labour market. The authors distinguish between two general types of jobs: those which involve the accumulation of specific skills, often at employers' expense and which offer advantages such as job security, seniority pay, employer-financed benefits and those which involve generalisable skills which are more transportable. Because women are likely to interrupt their employment to have and care for children and others, employers with specific skills jobs avoid hiring them. They argue that this economic pattern shapes most aspects of life, including especially parental socialization practices of daughters, the division of labour between women and men in families, fertility rates, gender differences in formal political voting patterns, and women's participation in formal political parties. They conclude that public policies that provide supportive services for women such as child care, and public sector employment based on generalised skills are necessary to advance gender equality. They also argue that the same dynamics that operate in the labour market operate in the market for professional politicians; where individual candidates run on their record and what their constituents can expect from them, women are less likely to be selected as candidates or elected. Proportional representation systems are more likely to involve women candidates and produce political changes favourable to women's interests.

To support their argument, they offer a range of statistical analyses based on large-scale surveys and various country-based studies. They conclude that gender equality requires government provision of social services and related employment for women and men to do more caregiving: "It is time for men to share the same burdens and joys of family work" (169).

The authors offer convincing arguments that their political economy framework challenges prevailing economic and political science approaches. However, they fail to draw on, or engage with, feminist political economy, especially socialist analyses of domestic labour and social reproduction. This glaring and surprising absence seriously undermines their work, in part because their argument rests on a number of unquestioned and problematic assumptions.

The private sector remains unchallenged. They do not suggest that governments could regulate private enterprises, insisting on fair hiring

practices, equal pay and family leaves for both women and men. The heterosexual nuclear family remains unchallenged and naturalised. They do not consider alternative living and caregiving arrangements such as communal arrangements or collectives and despite their nod to history and cultural diversity, they do not acknowledge capitalist and liberal state initiatives to eliminate such domestic arrangements, especially during colonization. The only motivation women have for preparing themselves for the labour market appears to be a fear that their marriages may “fail.” There is no recognition that some women prefer living apart from men, live with and love other women, or even like their careers. They assume that men’s power derives from women’s lesser attachment to the paid labour force because of their commitment to caregiving. They offer no analysis of the ways in which the societies in which they claim parents socialise daughters to subservience in marriage may also socialise their sons to violent masculinities considered necessary for militaristic and imperialist enterprises and what that might mean for men’s assertion of power over women.

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They claim that such a division of labour has its origins in the agricultural societies that emerged with the neolithic revolution and became “ubiquitous because it was efficient, creating gains from trade within families when technology was not an available substitute for brawn” (163). They argue that most societies with such a division of labour offer women few alternatives to marriage. Absent is any recognition of the actual work of women in agricultural societies in, for example, pre-colonial sub-Saharan Africa or Turtle Island (later North America) or of the role of European colonial powers in forcing women out of agricultural work and giving land tenure to men.

The most notable absence is their failure to understand social reproduction, the ways in which that work is socially necessary, and the extent to which private profit depends on the unpaid work of social reproduction. Women’s equality is not just a logical outcome of limited access to the labour force and its impact on individual women and men in family households. Capitalist private enterprise depends on women’s subordination for its labour force.

This is an interesting book and well-worth reading. When the authors try to make generalizations about human history, they fail. The book, however, can be read without taking their historical overview very seriously. When discussing the contemporary capitalist societies of Europe and North America, the authors present excellent data, a provocative argument and make a useful contribution to current debates.

Benhabib, Seyla and Judith Resnick, eds. 2009. *Migrations and Mobilities: Citizenship, Borders, and Gender*. New York: New York University Press, 2009. ISBN 978-0-8147-7600-1. Paperback: 22.00 US. Pages: 505.

Reviewed by Cynthia Wright
York University

The aim of *Migrations and Mobilities* is to bring gender as a category of analysis to bear on questions of citizenship and migration. This is a difficult proposition: for one thing, the global literature in these two areas is massive; for another, the category of gender is again undergoing substantial re-theorizing. Moreover, there is already a rich literature on gender, migration and citizenship – much of which in the Canadian context has been pioneered by anti-racist feminist scholars and activists. So what does *Migrations and Mobilities* contribute to the debate?

First, while billed as an interdisciplinary collection, the collection is highly dominated by legal perspectives: of the sixteen contributors (including the two co-editors), nine of them are in law and many of the other scholars are in political science. What this means in practice – though in principle it might have been different – is that a substantial focus of the volume is on national, federal and transnational (largely the EU) legal regimes and how they shape women's migrations, equality and access to citizenship. In short, those readers with a well-developed scepticism for human rights frameworks, NGOs with their "rights-based approaches," exclusively law-based strategies for achieving radical social change (including gender justice), and celebrations of the public sphere and citizenship are going to get seriously twitchy at chunks (though by no means all) of this collection. Migrant justice organizers will immediately notice the lack of discussion of detention and deportation – not to mention violence (including state violence) directed against migrants.

A further initial observation is that the overwhelming majority of the scholars are based in the US with two in Canada and two in Western Europe. This, in turn, is linked to a disciplinary division of labour in which the legal scholars are largely focussed on the US and Europe, while the social scientists in the collection (Aihwa Ong and Valentine Moghadam, for example) take up the anthology's themes in relation to Asia and the Middle East respectively. In short, those looking for a transnational feminist anthology (e.g. Jacqui Alexander and Chandra Mohanty's classic *Feminist Genealogies, Colonial Legacies, Democratic Futures* [Routledge, 1997]) will

be disappointed. Although the articles by legal scholar Audrey Macklin and by Valentine Moghadam (on Women Living Under Muslim Laws and other transnational networks) do examine dilemmas of feminist organizing, this is not the book's focus.

To be fair about the law focus of *Migrations and Mobilities*, a number of these legal scholars (some more than others it must be said) do express real caution about what may be achieved through law-based strategies. Moreover, they clearly differ among themselves on some fundamental questions of legal strategy. There is also some interesting and important discussion here, for example in Sarah K. van Walsum's account of Dutch law, policy and transnational mothering, of the ways in which feminist campaigns in family law actually produce deeply problematic outcomes in the immigration law context and therefore for migrant mothers. Jacqueline Bhabha is equally illuminating on questions of children and citizenship (including the politics of birthright citizenship) in diverse jurisdictions. And Aihwa Ong, in an article on migrant domestic workers within Asia ("A Bio-Cartography: Maids, Neoslavery, and NGOs"), is highly critical of NGOs, noting that, "In action, NGOs have not so much converted the globally excluded into humanity with legal rights as they have redefined and reordered different categories of the human in connection with various moral systems, markets, and the state" (178). Nor is everyone in the collection celebratory of citizenship. Legal scholar Linda Bosniak (always worth reading) is the most critical of "citizenship talk." In her "Citizenship, Noncitizenship, and the Transnationalization of Domestic Work," she observes: "the profusion of citizenship talk in our normative political and legal theory is not only confusing but theoretically dangerous. In particular, the aspirational uses of the idea of citizenship – the ideals of equal citizenship, democratic citizenship, and economic citizenship – may work to undermine the claims and interests of aliens" (146). Also useful in this connection are Catherine Dauvergne's chapter on exclusions within citizenship as well as Linda Kerber's illuminating historical consideration of how the United States has historically produced not just "illegality" but statelessness.

But there are limits to this collection as a whole, some of them rather serious. To begin with, the collection is largely bereft of an analysis of nationalism and racism, seriously weakening many (though not all) of the contributions. Critical theoretical works by figures such as Benedict Anderson on nations; Anne McClintock on the seductions and dangers of nationalisms; or Étienne Balibar on nationalisms, neo-racisms and Europe do not figure in the analyses. Moreover, the anti-racist feminist scholarship

on citizenship, colonialism, multiculturalism, the immigration system, migrant labour regimes, and state violence, is not for most of these writers (Jacqueline Bhabha would be one of the exceptions) a point of reference. Too often, while differences among women may be acknowledged, an intersectional understanding of gender – including as it has developed in critical anti-racist legal studies – is missing in many of these pieces. This leads, in some cases, to neo-racist readings of “culture,” or to a proliferation of what Mahmood Mamdani, in *Good Muslim, Bad Muslim* (Pantheon Books, 2004), calls “culture talk.” David Jacobson’s deeply contentious and rather incoherent article on “Multiculturalism, Gender, and Rights” is a good example.

There are other major gaps. Given the serious critique that scholars such as Bridget Anderson and Kamala Kempadoo (among others) have advanced of “trafficking in women” and “female sexual slavery” frameworks, it is too bad that there is not discussion in this volume of how such frameworks have powerfully served to buttress immigration controls transnationally and further criminalize women’s migrations. Also missing is any discussion of the hetero-normativity of citizenship and immigration, a theme which has been developed in some excellent recent literature.

Migrations and Mobilities: Citizenship, Borders, and Gender is, in short, a huge mixed bag – and, at almost 500 pages, just plain huge. There are about six or so really worthwhile articles out of the fourteen. As a book, it will likely appeal most to legal scholars – or you could bypass the collection and go directly to the work of some of the best of these contributors.

Saul, John S. 2009. ***Revolutionary Traveller: Freeze-Frames from a Life***.
Winnipeg: Arbeiter Ring. ISBN 978-1894037-37-2. Paperback:
26.95 CAD. Pages: 320.

Reviewed by Toby Leon Moorsom
Queen’s University

One of the tenets of historical materialism is that we make the world, but not in circumstances of our choosing. A legacy of imperialism is that we are constantly pushed into categories of insider-outsider, civilized-heathen. As capital advances, it reconstructs the past and redefines tradition while relying on uneven geographic development to expand markets and extract

resources from those in the newly defined peripheries. Those of us in the North who seek to make contact with, and contribute to “the cause of people struggling for more humane and equitable social outcomes” in the peripheries of the global capitalist economy are greatly challenged by the relative power with which we can move around the world in comparison to those who are most exploited (9). Our privilege is difficult to transcend.

Any conscientious person in the North writing on their efforts to build solidarity with the South must contend with powerful colonial narratives into which our thoughts can easily fall. Recently in these pages, Day (2010, 169) described a new book on Africa as beset by “‘White Man Meets Third World’ clichés – the ‘chaos,’ ‘the horrible, heavy, wafting odours of charcoal smoke and rapidly decaying food,’ leading to ‘revulsion’ on the part of the intrepid narrator. ‘This grand scene had its logic,’ writes Krotz, ‘but I couldn’t find it.’” Joseph Conrad lives on.

Aware of these challenges, Saul argues that solidarity is “easier to do when one becomes convinced that struggles around the world, in both southern Africa and Canada for example, are linked together by their focus upon a common enemy: capitalism, both local and global” (9). Moreover, he insists we should “avoid the temptation of merely getting off on other people’s revolutions, thereby evading the more difficult task of bringing about necessary changes in one’s own society” (118). In *Revolutionary Traveller*, Saul seeks to re-evaluate his efforts to do just this throughout his prolific career of more than 40 years as a “scholar-activist” writing on Africa in the global economy. Whether or not he has succeeded, those of us trying to forge a renewed commitment to internationalism on the left would be wise to examine his efforts.

In this, his 18th book, Saul is forced to consider the clichés of memoirs, in which the writer places themselves in heroic positions against a hostile, or at best stubborn world, while allowing us intimate insights into their lives. He navigates this by placing the historical context of the struggle at the centre, he then re-evaluates the ways he and others sought to support Southern African liberation and anti-apartheid movements, whether on the continent or in Canada. In some instances their positions were clearly “correct” insofar as they contributed to the liberation struggles and/or accurately assessed the strengths and limitations of their trajectory. He also self-critically reflects on the shortfalls of his analysis. For example, Saul recognizes that his enthusiasm for the struggle in Mozambique led him to overestimate the possibilities for participatory processes to fend off authoritarian tendencies while confronting enormous structural barriers. He also laments that his “hopes, dreams and analyses”

of the possibilities for “genuine liberation and development” in South Africa were overblown. Instead, it became another example of the “false decolonization” Fanon had predicted (245).

Still, *Revolutionary Traveller* is more than a retrospective, in part because it relies on the interwoven reprinting of excerpts from sources we would otherwise struggle to find today. These excerpts are clearly chosen for the way they bridge Saul’s place in Canada and his commitment to Africa. One example is a submission (from 1976) to the Mackenzie Valley Pipeline Inquiry in support of national self-determination for the Dene Nation. This piece gives insights into the arguments for nationalism from those who fought for it in Africa and elsewhere while also being aware of its limitations. They are arguments we would be wise to revisit – whether or not we believe the state needs to be a target of our own activism, for example, in relation to the occupation of Palestine. The book is thus also an examination of Imperialism as it is navigated by people committed to ending it. In this way, it is a gift from Saul to a new generation of academics, students and activists who wish to pick up where our parents and grandparents in struggle left off; to inform our own battles and prevent us from making the same mistakes.

As history is continually rewritten around us, ideological portrayals of the past slowly cloud our perceptions of it. We can then lose sight of just how bad things actually were - as well as what it actually took to change them. To be sure, the grotesque nature of present day imperialism continues to extend the boundaries of the imagination. Yet within Canada the history of just how complicit and vile our state policy and corporate actors have been disappears into the ethers. Saul’s recollections break down some of these illusions, revealing the deep connections between Canadian corporate interests and the pitiful positions our country has taken in the 30 years war for liberation in Southern Africa. Saul reminds us that at so many moments Canada clearly placed itself on the wrong side of history, whether it was in its refusal to end business interests in Portuguese African colonies or with apartheid South Africa.

These essays sometimes prove to have been particularly prophetic, with the insights into the role of education in processes of decolonization being highly relevant to the present. The struggles against reactionary, careerist, university students in Dar es Salaam, contrast remarkably with the public educational processes taking place in Mozambique that were grounded in struggle and predominantly rural in nature. In many ways, the lived realities of the Mozambiquan villager-cum-guerrillas addressed the various crises of post-Althusserian Marxist theory in more nuanced ways

than prominent academics writing in Europe or North America at the time. Western academic Marxists were debating state theory in highly abstract terms following the failed May 1968 uprising in Paris. Yet, Samora Machel could suggest to Saul that “Africans must use Marxism, Marxism must not be allowed to use Africans.” It was no doubt a challenge to strike a balance between leadership and mass action. Nonetheless, Saul found there was “substantial commitment, genuine institutional creativity and much political subtlety” in their efforts (141). Thus he could argue there was “even the possibility...that Mozambique will find itself making its own distinctive contribution to the historical experience of Marxism (142). Even if it was not successful in truly transforming society, their struggle toppled a dictatorship in the colonial centre. What an extraordinary contrast with the present state of education on the continent, which is floundering with an absence of both resources and a sense of purpose while the intelligentsia flows out of it for innumerable reasons.

Overall, the volume helps us recognize the ways these politics were lived out by sensuous beings and held real consequences. The chapters on Mozambique and South Africa could be nicely integrated in to an undergrad course on Canada and the Third World, while the debates in Dar should be utilized in colleges of education, alongside Paolo Friere.

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Reference

Day, Richard J.F. 2010. Review of *The Uncertain Business of Doing Good: Outsiders in Africa*, Larry Krotz. *Socialist Studies/Études socialistes* 6, no.1: 169-171.

Williams, Michelle. 2008. ***The Roots of Participatory Democracy: Democratic Communists in South Africa and Kerala, India***. New York: Palgrave Macmillan. ISBN 978-0-230-60640-1. Cloth: 102.00 CAD. Pages: 240.

Reviewed by William K. Carroll
University of Victoria

Based on a dissertation completed under Michael Burawoy’s supervision at Berkeley, this engaging book makes several timely contributions to political sociology, and to socialist studies. As her methodological appendix details, between 2000 and 2005 Williams spent two and a half years conducting field work in South Africa and in the Indian state of

Kerala, interviewing scores of activists in and around the South African Communist Party (SACP) and the Communist Party of India (Marxist) (CPI(M)), attending meetings, rallies and the like, and pouring over documents. The result is a rich study that combines ethnographic and comparative-historical analysis with astute theoretical interpretation in a Gramscian mode.

Williams's book is a reply to the tendency, dominant since the 1970s and shared by right-wing and (many) left-wing scholars, to dismiss left (especially communist) parties as vehicles for social transformation. From the right, liberal society (a.k.a. global capitalism) appears as a fixture of modernity; parties merely serve to aggregate interests within an order from which there can be no exit. From the left, parties are seen as anachronisms unsuited to the plurality of identities and new social movements that animate the political landscape. Early on, Williams dispenses with these undialectical notions. In exploring the renaissance of democratic communist parties in two Southern sites, she asks, "how do we understand political parties that are organizing and mobilizing in similar ways as global social movements?" and asserts, as a central thesis, that "democratic, emancipatory politics requires transforming the state and to do this requires political parties with deep roots in civil society" (2).

Central to the work is a conception of socialism as "the dominance of civil society over the state and economy" (11), which displaces (but does not dispense with) the state and puts participatory democracy at the centre of social transformation. This conception informs a typology of politics that distinguishes on the one hand, between hegemonic (statist) initiatives from above and counter-hegemonic (civil society) initiatives from below, and on the other, between the "protest politics" of mass mobilization that makes claims upon the state and a "generative politics" that seeks to transform state and economy by developing new institutions, organizations and political actors. Williams allows that socialism as a transformative process involves a combination of all four forms, but sees counter-hegemonic generative politics as indispensable in rooting party and state within an empowered civil society.

Applying these ideas to the cases at hand – with a temporal focus on the period since the early 1990s – Williams shows that both the SACP and CPI(M) underwent remarkable, and remarkably convergent, processes of ideological renewal in the wake of the collapse of the Soviet Union. Both parties shifted from a state-centred conception of socialism to a vision of *socialist democracy* moored in the participation and empowerment of ordinary citizens. In the early 1990s, both envisaged a counter-hegemonic

generative politics that would deepen and extend democracy, transform the state into a strategic coordinator of agency from below, develop socialist logics (e.g. co-operative, community-based) alongside the predominant capitalist logic, and extend the sway of civil society by empowering ordinary people to organize various aspects of economic activity. Yet while the CPI(M) has with considerable success translated this vision into practice, the SACP has emphasized state-led development and allowed democratization to remain within representational forms, limiting the scope of grassroots participation. The SACP's practices led to a hegemonic generative politics in which radical socialist aspirations were muted as the African National Congress (ANC) embraced neoliberalism; the CPI(M)'s practices begat a counter-hegemonic generative politics of participation that has mobilized civil society, "unleashing a wave of new initiatives in the political, economic, and social realms" (33).

The middle chapters present a nuanced analysis, far too fine-grained to summarize here, that strives to account for these different trajectories. Williams sees the two parties' divergence as resulting from three primary sets of factors working in conjunction: organizational capacities of the parties, the relative strengths of statist, trade-union and grassroots political factions within the parties, and the economic and political contexts within which parties operate. Although both parties developed as Leninist cadre formations, the CPI(M) is far larger and is organically linked to Kerala's vibrant popular sector (every party member is required to be active in a popular organization), giving it much greater capacity for generative politics. Both parties have been "internally contested battlefields" comprised of competing factions (91). After returning from exile in the early 1990s, the SACP's participation in the "tripartite alliance" with the ANC and the Congress of South African Trade Unions (COSATU) brought a statist faction into party leadership (and literally into the state), which was only eclipsed in the late 1990s by a trade union faction practising a protest politics set against the ANC's neoliberal turn. The dominance of these factions within the SACP was conditioned by the political-economic context – semi-peripheral industrialization and a strong capitalist class that became allied with the electorally dominant ANC (with which the SACP was a junior partner). In agrarian Kerala, the bourgeoisie was weak and incapable of hegemonic leadership, and in the 1990s a grassroots faction gained influence within the party, fueling innovative initiatives in participatory democracy and decentralized, self-reliant development. All this clarifies how it is that Kerala now enjoys one

of the highest levels of human development and quality of life in the majority world, despite a modest official GDP.

The Roots of Participatory Democracy is not only a fine ethnographic and comparative-historical investigation that enriches our understanding of contemporary socialist politics in the Global South. It makes a valuable theoretical contribution in clarifying the contingent connections between political economy, left parties and counter-hegemony. If the Kerala case confirms the possibility of counter-hegemonic generative politics, it also suggests that such politics requires “a new type of political party, one that is not afraid to empower civil society” (156). The relevance of these insights for socialist projects underway in Venezuela, Bolivia and elsewhere is self-evident.

Engler, Yves. 2010. ***Canada and Israel: Building Apartheid***. Vancouver and Black Point: RED Publishing and Fernwood. ISBN: 978-1-55266-355-4. Paperback: 14.95 CAD. Pages: 168.

Reviewed by Yasmeeen Abu-Laban
University of Alberta

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The minority Conservative government of Stephen Harper has drawn popular and media attention for its policies and statements relating to Israel/Palestine. As Yves Engler notes in his new book, the Conservatives have publicly claimed for Canada the role of being the most “pro-Israel” country in the world (94). But what happened before Prime Minister Harper? Engler’s concise and informative history of Canada’s foreign policy towards Israel answers this in ways that will be disquieting for Canadians who support the image of their country as a middle power, peacekeeper and helpful fixer on the international stage. Far from being an “honest broker,” this accessibly written account shows that well before Harper there was “Canadian support for the dispossession of the Palestinians, for a state building a nation based on one religion, and for the last major European colonial project” (4).

In a tightly packed Introduction, Engler argues that Israel is an “apartheid state,” (5) due to the absence of formal equality accorded the non-Jewish indigenous inhabitants and their descendants of historic Palestine – that is Palestinian Arabs who may be Muslim or Christian. The denial of the right of return to Palestinian refugees stands in dramatic

contrast to Israel's "Law of Return" which privileges those that are defined as Jews – wherever they may be – for settlement and Israeli citizenship. The deprivation, human rights abuses, and bantustan-like conditions experienced by Palestinians living under military occupation in the West Bank and Gaza, contrast with the mantra of Israel as the only democracy in the Middle East. In Israel proper, laws privilege Jewish land ownership such that Palestinians who hold Israeli citizenship are legally excluded from owning a whopping 93% of the land (7). The ten chapters that follow the Introduction concentrate on delineating the role played by the Canadian state, Canadian officials and Canadian citizens in, as the book's subtitle suggests, "building apartheid." The book concludes with consideration of how the course might be changed.

A specific strength of Engler's account is that he illustrates that going back to the nineteenth century there was strong support by Canadian state officials for modern Zionism, a political project that came to coalesce around the goal of forming a Jewish state in historic Palestine. This, he suggests, was because in the late nineteenth and early twentieth centuries, some of the most active and vocal Zionists in Canada were Christian and their views, based on a particular biblical interpretation, were linked to British-Canadian nationalism. Thus, illustrating the erasure of the presence and claims of the non-Jewish inhabitants in historic Palestine, Engler cites future Prime Minister Arthur Meighen, then Solicitor General, declaring in 1915 that "I think I can speak for those of the Christian faith when I express the wish that God speed the day when the land of your forefathers shall be yours again. This task I hope will be performed by that champion of liberty the world over – the British Empire" (14). Likewise, a slew of twentieth century Prime Ministers, including William Lyon Mackenzie King, R.B. Bennett and Lester Pearson expressed similar views. Indeed, so instrumental was Lester B. Pearson in forging support for the partition of Palestine within the fledgling United Nations that Engler notes he was dubbed by some the "'Lord Balfour' of Canada" (24), in reference to British Foreign Secretary Arthur James Balfour whose 1917 declaration promised British support of a Jewish "national home" in Palestine. It is interesting that Pearson also credited his Sunday school lessons for learning that "the Jews belonged in Palestine" (25).

After the creation of the state of Israel in 1948, Engler traces how official Canadian support for the Zionist project continued to the present. This support is sustained not only by a Christian evangelical tradition that links with Israel, but by real ties between Canada and Israel in the spheres of intelligence, military and business, as well as by geopolitical

considerations stemming from American empire. As summarized by Engler, “Canadian policy towards the Middle East has largely been designed to enable U.S. imperial designs on a strategic part of the planet” (133). Thus, in his account, the post-World War Two Canadian Prime Ministers whose policies were relatively more independent of the United States (Trudeau and Chrétien) also presided over “the least ‘Israel no matter what it does’ governments in Canadian history” (134). An entire chapter devoted to the Harper Conservatives illustrates how the current government has provided justifications of Israel’s bombing of Lebanon (2006) and Gaza (2008-2009) as well as having engaged in stronger patterns of voting in the United Nations in support of Israel. While not covered, events around the time of the release of the book suggest the trend continues. In particular, the Conservative government also defunded organizations advocating for, or aiding, Palestinian refugees (for example, Canada’s Christian multi-denominational human rights group KAIROS, as well as UNRWA, the United Nations Relief and Works Agency which has traditionally garnered support from Canada).

Canada and Israel: Building Apartheid is an intervention designed to capture Canada’s role in Israel/Palestine in a way that counters “a pro-Israel perspective” suggested in other books (4). It is not a standard scholarly book which painstakingly outlines supporting and/or competing theories, evidence and interpretation from a variety of sources. It also lacks an index. But it succeeds in providing a strong, clear and compelling narrative that scholars, especially those who address Canadian foreign policy, really need to contend with in scholarship. The work is highly readable and will certainly appeal to a wide audience, perhaps precisely because it is not a standard scholarly book. The author’s knack for picking pithy quotes and examples to substantiate his claims make for memorable reading. I suspect that Engler is right that many Canadian readers on finishing the account provided may be “troubled, upset and even angry at what is being done in their name” (139).

The book’s most formidable value lies in how it identifies ways forward for unions, for activists, and for Canadians of all backgrounds – including Arab and Jewish – to deal with issues relating to Palestinian rights along with the democratization of Canadian foreign policy. It is perhaps not surprising, given its increasing traction, that supporting the Boycott, Divestment and Sanction (BDS) campaign designed to compel the Israeli state’s compliance with international law is featured. But so too are such issues as halting weapons sales to Israel, revoking the Jewish National Fund’s charitable status in Canada in light of its support given to West

Bank settlers, and re-formulating Canadian foreign policy so social justice, rather than empire, comes first. For those committed to progressive social change, this is an important and timely book.

Satgar, Vishwas and Langa Zita, eds. 2009. ***New Frontiers for Socialism in the 21st Century: Conversations on a Global Journey.***

Johannesburg: Co-operative and Policy Alternative Centre. ISBN 9780620412025. Paperback: 13.95 US. Pages: 316.

Reviewed by John S. Saul
York University

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This is an interesting volume, albeit one that has, surprisingly, become rather stale-dated by the time of its appearance. After all, the chapter-length interviews upon which the book is based were carried out in 1998-1999, and the book's publication date is 2009! Fortunately, the reflections of the editors – both prominent younger South African militants – are more up-to-date (as we will have occasion to note below). In addition, the unfortunate fact remains that the world has not changed so very much in the past decade that any apparent stale-dating of the interviews is a fatal flaw: capitalism is still in crisis and, more generally, without any very convincing claim to genuinely human purpose; socialism continues to provide a real and meaningful alternative to capitalism, albeit still very much more in theory than in practice; while even such “socialist theory” needs, as the various interviewees attest, urgent retooling if it is to be taken ever more seriously and to guide ever more effective practice.

For beyond the realm of the “working-class” (itself so often much too rigidly and rhetorically invoked on the left), the imperatives of finding innovative democratic practices and of responding to novel constituencies (women, civil society organizations and the like) as potential components of a new counter-hegemonic thrust have been downplayed, historically, by socialists. The strong original cast of leftist thinkers and activists from around the world who were interviewed for purposes of inclusion of their voices in successive chapters of this volume argue otherwise - albeit to varying degrees but to impressive effect. Thus they ground the continuing importance of working class struggle in their various national sites of struggle while also seeking to push back the frontiers of left imagination as regards the constituency for and the content of possible transformation.

Nonetheless, it is sobering to note that ten years later the global health of socialism is not any more hale than it was at that time – but also that the world’s condition under the continuing hegemony of global capitalism has scarcely improved. We have, in short, both a crisis of capitalism *and* a crisis of the left. Of course, both these crises are the focus of the enlightened reflections of the international array of socialists (including, among others, Prabhat Patnaik, Boris Kagarlitsky, Makoto Itoh, Samir Amin and Hilary Wainwright), from both Global North and South, who have been interviewed by the two editors; such socialists were invited to contemplate the realities of their own revolutionary practice in their own countries and also of role played by them and their comrades as part of a global socialist response to capital’s continued hegemony.

It would be impossible here to summarize the range and diversity of their responses but, the interviewees, linked in both their sobriety and their sustained commitment to struggle, are a source of considerable enlightenment. This is true, not least, of the views of Leo Panitch, our Canadian “representative” in the book, who echoes the call of others for the need to continue to “commit to a socialist alternative simply to be true to ourselves.” But, quite substantively, he calls for both a more “creative Marxism” than ever before and also for the kind of effective practice through which, over the long haul, we can, “like worms in the soil [prepare] the fertile ground” for transformation (77).

A second level, of particular interest to the present author, are the conclusions (more up-to-date, as noted, and even covering the 2009 South African election) written separately by the two overall editors, Vishwas Satgar and Langa Zita (who have also, jointly, written the introduction). As it happens, these two now find themselves deeply disappointed by much that has happened within the ranks of ostensibly left movements (the South African Communist Party, for example) to which they have long been committed. And they are now asking themselves tough questions (with a little help from the global network of comrades they have interviewed in these pages) about their own previous practice and that of their colleagues at home. Here Zita concentrates on synthesizing, effectively, the range of views and points of creative imaginings of the diverse interviewees, but Satgar does something equally interesting: reflecting on the fate and dynamics of socialism in South Africa itself.

In fact, the subtitles of the various sections are sufficiently eloquent and evocative of the thrust of Satgar’s argument to bear repeating here: “The Rise of Neo-Stalinist Populism in South Africa,” “The 2009 Elections and the Political Suicide of the SACP,” “Keeping History Open: The Struggle

for a Democratic Left Project in South Africa.” And he notes both the continuing belief of too many “in a false hope that the ANC-led Alliance will eventually deliver on its promises,” while also affirming that “as we journeyed inside the SACP we were betrayed by the ambitions of a morally, politically and ideologically bankrupt leadership faction.” Now, he concludes as careful argument, we must “reject short-cuts and build in a bottom-up and painstaking way a serious socialist alternative: a democratic left project” (316).

As it happens, I clearly recall my own most intimate interaction with Satgar and Zita in Johannesburg - a decade ago! I had offered, at a seminar which they also attended in Johannesburg, a range of sceptical thoughts about the organized (and, I thought, failed) “left” (by then in or close to power) in South Africa and the nature of what had become its much less than revolutionary vocation. For these views I was vigorously attacked by the two authors (among others) – “panga-packed” (set upon by [figurative] machetes, as the phrase then was). But the prolonged preparation of this book, as well as the continued playing out of the situation in South Africa itself, has given Satgar and Zita the opportunity to reflect. For they now appear to share with me many of the same opinions themselves!

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Let me be clear: I make this last point not in self-defense: I have been wrong – about persons, movements and possibilities – so many times in the course of my own career as a left commentator (and activist) on Africa that, literally, I have little right to so respond. What I can say, however, is that it is gratifying to find younger South African comrades who remain willing to question their own premises and to cast their net widely so as to ask themselves and others what we, those of us of firm but imaginatively flexible left persuasion, might think and do next. In fact, it feels easier to echo, in southern Africa, the old Frelimo slogan from the days of Mozambique’s liberation moment, *A Luta Continua* / “The Struggle Continues,” after reading such a volume.

Angus, Ian, ed. 2010. *The Global Fight for Climate Justice: Anticapitalist Responses to Global Warming and Environmental Destruction*. Halifax: Fernwood. ISBN 978-1-5526-6344-8. Paperback: 24.95 CAD. Pages: 286.

Reviewed by Randolph Haluza-DeLay
King’s University College

The climate change debates need the perspective brought by *The Global Fight for Climate Justice*. Amidst contention over the science and mechanisms to mitigate or adapt, few are willing to face the fact that eliminating the root causes of global environmental degradation cannot be accomplished within the growth imperatives of capitalism. This is the central argument in the nearly four dozen essays by over three dozen writers who present a compelling and explicit socialist analysis grounded in a presumption that capital's accumulation pressure is the root of injustice and environmental degradation.

The first major contribution of this book is this penetrating explication of capitalism as the foundation of global environmental change and its inadequacy to be any solution to the crucial problem of climate change. Capitalism is positioned as the root cause of global climate injustice, that is, the unfair distribution of the costs and future impacts of global climate change. As John Bellamy Foster writes "We must recognize that today's ecological problems are related to a system of global inequality that demands ecological destruction as a necessary condition of its existence" (89).

The second major contribution of the book is that it collects in one place many socialist writings on the topic. Ian Angus is the Canadian founder of *Climate and Capitalism* (<http://climateandcapitalism.com>); he contributes seven of the essays, most of which originated from that website. Many of the other essays have previously appeared in a variety of publications, including *Socialist Resistance* (<http://socialistresistance.org>), whose book arm (Resistance Books) is the British co-publisher. The collection includes speeches by Fidel Castro (as far back as 1992) and Evo Morales, excerpts from John Bellamy Foster and Joel Kovel, statements such as the Bali and Cochabamba Declarations, essays by Hugo Blanco, Patrick Bond, and many others that are well-known in socialist circles. Judy Rebick (Canada) and Derek Wall (UK) contribute forwards.

However, this breadth is also one of the drawbacks of the book as the forty-four essays tend toward repetitiveness. Essays vary in length from a couple pages to Daniel Tanuro's 45-page, 40 point pronouncement that "21st Century Socialists must be Eco-socialists." This essay is worth giving to anyone who needs proselytizing to a cause that combines ecological attention and socialist praxis. And since it appeared in French and is translated by Angus, this is the only English source. Other essays also stand out, including, among others, Terry Townsend's "Capitalism's Anti-ecology Treadmill," Angus' "World Hunger, Agribusiness, Food

Sovereignty” and the (Australian) Socialist Alliance’s ten-step plan for climate action.

The book is divided into eight sections with roughly equal number of contributions. The first Section on “Climate Emergency” is only 17 pages, but that’s probably enough as its accounts of the climate crisis are repeatedly covered in other essays. Following sections include “Starving the Poor,” “False Explanations, False Solutions,” “The Fantasy of Green Capitalism,” “Privatizing the Atmosphere,” and “Voices from the Global South.” Together they present a compelling case that climate change is an injustice and that many proposed mitigation and adaptation mechanisms replicate existing social inequities and structures of privilege. Especially strong is the green capitalism section with its critique of specific market proposals prevalent in the contemporary climate negotiations.

The unrelenting socialist paradigm in the rest of the book makes the “Voices from the Global South” section a startling contrast. Many of these essays are from an indigenous perspective with an explicit spirituality that is in marked contrast to the historical materialist tenor of the rest of the essays. Unfortunately, Canadian Inuit leader Sheila Watt-Cloutier – one of the strongest voices for climate justice – is not included. “Climate Justice” is a camp broader than the socialist tent and perhaps including in the book more perspectives from other campers would have been beneficial for the overall movement.

Also missing is a gender analysis. Considerable research indicates that women face disparate impacts from men, even in the same locales and class positions. An example is Ariel Salleh’s collection, *Eco-Sufficiency and Global Justice: Women Write Political Ecology* (Pluto Press, 2009).

Late in the book comes a section on social movement building that illuminates some of the difficulty of building broad-based social movements. The final section emphasizes, if readers had not gotten the message already, “Ecosocialist Responses to Capitalist Ecocide.” Several contributors acknowledge that “actually existing socialism” has had as dismal an environmental record as capitalism, and socialist movements have just as often ignored environmental sustainability as environmentalists have ignored social justice. The point is, as Angus writes, “To make the greens redder and the reds greener.” Every critique is strengthened by a roadmap to a better future and several essays in these sections offer concrete proposals.

The other main drawback of the collection is that Angus wields an overly light editorial hand. The repetitiveness is one example. The individual essays could have included introductions providing context or

explaining internal references that may not be immediately familiar to many readers. Citations for the original sources of the contributions would be useful. And there is unevenness in referencing - some essays cite sources while others don't, making the book much more difficult to use in an academic setting. Course instructors would likely want to choose a couple of readings from each section to avoid repetition.

Lastly, the implicit theory of justice is limited to distributional inequities, although the environmental justice literature highlights other dimensions of justice. Justice in this book is justice for humans, not for the earth or other parts of the evolutionary order.

Nevertheless, this is a collection that adds value to the campaign for climate justice. It demonstrates the ongoing relevance of socialist analysis and it articulates a clear "ecosocialist" position. For these reasons, *The Global Fight for Climate Justice* is to be recommended.

Harvey, David. 2009. *Cosmopolitanism and the Geographies of Freedom*. New York: Columbia University Press. ISBN 978-0-231-14846-7. Cloth: 31.50 CAD. Pages: 339.

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Reviewed by Steven Tufts
York University

David Harvey's *Cosmopolitanism and the Geographies of Freedom* is based on his 2005 Wellek Library Lectures in Critical Theory delivered at the University of California at Irvine. The lectures make the case for geographic theory as the "propaedeutic" (i.e. the preliminary knowledge or underlying form of instruction) to any meaningful cosmopolitan project. The author's point of departure is to ask how present and past imperialist projects aimed at establishing cosmopolitan rule of law, freedom and liberation lead to contradictory oppressions ranging from imprisonment and torture to occupation and even genocide. For Harvey, contemporary bourgeois cosmopolitanism is neither egalitarian nor oppositional. Its shortcomings are traced to the lack of a rigorous anthropological and geographical understanding necessary to carry the cosmopolitan project beyond Kant's cosmopolitan law - the right of people to receive "hospitable" treatment by other groups as they travel. Instead, Harvey's cosmopolitanism is transformational, capable of realizing "another world" and is based on a relational understanding of the spaces and places in which we live.

The first part of the book is an intervention into recent debates on the knowledge necessary to foreground “a return to cosmopolitan morality,” as led by US scholars such as Martha Nussbaum. Harvey engages thought on universal cosmopolitanism beginning with Kant’s cosmopolitan law as the necessary facilitator of trade and commerce. While Harvey dismisses Kant’s abhorrent racism and environmental determinism within his geographical understanding, he emphasizes Kant’s early appreciation for local differences as the primary challenge to any grand political formation beyond cosmopolitan federalism – a theme Harvey has wrestled with for decades. The author moves to a post-colonial critique of liberal cosmopolitanism and explores how a limited understanding of geography and human attachment to territory was the undoing of the colonial project. Harvey criticizes, however, post-colonial theory which fetishizes the “rootedness” of people in place as absolute (e.g. the work of Uday Singh Mehta). Instead, Harvey prefers to see attachments to place as fluid and moral action (e.g. resistance) derived from multiple relations and universal appeals to justice and equality. The most damning critique (which Harvey could have written in his sleep) is saved for neoliberal utopianism as characterized by Thomas Friedman’s popular “flat earth” thesis. Emphasized here is global capitalism’s production of increasingly uneven and “unflat” economic landscapes which is not merely an outcome, but a requirement of accumulation.

Harvey is also unimpressed by much of the contemporary cosmopolitan theory as developed by Ulrich Beck, David Held and Nussbaum which fails to challenge the neoliberal order. The failure, Harvey argues, stems from conceptions of space and place which are absolute and fail to grasp, in a dialectical manner, the relationality of space-time. The author is much more sympathetic to the “subaltern cosmopolitanism” of Boaventura de Sousa Santos and the work of Iris Marion Young which seeks to eradicate injustice. For Harvey any new cosmopolitan sensibility must reflect upon basic human needs and build upon current, locally particular struggles across the planet.

In the second part of the book Harvey the geographer arrives in full force. In three chapters, Harvey addresses the traditional geographical concepts of space, place and nature. In his discussion of space-time, Harvey provides a synthesis of Marxist frameworks through a matrix which juxtaposes absolute, relative and relational space with Henri Lefebvre’s trinity of experienced, conceived and lived spatio-temporalities (145). In a lucid analysis, Harvey clearly demonstrates how everyday experiences, global flows of capital, legal structures and immaterial spaces of

imagination and memory are interwoven in shifting dialectical relationships. The second concept Harvey addresses is place, a term that is as trendy in social theory as it is chaotic. While space, in the absolute and relative sense, dominates much geographical thinking, Harvey attempts an inversion which situates our local attachments and experiences of place in the forefront of discussions of what might be necessary for a transformative cosmopolitics. For Harvey, places, regions and territories are fluid and penetrable and must be relationally analyzed or we reify the spatial flows and processes (i.e. contemporary capitalism) which consistently destroy and reinvent communities at all scales. Lastly, Harvey inserts his dialectical thinking into a discussion of nature/environment relationships. He saves his most powerful criticism for the popular works by Jared Diamond and Jeffrey Sachs as crude environmental determinism. Harvey rails against the danger of these writers who shift causal powers to the absolute space of physical environments away from the complex and uneven relationships among powerful institutions and states.

In an epilogue, Harvey summarizes what kind of thinking is required for a successful cosmopolitan project. Here both individuals and the states are discussed as material and immaterial; existing in absolute, relative and relational terms. Failure to recognize these relational dialectical foundations limit any cosmopolitanism because we are unable to liberate ourselves from “the narrow confines of that absolute theory of space and time which grounds bourgeois authoritarianism” (280). At the same time, Harvey warns that any emphasis in geographical theory that does not include material spaces risks narcissism and irrelevance.

Harvey has written a welcome contribution to debates in geographical theory. It is also written with passion and humour (with more than one zinger aimed at the geographical ignorance of George W. Bush). Making the case for any discipline to be foundational can be easily interpreted as intellectual vanity, but Harvey makes a strong case that indeed “geography is too important to be left to geographers alone.” The power of his synthesis is derived from its grounding in the Marxist dialectic and decades (if not centuries) of geographic thought. His succinct discussions of key geographical terms that are too often ill defined will be useful to non-geographers and geographers. Yet, this is not an easy book. Harvey cites theorists at significant length, but he assumes the reader is somewhat knowledgeable of sophisticated work by characters ranging from Strabo to Heidegger. What is perhaps more frustrating is that the project is left incomplete. The book requires an entire third act which is absent. Specifically, we need to know how to operationalize the

“propaedeutic” into everyday politics and thought. At the present time, many would be happy to have western school children simply grasp absolute space (i.e. locate countries on a map). Harvey does little to suggest what is practically required to build dialectical geographical thinking into our understandings of our “places” in a world plagued by conflict and competition for resources. If, as Harvey argues, such consciousness is necessary for any meaningful new cosmopolitanism, we surely must turn some attention to how best implement the necessary political project before we run out of both time and space.

Castells, Manuel. 2009. *Communication Power*. Oxford: Oxford University Press. ISBN 9-780199-567041. Hardcover: 42.95 CAD. Pages: 571.

Reviewed by Derek Hrynyshyn
York University

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Manuel Castells’ latest work is a wide-ranging attempt to bring together ideas from different disciplines into a single theorization. He combines cognitive science, media studies, and comparative politics in an ambitious effort to develop a new theory of power. Unfortunately, his ambitions exceed his analytical abilities, producing a work that fails to connect his substantial specific claims with his theoretical conclusions.

Building on his earlier trilogy, *The Information Age: Economy, Society and Culture* (Blackwell, 1996; 1997; 1998), Castells focuses on the relationship between communication and power in what he calls the “network society.” The “network” remains the central concept and he uses it to identify several forms of power: network power, networking power, networked power and network-making power. The differences concern whether power is being exercised over other parts of a network, or over others outside a network, or over entire networks.

Making sense of these concepts requires knowing exactly what a “network” is, but this term is too ambiguous to be helpful. It wasn’t defined clearly in the earlier trilogy, and remains unspecified here; Castells merely supplies the phrase “an interconnected series of nodes” instead of distinguishing networks from other forms of organization. The term “network,” intended to be flexible enough to describe various different

kinds of organizational forms, ends up being so inclusive as to be of little value, providing no basis for understanding different forms of power.

What would be necessary, to show the value of these ideas, is identification of what can't be explained without them, and how these new forms of power help us understand those things better than we could with familiar theories. Instead of justifying his new theoretical system, Castells uses the language of networks to discuss the organization of existing media systems; theories of cognition, emotion and meaning; and recent political developments. These discussions are interesting and important, and combining these discussions to show how important communication is to the exercise of power, and how we need a theory of power that can account for this is valuable. But proposing this synthesis as the basis for a new general description of how power works makes what could have been a helpful book for a general audience into a more demanding work that requires more background but provides little insight.

His insistence on the need for new theories stems from a refusal to identify any particular social force as dominant. For him, the notion that a "power elite" exists is "a simplified image of power in society whose analytical value is limited to some extreme cases" (47). Political, economic and cultural power are all said to operate differently through different networks simultaneously, so we need different theories for different networks. This appears plausible, but as the framework is developed, this kind of pluralistic rubric serves only to justify retheorizing on the basis of the failure of political economy to explain the social world. In particular, he rejects the notion that there is a capitalist class which occupies a central position in the structure of power in our society: "it does have some power, but not over everyone and everything: it is highly dependent on both the autonomous dynamics of global networks and on the decisions of governments in terms of regulations and policies" (44).

This is true in a simple sense, but elsewhere he recognizes the prevalence of deregulation and privatization, particularly in communication industries; an indication that the capitalist class does have power to influence networks of state power. Different networks might organize power differently, but Castells fails to identify any significant network anywhere whose power, goals and organizational principles set it against capital. As a result, his insistence that capital is not at the centre of the structure of social power is simply unconvincing.

His discussion of existing communication systems is a case in point. After introducing the promising concept of "mass self-communication" to describe the way that interactive and distributed networks are used, he

follows with a well-documented analysis of the ownership structure of global media corporations, demonstrating the extent to which the world's communications networks are controlled by a small number of private owners. However, he concludes that, because "a creative audience emerges" in the use of new technologies,

in spite of the growing concentration of power, capital and production in the global communication system, the actual content and format of communication practices are increasingly diversified (136).

This optimism is not backed up by examples of the exercise of power by those who lacked power without the internet, but only through discussion of the potential uses of the internet.

Much of the evidence he does provide fails to support the conclusions he reaches in his discussion of particular political situations. His look at Russian state violence against the media is one example: he is able to provide compelling evidence that the media has been brought under control of the government; his conclusion, however, is that the lack of open debate in the pages of the Russian press is the result of "self-censorship," as if publishers reach their own conclusions about what they ought to cover. Elsewhere he discusses Rupert Murdoch and his influential extreme-conservative Fox News Network yet rejects the idea of the property of the capitalist class as a source of power as "a truly abstract and unverifiable proposition" (430).

Throughout the book, the evidence is anecdotal and unsystematic. The ability to draw on a wide variety of events and facts gives the appearance of a well-supported theory, but few of the particular claims made are convincing. For instance, Obama's electoral success is presented as a victory for "insurgent politics," but the inability of his administration to fulfill campaign promises of a different kind of politics indicates that his win represents more a renewed ability to attract popular support for a rhetorically different version of the same political project. And his discussion of global warming draws on anecdotal evidence to argue that the current awareness of the problem constitutes the beginning of "a deep cultural transformation of societies around the world." (338) The decline in the acceptance of climate science in the US, the Senate's refusal to adopt even weak limits on carbon emissions, and the international community's repeated failure to negotiate a treaty to deal with the problem are all difficult to reconcile with his optimistic view of the potential for change represented by the structure of communication power.

Ultimately, there is little new here except a framework of unhelpfully open-ended concepts. Without specified limits on their meaning, there is no reason to accept his account rather than explanations based on a more traditional political economy of communication. Power is certainly being exercised through communication and Castells deserves some credit for synthesizing discussion of many examples of this into a single volume. But the assembled information doesn't cry out for a new explanation nearly as much as he suggests. Readers are likely to wonder if it is really necessary to create entirely new theories of power to understand how the media use emotional appeals to convince us to support wars, or why the mainstream media are full of celebrity gossip and scandals concerning the private lives of politicians, or how activists can use YouTube and Facebook to reach a large online audience. The efforts are more likely better spent refining existing explanations of the same events.

Newson, Janice and Claire Polster, eds. 2010. ***Academic Callings: The University We Have Had, Now Have, and Could Have***. Toronto: Canadian Scholars' Press. ISBN 9781551303697. Paperback: 34.95 CAD. Pages: 276.

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Reviewed by Diane Meaghan
Seneca College of Applied Arts and Technology

During the past few decades, many texts have addressed the way that world economies have become increasingly linked through state intervention, expanded international trade in goods and services and investments by regional, national and transnational corporations and businesses. A no less important aspect of globalization concerns the manner in which universities are now viewed by the state and corporations as an important source of knowledge innovation. The authors of *Academic Callings* persuasively argue that the transformation of power and knowledge relations in universities is a reflection of the changing political economy of the Canadian state that increasingly serves corporate interests. The various contributors, including some of Canada's pre-eminent scholars and members of the next generation of academics, examine the exogenous policies of government under-funding and corporate pressures as well as the endogenous practices of administrative and select faculty that have compelled post-secondary institutions to adopt

a managerial/entrepreneurial approach which has altered the structure and purpose of higher education.

The text is composed of five sections with twenty nine chapters in total. The first section entitled "Against All Reason: Wake-Up Calls," provides an interwoven and wide-ranging discussion of the implementation of a neo-liberal agenda, using market mechanisms to induce universities to become engines of economic growth. The book opens with Claire Polster discussing restructuring initiatives that have taken place due to the absence of shared governance between administration and faculty and the centralization of power and decision-making accumulating in administrative functions. A number of authors stress that as knowledge is treated as a commodity, universities actively seek to establish partnerships with corporations and industries, resulting in the redirection of funds from core activities of teaching and basic research to an expansion of administrative functions occupied with fund raising and faculty engaged in applied research.

A distinguishing feature of the book is that it offers unique and rich insights into the impact of institutional restructuring on the scholarly work of teaching, research and community service in "Taking Stock of Personal and Institutional Histories: Calls to Account," the second section of the book. Andrew Warnick recollects the days when professors were "radical activists," followed by the massification of education and more recently the introduction of policies and practices that have led to corporatization, commercialization and entrepreneurship. Professor Emeritus, Dorothy Smith, recalls the loss of a process that was relatively democratic and cooperative with a substantive role for faculty and students in decision-making that occurred when the Ontario Institute for Studies in Education (OISE) was amalgamated with the University of Toronto. Gordon Shrimpton provides a chilling tale of restraints levied against the British Columbia university system by the provincial government in the early 1980s, which posed threats to the independence of these institutions, tenure and the ability of faculty to pursue their own research interests. Bruce Curtis, on the other hand, laments the growing dependency on student tuition fees and academic problems associated with credential inflation.

In the third section of the text entitled "Between a Rock and a Hard Place: Calls to Administrative Leadership," Howard Woodhouse's compelling discussion concerns the way university administrators are part of the process to intensify commercial research and privatize university education, while Mary Ellen Purkis struggles with the complicity of some

faculty who favour privatizing research activities of the university. As part of the overarching theme of the fourth section of text, "Making Space: Calls to Open Paths," Jamie Magnusson highlights the ways she interrupts a corporate agenda by work towards equity based on utilizing theories of feminism, anti-racism and post colonialism. Jo-Ann Archibald details the institutional barriers that were overcome in developing Aboriginal epistemologies and methodologies within mainstream programs at the University of British Columbia. In struggling for equality to move women from outside to inside the academy, Joan Sangster similarly articulates the difficulties previously encountered in teaching feminist history and the limited number of women in graduate schools. The plight of contingent faculty that plagues the current generation of predominantly female faculty is taken up by Elizabeth Whitmore, who calls for a model of employment that is democratic and values the importance of participation.

In "Regenerating Publics: Calls to Collectivity," the authors in the fifth and final section of the text envision a new role for universities. In recalling the earlier struggles against forces of colonialism, capitalism and sexism within these institutions, Len Findlay issues a challenge regarding the current dilemma of commercial values supplanting intellectual interests. He advocates democratic governance rather than decision-making based on arbitrary hierarchies, and a shift to a co-operative rather than a competitive style of administering universities. Professor Emeritus, Frank Cunningham, invokes John Dewey's concept of education for citizenship, similarly calling for the preservation of academic freedom, the maintenance of high intellectual standards and the protection of academic pursuits from outside interference.

Concern about the lack of research funding for environmental and social justice issues by the Social Science and Humanities Research Council (SSHRC) and the subsequent heightened pressure on faculty to seek external funding, Barbara Neis details the adoption of a discovery-based method of applied and collaborative research as a strategy of resistance to a culture of commercialization. The final chapter of the book is authored by Janice Newson and focuses on a diminished view of the university that endorses an entrepreneurial rather than an educational model of higher education. In providing a personal and political history of the corporate transformation that has taken place over the past four decades at York University, she speaks to the critical space that must be re-established in higher education to restore a distinctive educational purpose for teaching, research, scholarship and learning.

In sum, the book is very valuable in providing an understanding of the effects on the professoriate, scholarship and the public at large with respect to the ways power-knowledge relations have been produced and sustained in universities under late-stage capitalism. This comprehensive collection of articles makes a unique and important contribution to depicting the complex nature of the relationship among the state, the university and the market. The authors advocate for the preservation and advancement of knowledge by returning to a system of faculty empowerment, academic self-governance and administrative reform. As an informative volume, *Academic Callings* is thought provoking for those interested in the topic of educational globalization with a reasoned call to create a teaching, learning and research environment for the greater good.